

CIRCULAR DATED 31 MARCH 2010

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in doubt as to the course of action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all your shares in the capital of Parkway Holdings Limited ("**Parkway**" or the "**Company**"), you should immediately forward this Circular and the attached Proxy Form to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

Singapore Exchange Securities Trading Limited assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Circular.



(Incorporated in the Republic of Singapore)
(Company Registration Number: 197400320R)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

- (I) THE PROPOSED ADOPTION OF THE PARKWAY SHARE OPTION SCHEME 2010 (THE "OPTION SCHEME"); AND**
- (II) THE PROPOSED GRANT OF AUTHORITY TO OFFER AND GRANT OPTION(S) UNDER THE OPTION SCHEME AT A DISCOUNT NOT EXCEEDING 20% OF THE MARKET PRICE (AS DEFINED HEREIN).**

IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form	:	14 April 2010 at 11.15 a.m.
Date and time of Extraordinary General Meeting	:	16 April 2010 at 11.15 a.m. (or as soon as practicable thereafter following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 11.00 a.m. on the same day and at the same place)
Place of Extraordinary General Meeting	:	The Lecture Theatre Level 3, Gleneagles Hospital 6A Napier Road Singapore 258500

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DEFINITIONS

The following definitions shall apply throughout unless the context requires otherwise or unless otherwise stated in the Circular:

- “Act”** : The Companies Act, Chapter 50 of Singapore, as may be amended or modified from time to time
- “Articles”** : The articles of association of the Company, as may be amended or modified from time to time
- “Associate”** : (a) In relation to any director, chief executive officer, substantial shareholder or Controlling Shareholder (being an individual) means:
- (i) his Immediate Family;
 - (ii) the trustee of any trust of which he or his Immediate Family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
 - (iii) any company in which he and his Immediate Family together (directly or indirectly) have an interest of 30% or more; and
- (b) in relation to a substantial shareholder or a Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more
- “Board”** : The board of directors of the Company
- “CDP”** : The Central Depository (Pte) Limited
- “Circular”** : This circular to Shareholders dated 31 March 2010 in relation to the Option Scheme
- “Committee”** : A committee comprising Directors who are duly authorised and appointed by the Board pursuant to Rule 16 of the Option Scheme to administer the Option Scheme
- “Company” or “Parkway”** : Parkway Holdings Limited
- “Control”** : The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of that company being controlled
- “Controlling Shareholder”** : A person who (a) holds directly or indirectly 15% or more of the total number of issued Shares excluding Treasury Shares in the Company (unless the SGX-ST determines otherwise); or (b) a person who in fact exercises control over the Company, as defined under the Listing Manual
- “CPF”** : Central Provident Fund
- “CPF Approved Nominees”** : Agent banks included under the CPFIS

DEFINITIONS

“CPFIS”	:	Central Provident Fund Investment Scheme
“Date of Grant”	:	The date on which an Option is granted to a Participant pursuant to Rule 7 of the Option Scheme
“Director”	:	A person appointed as a director, including non-executive director and independent director of the Company
“EGM”	:	The extraordinary general meeting of the Company, notice of which is set out on page 50 of this Circular
“EPS”	:	Earnings per Share
“Executive Director”	:	A director of any member of the Group who performs an executive function
“Exercise Period”	:	The period during which an Option is exercisable, being a period commencing after the first or second anniversary of the Date of Grant of the Option (as may be prescribed under the Option Scheme) and expiring on the fifth anniversary of the Date of Grant of the said Option
“Exercise Price”	:	The price at which a Participant shall subscribe for each Share upon the exercise of an Option, as determined in accordance with Rule 9 of the Option Scheme, or such adjusted price as may be applicable pursuant to Rule 10 of the Option Scheme
“FY”	:	Financial year ended, or as the case may be, ending 31 December
“Group”	:	The Company and its subsidiaries
“Immediate Family”	:	A person’s spouse, child, adopted child, step-child, sibling and parent, or such other definition as the SGX-ST may from time to time require
“Latest Practicable Date”	:	22 March 2010, being the latest practicable date prior to the printing of this Circular
“Listing Manual”	:	The listing manual of the SGX-ST, as may be amended or modified from time to time
“Market Day”	:	A day on which SGX-ST is open for securities trading
“Market Price”	:	The average of the last dealt prices for a Share determined by reference to the daily Official List published by the SGX-ST (or such other publication(s) as may be determined by the Committee) for a period of 3 consecutive Market Days immediately prior to the relevant Date of Grant, provided always that in the case of a Market Day on which the Shares of the Company were not traded on the SGX-ST, the last dealt price for Shares on such Market Day shall be deemed to be the last dealt price of the Shares on the immediately preceding Market Day on which the Shares were traded, rounded up to the nearest whole cent in the event of fractional prices

DEFINITIONS

“ New Shares ”	:	The new Shares which may be allotted and issued from time to time pursuant to the exercise of the Option(s)
“ Non-Executive Director ”	:	A director of any member of the Group other than an Executive Director but including the independent directors
“ Notice of EGM ”	:	The notice of EGM as set out on page 50 of this Circular
“ NTA ”	:	Net tangible assets
“ Option ”	:	The right to subscribe for Shares granted or to be granted to a Participant pursuant to the Option Scheme
“ Option Holder ”	:	The holder of an Option
“ Option Scheme ”	:	The proposed Parkway Share Option Scheme 2010, as may be amended or modified from time to time
“ Option Shares ”	:	Shares obtained pursuant to an exercise of the Option(s)
“ Ordinary Resolutions ”	:	The ordinary resolutions as set out in the Notice of EGM
“ Participant ”	:	Any director or confirmed executive of the Group selected by the Committee to participate in the Option Scheme in accordance with Rule 4 of the Option Scheme
“ Securities Account ”	:	The securities account maintained by a Depositor with CDP but does not include a securities sub-account maintained with a Depository Agent
“ SGX-ST ”	:	Singapore Exchange Securities Trading Limited
“ Shareholders ”	:	Registered holders of Shares except that where the registered holder is CDP, the term “ Shareholders ” shall, in relation to such Shares and where the context admits, means the persons named as Depositors in the Depository Register and whose Securities Accounts maintained with CDP are credited with the Shares
“ Shares ”	:	Ordinary shares in the capital of the Company
“ S\$ ” and “ cents ”	:	Singapore dollars and cents respectively, the lawful currency of the Republic of Singapore
“ % ” or “ per cent. ”	:	Percentage or per centum

The expressions “**Depositor**”, “**Depository Agent**” and “**Depository Register**” shall have the meanings ascribed to them respectively in Section 130A of the Act.

The term “**Treasury Shares**” shall have the meaning ascribed to it in Section 4 of the Act.

The term “**subsidiary**” shall have the meaning ascribed to it in Section 5 of the Act.

Words denoting the singular shall, where applicable, include the plural and *vice versa* and words denoting the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall, where applicable, include corporations.

DEFINITIONS

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word or term defined under the Act or the Listing Manual or any statutory modification thereof, and used in this Circular shall, where applicable, have the meaning assigned to it under the Act or the Listing Manual or any such statutory modification thereof, as the case may be, unless otherwise provided.

Any reference to a time of day and dates in this Circular shall be a reference to Singapore time and dates, unless otherwise stated.

Any discrepancies in figures included in this Circular between the amounts listed and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Circular may not be an arithmetic aggregation of the figures that precede them.

LETTER TO SHAREHOLDERS

PARKWAY HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 197400320R)

Directors:

Mr Malvinder Mohan Singh (Chairman)
Mr Richard Seow Yung Liang (Vice Chairman)
Dr Lim Cheok Peng (Executive Vice Chairman/Managing Director)
Dr Tan See Leng (CEO Designate)
Mr Alain Ahkong Chuen Fah
Mr Chang See Hiang
Mr Balinder Singh Dhillon
Mr Sunil Godhwani
Dato' Mohammed Azlan b. Hashim
Mr Ho Kian Guan
Mr Ganendran Sarvananthan
Mr Ashish Jaiprakash Shastry
Mr Shivinder Mohan Singh
Mr Ho Kian Hock (Alternate Director to Mr Ho Kian Guan)
Mr Ahmad Shahizam b. Mohd. Shariff (Alternate Director to Mr Ganendran Sarvananthan)

Registered Office:

111 Somerset Road
#15-01 TripleOne Somerset
Singapore 238164

31 March 2010

To: The Shareholders of Parkway Holdings Limited

Dear Sir/Madam

- (I) **THE PROPOSED ADOPTION OF THE PARKWAY SHARE OPTION SCHEME 2010 (THE "OPTION SCHEME"); AND**
- (II) **THE PROPOSED GRANT OF AUTHORITY TO OFFER AND GRANT OPTION(S) UNDER THE OPTION SCHEME AT A DISCOUNT NOT EXCEEDING 20% OF THE MARKET PRICE.**

1. INTRODUCTION

1.1 EGM

The Directors are convening an EGM to be held on 16 April 2010 at 11.15 a.m. (or as soon as practicable thereafter following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 11.00 a.m. on the same day and at the same place) to seek Shareholders' approval for the proposed adoption of the Option Scheme and the proposed grant of authority to offer and grant Option(s) under the Option Scheme at a discount not exceeding 20% of the Market Price.

The Company has a share option scheme known as the Parkway Share Option Scheme 2001 (the "**2001 Scheme**"). The 2001 Scheme will expire on 17 January 2011. In view of the impending expiry of the 2001 Scheme, the Company wishes to adopt the Option Scheme (the details of which are set out in this Circular) in substitution for the 2001 Scheme upon approval of Shareholders being obtained for the Option Scheme at the EGM. Please refer to Section 6 of this Circular for details on the 2001 Scheme.

LETTER TO SHAREHOLDERS

1.2 Circular

The purpose of this Circular is to provide the Shareholders with information relating to, and to seek the approval of Shareholders for the proposals to be tabled at the EGM.

1.3 Listing of New Shares

SGX-ST had on 22 March 2010 granted in-principle approval for the listing and quotation of the New Shares on the Official List of the SGX-ST, subject to Shareholders' approval for the Option Scheme, and the Company's compliance with SGX-ST's listing requirements and guidelines. Such in-principle approval and the admission to, and quotation of the New Shares on the Official List of SGX-ST is not to be taken as an indication of the merits of the Company and/or its subsidiaries, the New Shares and the Option Scheme.

2. THE OPTION SCHEME

2.1 Rationale for the Option Scheme

The Company recognises the importance of acknowledging contributions made by executives and Directors to the success and development of the Group.

The purpose of the Option Scheme is to provide an opportunity for executives of the Company and its subsidiaries who have contributed significantly to the growth and performance of the Group, as well as Directors who satisfy the eligibility criteria as set out in Rule 4 of the Option Scheme, to participate in the equity of the Company so as to motivate them to greater dedication, loyalty and higher standards of performance, and to give recognition to past contributions and services. Additionally, the Option Scheme will help the Group to attract and retain the services of appropriate, qualified and experienced executives who would be able to contribute to the Group's business and operations.

The Option Scheme is primarily a share option scheme. It recognises the fact that the services of executives and Directors are important to the success and continued well-being of the Group. At the same time, it will give such executives and Directors an opportunity to obtain a direct interest in the Company and will help to achieve the following positive objectives:

- (i) to motivate Participants to optimise their performance standards and efficiency and to maintain a high level of contribution to the Group;
- (ii) to retain key executives whose contributions are essential to the long-term growth and profitability of the Group;
- (iii) to instill loyalty to, and reinforce a stronger identification by Participants with the long-term prosperity of the Group;
- (iv) to attract potential executives with relevant skills to contribute to the Group and to create value for Shareholders; and
- (v) to align the interests of Participants with the interests of Shareholders.

LETTER TO SHAREHOLDERS

2.2 Summary of the rules of the Option Scheme

The rules of the Option Scheme are set out in Appendix A to this Circular. A summary of the rules are as follows:

2.2.1 Eligibility

Subject to the absolute discretion of the Committee, Participants who have attained the age of 21 years on or prior to the relevant Date of Grant, are not undischarged bankrupts, have not entered into a composition with their respective creditors, and, where applicable, who have, as of the Date of Grant, been in the employment of the Company or its subsidiaries for a period of at least 12 months, or such shorter period as the Committee may determine, shall be eligible to participate in the Option Scheme.

Controlling Shareholders and their Associates shall not be eligible to participate in the Option Scheme.

2.2.2 Entitlements

The number of Shares comprised in Option(s) offered to a Participant shall be determined at the absolute discretion of the Committee who shall take into account, where applicable, criteria such as rank, past performance, years of service and potential contribution of the Participant.

2.2.3 Size of the Option Scheme

The aggregate number of Shares (comprising New Shares issued and issuable in respect of the Option(s) granted under the Option Scheme and/or Treasury Shares delivered in respect of the Option(s)) over which the Committee may offer to grant Option(s) on any date, when added to:

- (i) the aggregate number of new Shares issued and issuable in respect of all other share-based incentive schemes of the Company (if any); and
- (ii) the number of Treasury Shares delivered in respect of the options granted under all other share-based incentive schemes of the Company (if any),

shall not exceed 15% of the total issued Shares (excluding Treasury Shares) of the Company on the date immediately preceding the Date of Grant.

2.2.4 Date of Grant

The Committee may offer to grant Option(s) in its absolute discretion at any time during the period when the Option Scheme is in force, except that no offer to grant Option(s) shall be made during the period of 1 month immediately preceding the date of announcement of the Company's full-year result and 2 weeks before the announcement of the results of the Company for each of the first, second and third quarters of its financial year (as the case may be).

LETTER TO SHAREHOLDERS

In addition, in the event that an announcement of any matter of an exceptional nature involving unpublished price sensitive information is made, the Committee may offer to grant Option(s) on or after the second Market Day after such announcement has been released.

2.2.5 Acceptance of Offer

The grant of an Option must be accepted not later than 5.00 p.m. on the thirtieth (30th) day from such Date of Grant. The Option Holder must complete, sign and return to the Company the acceptance form accompanied by payment of S\$1 as consideration or such other amount and such other documentation as the Committee may require.

2.2.6 Exercise Price

Subject to any adjustment pursuant to Rule 10 of the Option Scheme, the Exercise Price for each Share in respect of which an Option is exercisable shall be determined by the Committee at its absolute discretion, and fixed by the Committee at:

- (a) the Market Price; or
- (b) a price which is set at a discount to the Market Price, the quantum of such discount to be determined by the Committee in its absolute discretion, provided that the maximum discount which may be given in respect of any Option shall not exceed 20% of the Market Price. In the event that SGX-ST prescribes or permits a higher percentage of discount, the Company will seek Shareholders' approval for the increase in discount at a general meeting.

Upon the exercise of an Option, the Company may either allot and issue New Shares or transfer Treasury Shares to the Option Holder in accordance with Rule 12 of the Option Scheme.

2.2.7 Alteration of Capital

If a variation in the issued share capital of the Company (whether by way of a capitalisation of profits or reserves or rights issue or reduction, subdivision, consolidation or distribution, or otherwise howsoever) should take place, then:

- (a) the Exercise Price in respect of the Shares comprised in the Option to the extent unexercised; and/or
- (b) the number of Shares comprised in the Option to the extent unexercised and the rights attached thereto; and/or
- (c) the number of Shares in respect of which additional Option(s) may be granted to Option Holders,

may, at the discretion of the Committee, be adjusted in such manner as the Committee may determine to be appropriate and except in relation to a capitalisation issue, upon the written confirmation of the auditors of the Company (acting only as experts and not as arbitrators), that in their opinion, such adjustment is fair and reasonable.

LETTER TO SHAREHOLDERS

No such adjustment shall be made if as a result, the Option Holder receives a benefit that a Shareholder does not receive; and unless the Committee, after considering all relevant circumstances, considers it equitable to do so.

The issue of securities as consideration for an acquisition of any assets by the Company or a private placement of securities or the cancellation of issued Shares purchased or acquired by the Company by way of a market purchase of such Shares, in accordance with the Listing Manual, undertaken by the Company on the SGX-ST during the period when a share purchase mandate granted by the Shareholders (including any renewal of such mandate) is in force, will not be regarded as a circumstance requiring adjustment under the provisions of Rule 10 of the Option Scheme.

Upon any adjustment required to be made, the Company shall notify each Option Holder (or his duly appointed personal representative(s)) in writing and deliver to him (or, where applicable, his duly appointed personal representative(s)) a statement setting forth the new Exercise Price thereafter in effect and the number of Shares thereafter comprised in the Option so far as unexercised. Any adjustment shall take effect on the date stated as the effective date of such adjustment in the written notice to the Option Holder.

2.2.8 Exercise Period

Option(s) granted with the Exercise Price set at Market Price shall only be exercisable, in whole or in part, at any time, by an Option Holder during the Exercise Period which shall commence after the first anniversary of the Date of Grant of the Option(s), failing which all unexercised Option(s) shall immediately lapse and become null and void and the Option Holder shall have no claim against the Company.

Option(s) granted with the Exercise Price set at a discount to Market Price shall only be exercisable, in whole or in part, at any time, by an Option Holder during the Exercise Period which shall commence after the second anniversary of the Date of Grant of the Option(s), failing which all unexercised Option(s) shall immediately lapse and become null and void and the Option Holder shall have no claim against the Company.

An Option shall, to the extent unexercised (including any Option which is then not yet exercisable), immediately lapse and become null and void (unless the Committee shall in its absolute discretion permits the Option Holder to exercise any of the unexercised Option within such period(s) as the Committee shall determine) and the Option Holder shall have no claim against the Company:

- (a) subject to Rule 11 of the Option Scheme, upon the Option Holder ceasing to be in the employment (or in the case where the Option Holder is a Director, ceasing to be a director) of the Company or its subsidiary for any reason whatsoever;
- (b) upon the bankruptcy of the Option Holder or the happening of any other event which result in his being deprived of the legal or beneficial ownership of such Option; or
- (c) in the event of misconduct on the part of the Option Holder, as determined by the Committee in its absolute discretion.

For the above purpose, the Option Holder shall be deemed to have ceased to be so employed (or in the case where the Option Holder is a Director, ceased to be so appointed) as of the date of expiry of the notice of termination of employment or

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resignation tendered by or is given to him (as the case may be), unless such notice shall be withdrawn prior to its effective date or unless as determined by the Committee.

If an Option Holder ceases to be employed by the Company or its subsidiary by reason of his ill health, injury or disability, in each case, as certified by a medical practitioner approved by the Committee, redundancy, retirement at or after a normal retirement age or retirement before that age with the consent of the Committee, or for any other reason approved in writing by the Committee, he may, at the absolute discretion of the Committee exercise any unexercised Option(s) within the period of 6 months (or such other period as shall be determined in the absolute discretion of the Committee) after the date of such cessation of employment or within the relevant Exercise Period, whichever is earlier, and upon the expiry of such period, the Option(s) remaining unexercised shall immediately lapse and become null and void.

If an Option Holder ceases to be employed by a subsidiary by reason of the subsidiary by which he is principally employed, ceasing to be a company within the Group, the undertaking or part of the undertaking of such subsidiary, being transferred otherwise than to another company within the Group, or for any other reason, provided the Committee gives its consent in writing, he may, at the absolute discretion of the Committee, exercise any unexercised Option(s) within the period of 6 months (or such other period as shall be determined in the absolute discretion of the Committee) after the date of such cessation of employment or within the relevant Exercise Period, whichever is earlier, and upon the expiry of such period, the Option(s) remaining unexercised shall immediately lapse and become null and void.

If an Option Holder dies and at the date of his death holds any unexercised Option(s), such Option may, at the absolute discretion of the Committee, be exercised by the duly appointed legal personal representative(s) of the Option Holder within the period of 12 months (or such other period as shall be determined in the absolute discretion of the Committee) after his death or within the relevant Exercise Period, whichever is earlier, and upon the expiry of such period, the Option(s) remaining unexercised shall immediately lapse and become null and void.

2.2.9 Duration of the Option Scheme

The Option Scheme shall continue to be in force at the discretion of the Committee, subject to a maximum period of 10 years, commencing on the date on which the Option Scheme is adopted by Shareholders at a general meeting. Subject to compliance with any applicable laws and regulations in Singapore, the Option Scheme may be continued beyond the above stipulated period with the approval of Shareholders by ordinary resolution at a general meeting and of any relevant authorities which may then be required.

2.2.10 Administration of the Option Scheme

The Option Scheme shall be administered by the Committee in its absolute discretion with such powers and duties as are conferred on it by the Board.

A Director who is a member of the Committee shall not be involved in the deliberation in respect of Option(s) to be granted to him.

LETTER TO SHAREHOLDERS

2.2.11 Voting, dividend and other rights

Shares allotted and issued or Treasury Shares which are transferred, upon the exercise of an Option shall be subject to all provisions of the Memorandum and Articles of Association of the Company and shall rank *pari passu* in all respects with the then existing issued Shares in the capital of the Company except for any dividends, rights (including voting rights), allotments or other distributions, the record date for which falls prior to the date of issue or transfer (as the case may be) of the said Shares.

3. THE AUTHORITY TO GRANT OPTION(S) AT A DISCOUNT

In accordance with Rule 845(5) of the Listing Manual and Rule 9.1 of the Option Scheme, the making of offers and grants of Option(s) under the Option Scheme at a discount not exceeding the maximum discount of 20% of the Market Price is subject to the approval of Shareholders at a general meeting. For the avoidance of doubt, such prior approval shall be required to be obtained only once, and once obtained, shall, unless revoked, authorise the making of offers and grants of Option(s) under the Option Scheme at such discount for the duration of the Option Scheme.

Under the Option Scheme, the Exercise Price of Option(s) granted shall be determined by the Committee at its absolute discretion. The Committee has the discretion to grant Option(s) with an Exercise Price set at a discount to the Market Price on a case by case basis, taking into consideration, including but not limited to, the criteria set out under Rule 9.2 of the Option Scheme. In the event that Option(s) are granted at a discount, the discount shall not exceed 20% of the Market Price.

The ability to offer Option(s) at a discount to the Market Price of the Shares will give the Company flexibility in structuring the Option(s) granted, and ensures that the Company maintains the competitiveness of its compensation strategy. The Company may utilise the Option(s) as a means to reward Participants for their outstanding performance and to motivate them to continue to excel, as well as attract new talent for the Company. Being able to grant Option(s) at a discount allows the Company to acknowledge a Participant's contributions where such means is more meaningful than just paying a cash bonus, as these Option(s) operate as a form of cashless reward from the Company with a greater potential for capital appreciation than Option(s) granted at the Market Price. This serves as an additional method available to the Company for compensating executives rather than merely through salaries, salary increments and cash bonuses as it enables the Company to introduce an effective manner of motivating Participants to maximise their performance, which will in turn create better value for the Shareholders.

Further, because Option(s) granted with a discount under the Option Scheme are subject to a longer vesting period (2 years) than those granted at the Market Price (1 year), holders of such Option(s) are encouraged to have a long-term view of the Group, thereby promoting staff and executive retention and reinforcing their commitment to the Group.

The Company believes that the maximum 20% discount to the Market Price of the Shares is sufficient to allow for flexibility in the Option Scheme, while minimising the potential dilutive effect to the Shareholders arising from the Option Scheme.

LETTER TO SHAREHOLDERS

4. PARTICIPATION OF, AND GRANT OF OPTION(S) TO NON-EXECUTIVE DIRECTORS

4.1 Participation of the Option Scheme by Non-Executive Directors

It is proposed that the Option Scheme be extended to Non-Executive Directors.

Non-Executive Directors, although not involved in the day-to-day running of the Group's business, work closely with the Company and the Group, and are in a position to provide valuable input and contribute their experiences, knowledge and expertise to the success of the Group. As such, the Company believes that it is desirable that participation in the Option Scheme be extended to the Non-Executive Directors.

The Non-Executive Directors receive nominal directors' fees for their contributions and services. Other than directors' fees, the Non-Executive Directors receive no additional remuneration or compensation. As such, the Board proposes to allow such Non-Executive Directors to participate in the Option Scheme in order to acknowledge and give recognition to their valuable services and contributions, as it may not always be possible to compensate them fully or appropriately by increasing the directors' fees or other forms of cash payment. For example, a particular Non-Executive Director may contribute more than just by fulfilling his duties as a Non-Executive Director. He may bring strategic and other value to the Company, which may be difficult to quantify in monetary terms. The grant of Option(s) to Non-Executive Directors will allow the Company to attract and retain experienced and qualified persons from different professional backgrounds to join the Company and/or the Group as Non-Executive Directors, and to motivate existing Non-Executive Directors to take extra efforts to promote the interests of the Company and the Group.

At the same time however, the Board recognises that the services and contributions of the Non-Executive Directors cannot be measured in the same way as those full-time executives of the Group. Hence, any Option(s) that may be offered and granted to any Non-Executive Director would be intended only as a token of the Company's appreciation. In addition, the Company is mindful of ensuring that the granting of Option(s) to independent Non-Executive Directors does not compromise their independent status. In this regard, it is envisaged that the aggregate number of Shares in respect of which Option(s) would be granted to independent Non-Executive Directors over the entire duration of the Option Scheme will form a relatively small percentage of both the number of Shares over which options will be granted to other Participants, as well as the total number of Shares over which Option(s) may be granted under the Option Scheme.

In deciding whether to grant Option(s) to the Non-Executive Directors, the Committee will take into consideration, among other things, the services and contributions made to the growth of the Group, attendance and participation in meetings and the years of service of a particular Non-Executive Director. The Committee may also, where it considers relevant, take into account other factors such as the economic conditions and the Company's performance.

In order to minimise the potential conflict of interests and not to compromise the independence of the Company's independent directors, it is intended that a small number of Options shall be granted to independent Non-Executive Directors.

4.2 Rationale for the participation by the Non-Executive Directors

As at the Latest Practicable Date, the Non-Executive Directors of the Company who will be eligible to participate in the Option Scheme are Mr Richard Seow Yung Liang, Mr Alain Ahkong Chuen Fah, Mr Chang See Hiang, Mr Balinder Singh Dhillon, Mr Sunil Godhwani, Dato' Mohammed

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Azlan b. Hashim, Mr Ho Kian Guan, Mr Ganendran Sarvananthan, Mr Ashish Jaiprakash Shastri, Mr Ho Kian Hock and Mr Ahmad Shahizam b. Mohd. Shariff.

Mr Richard Seow Yung Liang was elected as the Vice Chairman of the Board when he stepped down as the Chairman on 19 March 2010. A former investment banker with over 16 years of industry experience, he was previously with Citigroup, Goldman Sachs and JP Morgan. Richard is the Chairman of the Anglo-Chinese School Board of Governors, Chairman of Republic Polytechnic, Singapore, and a member of the Singapore Sports Council.

Mr Alain Ahkong Chuen Fah is the Chairman of the Audit & Risk Management Committee of the Company. Currently a Director of Pioneer Management Services Pte Ltd, Alain also holds directorships in several companies, including listed company, Hup Soon Global Corporation Limited.

Mr Chang See Hiang sits on various committees of the Company. An Advocate and Solicitor of the Supreme Court of Singapore, he is the Senior Partner of his own law firm, Messrs Chang See Hiang & Partners. He is also a Director of Jardine Cycle & Carriage Limited, MCL Land Limited, Yeo Hiap Seng Limited and STT Communications Ltd.

Mr Balinder Singh Dhillon is a Non-Executive, Independent Director of Fortis Healthcare Limited, a listed company in India. Having worked with corporate houses such as Hindustan Unilever Limited and INTRIA Items Inc., a wholly owned subsidiary of CIBC Bank, Canada, he has approximately 16 years of experience in corporate laws, governance, strategic planning and implementation. He was a member of the Board of Directors of Ranbaxy Laboratories Ltd, a multi billion dollar multinational pharmaceutical company. Mr Dhillon graduated from the Punjab University and is a member of the Institute of Company Secretaries of India and the Bar Council of India. He holds a Master of Laws degree from McGill University, Canada. As a member of the Law Society of Upper Canada, he completed his accreditation under a Certificate of Qualification equivalent to a Graduate of Law through the Law Faculty, University of Toronto, Canada.

Mr Sunil Godhwani is the CEO and Managing Director of Religare Enterprises Limited. He has a diverse and wide-ranging experience of over two decades in managing large scale businesses. Mr Godhwani has given strategic direction to Religare's growth since his joining in 2001 and has been instrumental in establishing Religare's vast network and shaping Religare's strategies in India and abroad. Mr Godhwani brings strong leadership skills, vigor and a passion for excellence. He believes in nurturing a culture that is entrepreneurial, result oriented, customer focused and based on teamwork. Mr Godhwani is a Director in Religare Enterprises Limited, Religare Securities Limited, Religare Finvest Limited, Religare Commodities Limited, Religare General Insurance Company Limited, Religare Technova Limited, Religare Venture Capital Limited, Super Religare Laboratories Limited, Religare Macquarie Wealth Management Limited, AEGON Religare Life Insurance Company Limited, Vistaar Religare Capital Advisors Limited, Religare Voyages Limited and Fortis Healthcare Limited. Mr Sunil Godhwani is a graduate in chemical engineering and has a master's degree in industrial engineering and finance from Polytechnic Institute, New York.

Dato' Mohammed Azlan b. Hashim is currently Chairman of Aseana Properties Limited, Westcomb Financial Group Limited and Asiasons Capital Limited (formerly known as Integra2000 Ltd). In Malaysia, Azlan is a board member of various government and non-government related organisations including Khazanah Nasional Berhad, Labuan Offshore Financial Services Authority and member of Employees Provident Fund Investment Panel. Azlan also serves as Chairman of several public listed entities, listed on Bursa Malaysia Securities Berhad including D&O Ventures Berhad and SILK Holdings Berhad. He is also a director of Scomi Group Bhd. He

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has extensive experience working in the corporate sector, including financial services and investments. Among others, he has served as Chief Executive, Bumiputra Merchant Bankers Berhad, Group Managing Director, Amanah Capital Malaysia Berhad and Executive Chairman, Bursa Malaysia Berhad (formerly known as Kuala Lumpur Stock Exchange) Group. Azlan holds a Bachelor of Economics from Monash University, Melbourne and qualified as a Member of the Institute of Chartered Accountants, Australia. He is a Fellow Member of the Institute of Chartered Accountants, Australia, Member of The Malaysian Institute of Accountants, Fellow Member of Malaysian Institute of Directors, Fellow Member of the Institute of Chartered Secretaries and Administrators and Hon. Member of The Institute of Internal Auditors, Malaysia.

Mr Ho Kian Guan is the Executive Chairman of Keck Seng Group of Companies which include the publicly listed Keck Seng (Malaysia) Berhad and Keck Seng Investments (Hong Kong) Limited. The principal activities of the Keck Seng Group are palm oil cultivation/manufacturing, real estate development, and hotel/resort investments. He also serves on the Board of Shangri-La Asia Limited, a company listed on the Hong Kong Stock Exchange.

Mr Ganendran Sarvananthan is Executive Director of Investments at Khazanah Nasional Berhad, primarily responsible for overseeing new investments and divestments in targeted sectors and geographies. Ganen is a barrister-at-law (Lincoln's Inn, London). Prior to joining Khazanah, he was at UBS Investment Bank serving in its Hong Kong, London and Singapore offices.

Mr Ashish Jaiprakash Shastry is a Managing Director and Head of Southeast Asia at TPG Capital. Since joining TPG Capital in 1998, he has been based in Singapore and Hong Kong, focusing on TPG Capital's investment activities in India, Australia and Southeast Asia. He serves as a non-executive director on the Boards of United Test Assembly Center Ltd and PT Bank Tabungan Pensiunan Nasional Tbk.

Mr Ho Kian Hock has been the alternate director to Mr Ho Kian Guan since 1985 and is the managing director of Keck Seng (Malaysia) Berhad. Mr Ho Kian Hock has contributed valuable business insights to the Group and will be able, with his business and management experience, to continue to provide practical and commercial advice to the Group.

Mr Ahmad Shahizam b. Mohd. Shariff has been the alternate director to Ganendran Sarvananthan with effect from 7 August 2008. He is a Director of Khazanah Nasional Berhad and serves as a director on various boards which include Pantai Irama Ventures Sdn Bhd, Pantai Medivest Sdn Bhd, Pantai Fomema & Systems Sdn Bhd, Fomema Sdn Bhd, IMU Health Sdn Bhd, Desaru Investments (Cayman Isl.) Limited, Bisikan Bayu Investments (Mauritius) Limited, Gleneagles Hospital (Kuala Lumpur) Sdn. Bhd., Mount Kinabalu Investments Limited, Layang Layang Ventures Sdn Bhd and The MCKK Foundation (member of the Board of Trustee).

Dr Lim Cheok Peng and Dr Tan See Leng, who are Executive Directors of the Company, will be eligible to participate as Participants in the Option Scheme.

5. FINANCIAL EFFECTS OF THE OPTION SCHEME

5.1 Share Capital

The Option Scheme will result in an increase in the issued share capital of the Company to the extent of the New Shares that will be allotted and issued pursuant to the exercise of the Option(s) granted under the Option Scheme. This will in turn depend on, *inter alia*, the number of Shares comprised in the Option(s) granted, the number of Option(s) that are accepted and exercised and the Exercise Price of the Shares comprised in the Option(s).

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5.2 NTA

The issue of New Shares upon the exercise of the Option(s) granted under the Option Scheme will increase the Company's consolidated NTA by the aggregate Exercise Price of the New Shares issued. On a per Share basis, the effect on the NTA of the Company will be accretive if the Exercise Price is above the Company's consolidated NTA per Share, but dilutive otherwise.

5.3 EPS

The Option Scheme will have a dilutive impact on the Company's consolidated EPS following the increase in the Company's number of issued Shares to the extent that New Shares are allotted and issued upon the exercise of the Option(s).

5.4 Potential cost of issuing the Option(s)

Financial Reporting Standard 102 ("**FRS 102**") relating to share-based payments takes effect for all listed companies beginning 1 January 2005. Under FRS 102, the recognition of an expense in respect of Option(s) granted under the Option Scheme is required. The expense will be based on the fair value of the Option(s) at each date of grant of the Option(s) and will be recognised over the vesting period. This fair value is normally estimated by applying the option pricing model at the date of grant of the Option(s), taking into account the terms and conditions of the grant of the Option(s) and recognised as a charge to the Company's consolidated profit and loss statement ("**P&L**") over the period from the date of grant of the Option(s) to the vesting date (the "**Vesting Period**"), with a corresponding credit to the Company's reserve account.

Before the end of the Vesting Period and at the end of each accounting year, the estimate of the number of Option(s) that are expected to vest in each Participant by the vesting date is revised, and the impact of the revised estimate is recognised in the consolidated P&L with a corresponding adjustment to the Company's reserve account. After the vesting date, no adjustment of the charge to the consolidated P&L is made.

6. THE 2001 SCHEME

- 6.1 The 2001 Scheme was approved and adopted by Shareholders at the extraordinary general meeting held on 18 January 2001 and subsequently modified at the extraordinary general meetings of the Company held on 4 July 2001 and 2 November 2006 respectively. The 2001 Scheme was for a duration of 10 years and will expire on 17 January 2011. In view of the impending expiry of the 2001 Scheme, the Company is seeking Shareholders' approval for the proposed adoption of the Option Scheme. Upon Shareholders' approval being obtained for the Option Scheme at the EGM, the Company intends to terminate the 2001 Scheme and replace it with the Option Scheme. However, the terms of the 2001 Scheme will continue to apply to the options that have been granted by the Company.

Particulars of the options granted under the 2001 Scheme are as follows:

Total number of options granted : 54,151,000 options had been granted under the 2001 Scheme

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Total number of Shares reserved (pursuant to the outstanding options which are not yet exercised)	:	26,129,750 Shares representing approximately 2.31% of the issued Shares of the Company (comprising 1,130,298,092 Shares excluding Treasury Shares) as at the Latest Practicable Date
Total number of Shares allotted (pursuant to options which have been exercised)	:	As at the Latest Practicable Date, 17,991,750 Shares had been allotted and issued pursuant to the exercise of the options under the 2001 Scheme
Number of Participants	:	337
Any material conditions to which the options are subject	:	Please refer to the relevant extracts set out in Appendix C of this Circular

6.2 The following Directors of the Company had been granted options under the 2001 Scheme (the “**2001 Options**”). Details of their interests in the 2001 Options are set out below:

Mr Richard Seow Yung Liang

Date of grant	No. of Shares comprised in the 2001 Options	No. of Shares allotted and issued upon the exercise of the 2001 Options
9.12.2005	1,000,000	250,000
9.3.2006	650,000	—
15.6.2007	1,000,000	—
6.3.2008	1,250,000	—
8.10.2009	1,250,000	—
18.3.2010	1,250,000	—

Dr Lim Cheok Peng

Date of grant	No. of Shares comprised in the 2001 Options	No. of Shares allotted and issued upon the exercise of the 2001 Options
9.4.2001	500,000	500,000
19.4.2002	500,000	500,000
19.11.2004	500,000	500,000
9.12.2005	1,500,000	—
9.3.2006	1,000,000	—
6.6.2007	700,000	—
6.3.2008	815,000	—

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Dr Tan See Leng

Date of grant	No. of Shares comprised in the 2001 Options	No. of Shares allotted and issued upon the exercise of the 2001 Options
18.3.2010	1,000,000	—

Mr Alain Ahkong Chuen Fah

Date of grant	No. of Shares comprised in the 2001 Options	No. of Shares allotted and issued upon the exercise of the 2001 Options
19.9.2001	150,000	150,000
19.4.2002	150,000	150,000
19.11.2004	100,000	100,000
9.12.2005	100,000	—
9.3.2006	100,000	—
17.11.2006	150,000	—
15.6.2007	250,000	—
6.3.2008	250,000	—
8.10.2009	300,000	—
18.3.2010*	400,000	—

Mr Chang See Hiang

Date of grant	No. of Shares comprised in the 2001 Options	No. of Shares allotted and issued upon the exercise of the 2001 Options
19.9.2001	100,000	100,000
19.4.2002	100,000	100,000
19.11.2004	100,000	100,000
9.12.2005	100,000	25,000
9.3.2006	100,000	25,000
15.6.2007	100,000	—
6.3.2008	150,000	—
8.10.2009	250,000	—
18.3.2010*	350,000	—

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Mr Ho Kian Guan

Date of grant	No. of Shares comprised in the 2001 Options	No. of Shares allotted and issued upon the exercise of the 2001 Options
19.9.2001	100,000	100,000
19.4.2002	100,000	100,000
19.11.2004	75,000	75,000
9.12.2005	100,000	50,000
9.3.2006	100,000	50,000
15.6.2007	100,000	—
6.3.2008	150,000	—
8.10.2009	150,000	—
18.3.2010*	150,000	—

Mr Ashish Jaiprakash Shastry

Date of grant	No. of Shares comprised in the 2001 Options	No. of Shares allotted and issued upon the exercise of the 2001 Options
9.12.2005	60,000	—
9.3.2006	100,000	—
15.6.2007	100,000	—
6.3.2008	200,000	—
8.10.2009	150,000	—
18.3.2010	150,000	—

Mr Ho Kian Hock (Alternate Director to Mr Ho Kian Guan)

Date of grant	No. of Shares comprised in the 2001 Options	No. of Shares allotted and issued upon the exercise of the 2001 Options
19.9.2001	100,000	100,000

* Grants not accepted as at Latest Practicable Date

7. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, the interests of the Directors and the substantial shareholders of the Company (as defined in the Act) in the issued Shares are set out in Appendix B of this Circular.

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8. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on page 50 of this Circular, will be held at The Lecture Theatre, Level 3, Gleneagles Hospital, 6A Napier Road, Singapore 258500 on 16 April 2010 at 11.15 a.m. (or as soon as practicable thereafter following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 11.00 a.m. on the same day and at the same place) for the purpose of considering and, if thought fit, passing (with or without modification) the Ordinary Resolutions set out in the Notice of EGM.

9. DIRECTORS' RECOMMENDATION

All the Directors (other than Mr Malvinder Mohan Singh and Mr Shivinder Mohan Singh) will be eligible to participate in the Option Scheme and such Directors have therefore refrained from making any recommendation to the Shareholders on the Ordinary Resolutions due to their interest in the Option Scheme.

Mr Malvinder Mohan Singh and Mr Shivinder Mohan Singh are of the opinion that the Option Scheme is in the interests of the Company and they accordingly recommend that Shareholders vote in favour of the Ordinary Resolutions.

10. ACTION TO BE TAKEN BY SHAREHOLDERS

10.1 Appointment of Proxies

Shareholders who are unable to attend the EGM and who wish to appoint a proxy to attend and vote at the EGM on their behalf, will find attached to this Circular a Proxy Form which they are requested to complete, sign and return in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach the registered office of the Company at 111 Somerset Road, #15-01 TripleOne Somerset, Singapore 238164 not less than 48 hours before the time fixed for the EGM. The completion and return of the Proxy Form by a Shareholder does not preclude him from attending and voting in person at the EGM if he so wishes.

10.2 When Depositor regarded as Shareholder

A Depositor shall not be regarded as a Shareholder entitled to attend the EGM and to speak and vote thereat unless he is shown to have Shares entered against his name in the Depository Register as certified by CDP not less than 48 hours before the time fixed for the EGM.

CPFIS investors may wish to check with their CPF Approved Nominees on the procedure and deadline for the submission of their written instructions to their CPF Approved Nominees to vote on their behalf.

10.3 Abstention from Voting

Shareholders who are entitled to participate in the proposed Option Scheme, shall abstain from voting at the EGM in respect of the Ordinary Resolutions set out in the Notice of EGM.

Directors and executives of the Company's subsidiaries who are eligible to participate in the Option Scheme and are also Shareholders, shall abstain from voting at the EGM.

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All the Directors (other than Mr Malvinder Mohan Singh and Mr Shivinder Mohan Singh) will be eligible to participate in the Option Scheme. Therefore, such Directors (who are also Shareholders) shall also abstain from voting at the EGM in respect of the Ordinary Resolutions to be proposed at the EGM.

The above mentioned persons who are eligible to participate in the Option Scheme will not accept appointments as proxies for voting at the EGM in respect of the Ordinary Resolutions unless specific instructions have been given in the proxy instrument on how the Shareholders wish their votes to be cast for each of these Ordinary Resolutions.

11. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors (including those who may have delegated detailed supervision of this Circular) collectively and individually accept responsibility for the accuracy of the information contained in this Circular and confirm, having made reasonable enquiries, that to the best of their knowledge and belief, the facts stated and opinions expressed in this Circular have been arrived at after due and careful consideration and are true and accurate in all material respects as at the Latest Practicable Date and that there are no material facts, the omission of which would make any statement in the Circular misleading in any material respect.

12. ADDITIONAL INFORMATION

Your attention is drawn to the additional information on the Company set out in Appendix B of this Circular.

Yours faithfully,
For and on behalf of the
Board of Directors

MALVINDER MOHAN SINGH
CHAIRMAN
PARKWAY HOLDINGS LIMITED

APPENDIX A — RULES OF THE PARKWAY SHARE OPTION SCHEME 2010

1. DEFINITIONS

In this Option Scheme, unless the context otherwise requires, the following words and expressions shall have the following meanings:

- “Act”** : The Companies Act, Chapter 50 of Singapore, as may be amended or modified from time to time
- “Associate”** : (a) In relation to any director, chief executive officer, substantial shareholder or Controlling Shareholder (being an individual) means:
- (i) his Immediate Family;
 - (ii) the trustee of any trust of which he or his Immediate Family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
 - (iii) any company in which he and his Immediate Family together (directly or indirectly) have an interest of 30% or more; and
- (b) in relation to a substantial shareholder or a Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more
- “Auditors”** : The auditors of the Company from time to time
- “Board”** : The board of directors of the Company
- “CDP”** : The Central Depository (Pte) Limited
- “Committee”** : A committee comprising Directors who are duly authorised and appointed by the Board pursuant to Rule 16 to administer the Option Scheme
- “Company”** : Parkway Holdings Limited
- “Control”** : The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of that company being controlled
- “Controlling Shareholder”** : A person who (a) holds directly or indirectly 15% or more of the total number of issued Shares excluding Treasury Shares in the Company (unless the SGX-ST determines otherwise); or (b) a person who in fact exercises control over the Company, as defined under the Listing Manual
- “Date of Grant”** : The date on which an Option is granted to a Participant pursuant to Rule 7

APPENDIX A — RULES OF THE PARKWAY SHARE OPTION SCHEME 2010

“Director”	:	A person appointed as a director, including non-executive director and independent director of the Company
“Exercise Period”	:	The period during which an Option is exercisable, being a period commencing after the first or second anniversary of the Date of Grant of the Option (as may be prescribed under the Option Scheme) and expiring on the fifth anniversary of the Date of Grant of the said Option
“Exercise Price”	:	The price at which a Participant shall subscribe for each Share upon the exercise of an Option, as determined in accordance with Rule 9, or such adjusted price as may be applicable pursuant to Rule 10
“FY”	:	Financial year ended, or as the case may be, ending 31 December
“Grantee”	:	A person to whom an offer of an Option is made
“Group”	:	The Company and its subsidiaries
“Immediate Family”	:	A person’s spouse, child, adopted child, step-child, sibling and parent, or such other definition as the SGX-ST may from time to time require
“Listing Manual”	:	The listing manual of the SGX-ST, as may be amended or modified from time to time
“Market Day”	:	A day on which SGX-ST is open for securities trading
“Market Price”	:	The average of the last dealt prices for a Share determined by reference to the daily Official List published by the SGX-ST (or such other publication(s) as may be determined by the Committee) for a period of 3 consecutive Market Days immediately prior to the relevant Date of Grant, provided always that in the case of a Market Day on which the Shares of the Company were not traded on the SGX-ST, the last dealt price for Shares on such Market Day shall be deemed to be the last dealt price of the Shares on the immediately preceding Market Day on which the Shares were traded, rounded up to the nearest whole cent in the event of fractional prices
“New Shares”	:	The new Shares which may be allotted and issued from time to time pursuant to the exercise of the Option(s)
“Option”	:	The right to subscribe for Shares granted or to be granted to a Participant pursuant to the Option Scheme
“Option Holder”	:	The holder of an Option
“Option Scheme”	:	Parkway Share Option Scheme 2010, as may be amended or modified from time to time

APPENDIX A — RULES OF THE PARKWAY SHARE OPTION SCHEME 2010

“ Option Shares ”	:	Shares obtained pursuant to an exercise of the Option(s)
“ Participant ”	:	Any director or confirmed executive of the Group selected by the Committee to participate in the Option Scheme in accordance with Rule 4
“ Record Date ”	:	The date as at the close of business on which the Shareholders must be registered in order to participate in any dividends, rights, allotments or other distributions
“ Securities Account ”	:	The securities account maintained by a Depositor with CDP but does not include a securities sub-account maintained with a Depository Agent
“ SGX-ST ”	:	Singapore Exchange Securities Trading Limited
“ Shareholders ”	:	Registered holders of Shares except that where the registered holder is CDP, the term “ Shareholders ” shall, in relation to such Shares and where the context admits, means the persons named as Depositors in the Depository Register and whose Securities Accounts maintained with CDP are credited with the Shares
“ Shares ”	:	Ordinary shares in the capital of the Company
“ S\$ ” and “ cents ”	:	Singapore dollars and cents respectively, the lawful currency of the Republic of Singapore
“ % ” or “ per cent. ”	:	Percentage or per centum

The expressions “**Depositor**”, “**Depository Agent**” and “**Depository Register**” shall have the meanings ascribed to them respectively in Section 130A of the Act.

The term “**Treasury Shares**” shall have the meaning ascribed to it in Section 4 of the Act.

The term “**subsidiary**” shall have the meaning ascribed to it in Section 5 of the Act.

Words denoting the singular shall, where applicable, include the plural and *vice versa* and words denoting the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall, where applicable, include corporations.

Any reference in the Option Scheme to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word or term defined under the Act or the Listing Manual or any statutory modification thereof, and used in the Option Scheme shall, where applicable, have the meaning assigned to it under the Act or the Listing Manual or any such statutory modification thereof, as the case may be, unless otherwise provided.

Any reference to a time of day and dates in the Option Scheme shall be a reference to Singapore time and dates, unless otherwise stated.

APPENDIX A — RULES OF THE PARKWAY SHARE OPTION SCHEME 2010

2. NAME OF OPTION SCHEME

The Option Scheme shall be called “Parkway Share Option Scheme 2010”.

3. OBJECTIVES OF THE OPTION SCHEME

The Option Scheme will provide an opportunity for Participants who have contributed significantly to the growth and performance of the Group and who satisfy the eligibility criteria as set out in Rule 4, to participate in the equity of the Company.

The Option Scheme is primarily a share incentive scheme, which recognises the importance of such Participants to the success and continued well-being of the Group. Implementation of the Option Scheme will enable the Company to recognise the contributions made by such Participants. At the same time, such a scheme will give Participants an opportunity to have a direct interest in the Company and will also achieve the following positive objectives:

- (a) to motivate Participants to optimise their performance standards and efficiency, and to maintain a high level of contribution to the Group;
- (b) to retain key executives whose contributions are essential to the long-term growth and profitability of the Group;
- (c) to instill loyalty to, and reinforce a stronger identification by Participants with, the long-term prosperity of the Group;
- (d) to attract potential executives with relevant skills to contribute to the Group and to create value for Shareholders; and
- (e) to align the interests of Participants with the interests of Shareholders.

4. ELIGIBILITY

- 4.1 Subject to the absolute discretion of the Committee, Participants who have attained the age of 21 years on or prior to the relevant Date of Grant, are not undischarged bankrupts, have not entered into a composition with their respective creditors, and, where applicable, who have, as of the Date of Grant, been in the employment of the Company or its subsidiaries for a period of at least 12 months, or such shorter period as the Committee may determine, shall be eligible to participate in the Option Scheme.
- 4.2 There will be no restriction on the eligibility of any Participant to participate in any other share option or share incentive schemes implemented by the Company or any of its subsidiaries or otherwise.
- 4.3 Controlling Shareholders and their Associates shall not be eligible to participate in the Option Scheme.

5. MAXIMUM ENTITLEMENT

- 5.1 Subject to Rule 4, Rule 6 and Rule 10, the aggregate number of Shares in respect of which Option(s) may be offered to a Grantee for subscription in accordance with the Option Scheme shall be determined at the absolute discretion of the Committee.

APPENDIX A — RULES OF THE PARKWAY SHARE OPTION SCHEME 2010

- 5.2 In reaching its decisions, the Committee shall take into account, where applicable, criteria such as rank, past performance, years of service and potential contribution of the Grantee.

6. LIMITATION ON SIZE OF THE OPTION SCHEME

The aggregate number of Shares (comprising New Shares issued and issuable in respect of the Option(s) granted under the Option Scheme and/or Treasury Shares delivered in respect of the Option(s)) over which the Committee may offer to grant Option(s) on any date, when added to:

- (i) the aggregate number of new Shares issued and issuable in respect of all other share-based incentive schemes of the Company (if any); and
- (ii) the number of Treasury Shares delivered in respect of the options granted under all other share-based incentive schemes of the Company (if any),

shall not exceed 15% of the total issued Shares (excluding Treasury Shares) of the Company on the date immediately preceding the Date of Grant.

7. DATE OF GRANT

- 7.1 The Committee may, save as provided in Rule 4, Rule 5 and Rule 6, offer to grant Option(s) to such Grantees as it may select in its absolute discretion at any time during the period when the Option Scheme is in force, except that no offer of grant of Option(s) shall be made during the period of 1 month immediately preceding the date of announcement of the Company's full-year results and 2 weeks before the announcement of the results of the Company for each of the first, second and third quarters of its financial year (as the case may be). In addition, in the event that an announcement of any matter of an exceptional nature involving unpublished price sensitive information is made, offers to grant Option(s) may only be made on or after the second Market Day after such announcement has been released.

- 7.2 An offer to grant an Option shall be made by way of a letter (the "**Letter of Offer**") in the form or substantially in the form set out in Appendix A1, subject to such amendments as the Committee may determine from time to time.

8. ACCEPTANCE OF OFFER

- 8.1 An Option offered to a Grantee pursuant to Rule 7 may only be accepted by the Grantee within 30 days after the relevant Date of Grant and not later than 5.00 p.m. on the thirtieth (30th) day from such Date of Grant (a) by completing, signing and returning to the Company the form (the "**Acceptance Form**") in or substantially in the form set out in Appendix A2, subject to such modification as the Committee may from time to time determine, accompanied by payment of S\$1 as consideration or such other amount and such other documentation as the Committee may require; and (b) if, at the date on which the Company receives from the Grantee the Acceptance Form in respect of the Option as aforesaid, he remains eligible to participate in the Option Scheme in accordance with these Rules.

- 8.2 If an offer of grant of an Option is not accepted strictly in the manner as provided in this Rule 8, such offer shall, upon the expiry of the 30 day period, automatically lapse and shall forthwith be deemed to be null and void and be of no effect.

APPENDIX A — RULES OF THE PARKWAY SHARE OPTION SCHEME 2010

- 8.3 The Company shall be entitled to reject any purported acceptance of an offer of grant of an Option made pursuant to this Rule 8 or Exercise Notice given pursuant to Rule 12 which does not strictly comply with the terms of the Option Scheme.
- 8.4 Option(s) are personal to the Grantees and Option Holders to whom they are offered or granted as the case may be, and shall not be sold, mortgaged, transferred, charged, assigned, pledged or otherwise disposed of or encumbered in whole or in part or in any way whatsoever without the Committee's prior written approval, but may be exercised by the Option Holder's duly appointed personal representative(s) as provided in Rule 11.7 in the event of the death of such Option Holder.
- 8.5 The Grantee may accept or refuse the whole or part of the offer.
- 8.6 In the event that a grant of an Option results in a contravention of any applicable law or regulation, such grant shall be null and void and be of no effect and the relevant Option Holder shall have no claim whatsoever against the Company.
- 8.7 Unless the Committee determines otherwise, an Option shall automatically lapse and become null, void and of no effect and shall not be capable of acceptance if:
- (a) it is not accepted in the manner as provided in Rule 8.1 within the 30 day period; or
 - (b) the Grantee dies prior to his acceptance of the Option; or
 - (c) the Grantee is adjudicated a bankrupt or enters into composition with his creditors prior to his acceptance of the Option; or
 - (d) the Grantee (being an executive) ceases to be in the employment of the Company or its subsidiary for any reason whatsoever prior to his acceptance of the Option; or
 - (e) the Company is liquidated or wound-up prior to the Grantee's acceptance of the Option.

9. EXERCISE PRICE

- 9.1 Subject to any adjustment pursuant to Rule 10, the Exercise Price for each Share in respect of which an Option is exercisable shall be determined by the Committee at its absolute discretion, and fixed by the Committee at:
- (a) the Market Price; or
 - (b) a price which is set at a discount to the Market Price, the quantum of such discount to be determined by the Committee in its absolute discretion, provided that the maximum discount which may be given in respect of any Option shall not exceed 20% of the Market Price. In the event that SGX-ST prescribes or permits a higher percentage of discount, the Company will seek Shareholders' approval for the increase in discount at a general meeting.

APPENDIX A — RULES OF THE PARKWAY SHARE OPTION SCHEME 2010

- 9.2 In making any determination under Rule 9.1(b) on whether to give a discount and the quantum of such discount, the Committee shall be at liberty to take into consideration such criteria as the Committee may, at its absolute discretion, deem appropriate, including but not limited to:
- (a) the performance of the Company and its subsidiaries, taking into account financial factors such as net profit after tax, return on equity and earnings growth;
 - (b) the years of service, the designation and individual performance of the eligible Participant; and
 - (c) the contribution and potential contribution of the eligible Participant to the success and development of the Company and/or the Group.

10. ALTERATION OF CAPITAL

- 10.1 If a variation in the issued share capital of the Company (whether by way of a capitalisation of profits or reserves or rights issue or reduction, subdivision, consolidation or distribution, or otherwise howsoever) should take place, then:
- (a) the Exercise Price in respect of the Shares comprised in the Option to the extent unexercised; and/or
 - (b) the number of Shares comprised in the Option to the extent unexercised and the rights attached thereto; and/or
 - (c) the number of Shares in respect of which additional Option(s) may be granted to Option Holders,

may, at the discretion of the Committee, be adjusted in such manner as the Committee may determine to be appropriate including retrospective adjustments where such variation occurs after the date of exercise of an Option but the Record Date relating to such variation precedes such date of exercise and, except in relation to a capitalisation issue, upon the written confirmation of the Auditors (acting only as experts and not as arbitrators), that in their opinion, such adjustment is fair and reasonable.

- 10.2 Notwithstanding the provisions of Rule 10.1 above, no such adjustment shall be made:
- (a) if as a result, the Option Holder receives a benefit that a Shareholder does not receive; and
 - (b) unless the Committee, after considering all relevant circumstances, considers it equitable to do so.
- 10.3 The issue of securities as consideration for an acquisition of any assets by the Company or a private placement of securities or the cancellation of issued Shares purchased or acquired by the Company by way of a market purchase of such Shares, in accordance with the Listing Manual, undertaken by the Company on the SGX-ST during the period when a share purchase mandate granted by the Shareholders (including any renewal of such mandate) is in force, will not be regarded as a circumstance requiring adjustment under the provisions of this Rule 10.
- 10.4 Upon any adjustment required to be made, the Company shall notify each Option Holder (or his duly appointed personal representative(s)) in writing and deliver to him (or, where applicable, his duly appointed personal representative(s)) a statement setting forth the new Exercise Price

APPENDIX A — RULES OF THE PARKWAY SHARE OPTION SCHEME 2010

thereafter in effect and the number of Shares thereafter comprised in the Option so far as unexercised. Any adjustment shall take effect on the date stated as the effective date of such adjustment in the written notice to the Option Holder.

11. EXERCISE PERIOD

- 11.1 Option(s) granted with the Exercise Price set at Market Price shall only be exercisable, in whole or in part, at any time, by an Option Holder during the Exercise Period which shall commence after the first anniversary of the Date of Grant of the Option(s), failing which all unexercised Option(s) shall immediately lapse and become null and void and the Option Holder shall have no claim against the Company.
- 11.2 Option(s) granted with the Exercise Price set at a discount to Market Price shall only be exercisable, in whole or in part, at any time, by an Option Holder during the Exercise Period which shall commence after the second anniversary of the Date of Grant of the Option(s), failing which all unexercised Option(s) shall immediately lapse and become null and void and the Option Holder shall have no claim against the Company.
- 11.3 An Option shall, to the extent unexercised (including any Option which is then not yet exercisable), immediately lapse and become null and void (unless the Committee shall in its absolute discretion permits the Option Holder to exercise any of the unexercised Option within such period(s) as the Committee shall determine) and the Option Holder shall have no claim against the Company:
- (a) subject to this Rule 11, upon the Option Holder ceasing to be in the employment (or in the case where the Option Holder is a Director, ceasing to be a director) of the Company or its subsidiary for any reason whatsoever;
 - (b) upon the bankruptcy of the Option Holder or the happening of any other event which result in his being deprived of the legal or beneficial ownership of such Option; or
 - (c) in the event of misconduct on the part of the Option Holder, as determined by the Committee in its absolute discretion.

For the above purpose, the Option Holder shall be deemed to have ceased to be so employed (or in the case where the Option Holder is a Director, ceased to be so appointed) as of the date of expiry of the notice of termination of employment or resignation tendered by or is given to him (as the case may be), unless such notice shall be withdrawn prior to its effective date or unless as determined by the Committee.

- 11.4 If an Option Holder ceases to be employed by the Company or its subsidiary by reason of his:
- (a) ill health, injury or disability, in each case, as certified by a medical practitioner approved by the Committee;
 - (b) redundancy;
 - (c) retirement at or after the normal retirement age; or
 - (d) retirement before the normal retirement age with the consent of the Committee,

APPENDIX A — RULES OF THE PARKWAY SHARE OPTION SCHEME 2010

or for any other reason approved in writing by the Committee, he may, at the absolute discretion of the Committee exercise any unexercised Option(s) within the period of 6 months (or such other period as shall be determined in the absolute discretion of the Committee) after the date of such cessation of employment or within the relevant Exercise Period, whichever is earlier, and upon the expiry of such period, the Option(s) remaining unexercised shall immediately lapse and become null and void.

11.5 If an Option Holder ceases to be employed by a subsidiary:

(a) by reason of the subsidiary by which he is principally employed ceasing to be a company within the Group or the undertaking or part of the undertaking of such subsidiary, being transferred otherwise than to another company within the Group; or

(b) for any other reason, provided the Committee gives its consent in writing,

he may, at the absolute discretion of the Committee, exercise any unexercised Option(s) within the period of 6 months (or such other period as shall be determined in the absolute discretion of the Committee) after the date of such cessation of employment or within the relevant Exercise Period, whichever is earlier, and upon the expiry of such period, the Option(s) remaining unexercised shall immediately lapse and become null and void.

11.6 For the purposes of Rule 11.4 and Rule 11.5, an Option Holder shall be deemed to have ceased to be so employed as of the date of expiry the notice of termination of employment is tendered by or is given to him, unless such notice shall be withdrawn prior to its effective date.

11.7 If an Option Holder dies and at the date of his death holds any unexercised Option(s), such Option(s) may, at the absolute discretion of the Committee, be exercised by the duly appointed legal personal representative(s) of the Option Holder within the period of 12 months (or such other period as shall be determined in the absolute discretion of the Committee) after his death or within the relevant Exercise Period, whichever is earlier, and upon the expiry of such period, the Option(s) remaining unexercised shall immediately lapse and become null and void.

12. EXERCISE OF OPTION(S), ALLOTMENT AND LISTING OF SHARES

12.1 An Option may be exercised, in whole or in part, by an Option Holder giving notice in writing to the Company in or substantially in the form set out in Appendix A3 (the “**Exercise Notice**”), subject to such amendments as the Committee may from time to time determine. Every Exercise Notice must be accompanied by a remittance for the full amount of the aggregate Exercise Price in respect of the Shares which have been exercised under the Option, the relevant CDP charges (if any) and any other documentation the Committee may require. All payments shall be made by cash, cheque, cashier’s order, bank draft or postal order made out in favour of the Company. An Option shall be deemed to be exercised upon the receipt by the Company of the said Exercise Notice duly completed and signed and the receipt by the Company of the full amount of the aggregate Exercise Price in respect of the Shares which have been exercised under the Option. The Option Holder shall fully exercise his or her Option(s) within 5 years from the Date of Grant of the Option(s). All unexercised Option(s) after 5 years from the Date of Grant shall be null and void.

APPENDIX A — RULES OF THE PARKWAY SHARE OPTION SCHEME 2010

12.2 Subject to:

- (a) such consent or other actions required by any competent authority under any regulations or enactments for the time being in force as may be necessary (including any approvals required from the SGX-ST); and
- (b) compliance with the Rules of the Option Scheme and the Memorandum and Articles of Association of the Company,

the Company shall, as soon as practicable after the exercise of an Option by an Option Holder but in any event within 10 Market Days after the date of the exercise of the Option in accordance with Rule 12.1, allot the Shares in respect of which such Option has been exercised by the Option Holder and within 5 Market Days from the date of such allotment, despatch the relevant share certificate(s) to CDP for the credit of the securities account of that Option Holder by ordinary post or such other mode of delivery as the Committee may deem fit or in the case of a transfer of Treasury Shares, do such acts or things which are necessary for the transfer to be effective.

12.3 The Company shall as soon as practicable after the exercise of an Option and where necessary, apply to the SGX-ST or any other stock exchange on which the Shares are quoted or listed for permission to deal in and for quotation of the Shares which may be issued upon exercise of the Option and the Shares (if any) which may be issued to the Option Holder pursuant to any adjustment made in accordance with Rule 10.

12.4 Shares allotted and issued or Treasury Shares which are transferred, upon the exercise of an Option shall be subject to all provisions of the Memorandum and Articles of Association of the Company and shall rank *pari passu* in all respects with the then existing issued Shares in the capital of the Company except for any dividends, rights (including voting rights), allotments or other distributions, the Record Date for which falls prior to the date of issue or transfer (as the case may be) of the said Shares.

12.5 Except as set out in Rule 12.2 and subject to Rule 10, an Option does not confer on an Option Holder any right to participate in any new issue of Shares.

13. ALTERATIONS AND AMENDMENTS TO THE OPTION SCHEME

13.1 Any or all of the provisions of the Option Scheme may be modified and/or altered at any time and from time to time by resolution of the Committee except that:

- (a) any modification or alteration which shall alter adversely the rights attaching to any Option granted prior to such modification or alteration and which in the opinion of the Committee, materially alters the rights attaching to any Option granted prior to such modification or alteration, may only be made with the consent in writing of such number of Option Holders who, if they exercised their Option(s) in full, would thereby become entitled to not less than three-quarters (3/4) in number of all the Shares which would fall to be issued and allotted upon exercise in full of all outstanding Option(s);
- (b) any modification or alteration which would be to the advantage of Option Holders under the Option Scheme shall be subject to the prior approval of Shareholders at a general meeting; and

APPENDIX A — RULES OF THE PARKWAY SHARE OPTION SCHEME 2010

- (c) no modification or alteration shall be made without the prior approval of the SGX-ST or (if required) any other stock exchange on which the Shares are quoted or listed, and such other regulatory authorities as may be necessary.

For the purposes of Rule 13.1(a), the opinion of the Committee as to whether any modification or alteration would alter adversely the rights attaching to any Option shall be final and conclusive.

- 13.2 Notwithstanding anything to the contrary contained in Rule 13.1, the Committee may at any time by resolution (and without any other formality save for the prior approval of the SGX-ST) amend or alter the Option Scheme in any way to the extent necessary to cause the Option Scheme to comply with any statutory provision or the provisions or regulations of any regulatory or other relevant authority or body (including the SGX-ST).
- 13.3 Written notice of any modification or alteration made to the Option Scheme in accordance with this Rule shall be given to all Option Holders.

14. DURATION OF THE OPTION SCHEME

- 14.1 The Option Scheme shall continue to be in force at the discretion of the Committee, subject to a maximum period of 10 years, commencing on the date on which the Option Scheme is adopted by Shareholders at a general meeting. Subject to compliance with any applicable laws and regulations in Singapore, the Option Scheme may be continued beyond the above stipulated period with the approval of Shareholders by ordinary resolution at a general meeting and of any relevant authorities which may then be required.
- 14.2 The Option Scheme may be terminated at any time by the Committee or by resolution of the Shareholders at a general meeting subject to all other relevant approvals which may be required and if the Option Scheme is so terminated, no further Option(s) shall be offered by the Company hereunder.
- 14.3 The termination, discontinuance or expiry of the Option Scheme shall be without prejudice to the rights accrued to Option(s) which have been granted and accepted as provided in Rule 8, whether such Option(s) have been exercised (whether fully or partially) or not.

15. TAKE-OVER AND WINDING UP OF THE COMPANY

- 15.1 Notwithstanding Rule 11 but subject to Rule 15.5, in the event of a take-over offer being made for the Shares, an Option Holder shall be entitled to exercise any Option(s) held by him and as yet unexercised (including any Option(s) which is/are then not yet exercisable), in respect of such number of Shares comprised in that Option(s) in the period commencing on the date on which such offer is made or, if such offer is conditional, the date on which such offer becomes or is declared unconditional, as the case may be, and ending on the earlier of:
 - (a) the expiry of 6 months thereafter, unless prior to the expiry of such 6-month period, at the recommendation of the offeror and with the approvals of the Committee and the SGX-ST, such expiry date is extended to a later date (in either case, being a date falling not later than the expiry of the Exercise Period relating thereto); or
 - (b) the date of expiry of the Exercise Period relating thereto,

whereupon the Option(s) then remaining unexercised shall lapse and become null and void.

APPENDIX A — RULES OF THE PARKWAY SHARE OPTION SCHEME 2010

Provided that if during such period, the offeror becomes entitled or bound to exercise rights of compulsory acquisition under the provisions of the Act and, being entitled to do so, gives notice to the Option Holder that it intends to exercise such rights on a specified date, the Option(s) shall remain exercisable by the Option Holder until the expiry of such specified date or the expiry of the Exercise Period relating thereto, whichever is earlier. Any Option(s) not so exercised shall lapse provided that the rights of acquisition or obligations to acquire shall have been exercised or performed, as the case may be. If such rights or obligations have not been exercised or performed, the Option(s) shall, notwithstanding Rule 11, remain exercisable until the expiry of the Exercise Period relating thereto. For the avoidance of doubt, the provisions of this Rule 15.1 shall not come into operation in the event that a take-over offer which is conditional does not become or is not declared unconditional.

- 15.2 If under the Act, the court sanctions a compromise or arrangement proposed for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with another company or companies or if under the Act, the Registrar of Companies issues a notice of amalgamation for the purposes of, or in connection with the amalgamation of the Company with another company or companies, each Option Holder shall be entitled, notwithstanding Rule 11 but subject to Rule 15.5, to exercise any Option(s) then held by him and as yet unexercised (including any Option(s) which is/are then not yet exercisable), during the period commencing on the date upon which the compromise or arrangement is sanctioned by the court or the date on which the notice of amalgamation is issued by the Registrar of Companies, as the case may be, and ending either on the expiry of 60 days thereafter or the date upon which the compromise, arrangement or amalgamation, as the case may be, becomes effective, whichever is later (but not after the expiry of the Exercise Period relating thereto), whereupon the Option(s) then remaining unexercised shall lapse and become null and void.
- 15.3 If an order is made for the winding-up of the Company on the basis of its insolvency, all Option(s), to the extent unexercised, shall automatically lapse and become null and void.
- 15.4 In the event a notice is given by the Company to its members to convene a general meeting for the purpose of considering and, if thought fit, approving a resolution to voluntarily wind-up the Company, the Company shall on the same date or as soon as practicable after it despatches such notice to each member of the Company give notice thereof to all Option Holders (together with a notice of the existence of the provision of this Rule 15.4) and thereupon, each Option Holder (or his personal representatives) shall be entitled to exercise all or any of his Option(s) held by him and as yet unexercised (including any Option(s) which is/are then not yet exercisable) at any time not later than 2 business days prior to the proposed general meeting of the Company by giving notice in writing to the Company, accompanied by a remittance for the aggregate Exercise Price whereupon the Company shall as soon as possible and in any event, no later than the business day immediately prior to the date of the proposed general meeting referred to above, allot the relevant Shares to the Option Holder credited as fully paid.
- 15.5 If in connection with the making of a general offer referred to in Rule 15.1 or the scheme referred to in Rule 15.2 or the winding-up referred to in Rule 15.4, arrangements are made (which are confirmed in writing by the Auditors, acting only as experts and not as arbitrators, to be fair and reasonable) for the compensation of Option Holders, whether by the continuation of their Option(s) or the payment of cash or the grant of other Option(s) or otherwise, notwithstanding the provisions of this Rule 15, an Option Holder holding an Option, as yet unexercised, may not, at the discretion of the Committee, be permitted to exercise that Option as provided for in this Rule 15.

APPENDIX A — RULES OF THE PARKWAY SHARE OPTION SCHEME 2010

- 15.6 To the extent that an Option is not exercised within the periods referred to in this Rule 15, it shall automatically lapse and become null and void.

16. ADMINISTRATION OF THE OPTION SCHEME

- 16.1 The Option Scheme shall be administered by the Committee in its absolute discretion with such powers and duties as are conferred on it by the Board.
- 16.2 The Committee shall have the power, from time to time, to make or vary such regulations (not being inconsistent with the Option Scheme) for the implementation and administration of the Option Scheme as it thinks fit.
- 16.3 Any decision of the Committee, made pursuant to any provision of the Option Scheme (other than a matter to be certified by the Auditors), shall be final and binding (including any decisions pertaining to disputes as to the interpretation of the Option Scheme or any rule, regulation, or procedure thereunder or as to any rights under the Option Scheme).
- 16.4 A Director who is a member of the Committee shall not be involved in its deliberation in respect of Option(s) to be granted to him.

17. NOTICES

- 17.1 Any notice given by an Option Holder to the Company shall be sent by post or delivered to the registered office of the Company or such other address as may be notified by the Company to the Option Holder in writing.
- 17.2 Any notice or documents given by the Company to an Option Holder shall be sent to the Option Holder by hand or sent by post or delivered to him at his home address stated in the records of the Company or the last known address of the Option Holder, and if sent by post shall be deemed to have been given on the day immediately following the date of posting.

18. TERMS OF EMPLOYMENT UNAFFECTED

- 18.1 The Option Scheme or any Option shall not form part of any contract of employment between the Company or any subsidiary and any Option Holder and the rights and obligations of any individual under the terms of the office or employment with such company shall not be affected by his participation in the Option Scheme or any right which he may have to participate in it or any Option which he may hold and the Option Scheme or any Option shall afford such an individual no additional rights to compensation or damages in consequence of the termination of such office or employment for any reason whatsoever.
- 18.2 The Option Scheme shall not confer on any person any legal or equitable rights (other than those constituting the Option(s) themselves) against the Company and/or any subsidiary directly or indirectly or give rise to any cause of action at law or in equity against the Company or any subsidiary.

19. TAXES

All taxes (including income tax) arising from the exercise of any Option(s) granted to any Option Holder under the Option Scheme and/or the sale of any Option Shares shall be borne by the Option Holder.

APPENDIX A — RULES OF THE PARKWAY SHARE OPTION SCHEME 2010

20. COSTS AND EXPENSES OF THE OPTION SCHEME

Save for the taxes referred to in Rule 19, all fees, costs and expenses incurred by the Company in relation to the Option Scheme including but not limited to the fees, costs and expenses relating to the allotment and issue of Option Shares and/or the transfer of Treasury Shares pursuant to the exercise of any Option shall be borne by the Company.

21. DISCLAIMER OF LIABILITY

Notwithstanding any provisions herein contained and subject to the Act, the Board, the Committee and the Company shall not under any circumstances be held liable for any costs, losses, expenses and damages whatsoever and howsoever arising in respect of any matter under or in connection with the Option Scheme including but not limited to the Company's delay or failure in allotting and issuing the Option Shares or in applying for or procuring the listing of and quotation for the Option Shares on the SGX-ST or any other stock exchange on which the Shares are listed or quoted.

22. DISPUTES

Any disputes or differences of any nature in connection with the Option Scheme shall be referred to the Committee and its decision shall be final and binding in all respects.

23. CONDITION OF OPTION

Every Option shall be subject to the condition that no Shares shall be issued pursuant to the exercise of an Option if such issue would be contrary to any law or enactment, or any rules or regulations of any legislative or non-legislative governing body for the time being in force in the Republic of Singapore or any other relevant country having jurisdiction in relation to the issue of Shares hereto.

24. GOVERNING LAW

The Option Scheme shall be governed by and construed in accordance with the laws of the Republic of Singapore. The Option Holders, by accepting the offer of the grant of Option(s) in accordance with the Option Scheme, and the Company irrevocably submit to the exclusive jurisdiction of the courts of the Republic of Singapore.

25. DISCLOSURES

25.1 In accordance with the Listing Manual, the Company shall, on any grant of Option(s) make an announcement providing details of the grant, including the date of grant, exercise price of Option(s) granted, number of Option(s) granted, market price of its securities on the date of grant, number of Option(s) granted to Directors and validity period of the Option(s).

25.2 The Company shall make the following disclosures in its annual report:

- (a) the names of the members of the Committee;

APPENDIX A — RULES OF THE PARKWAY SHARE OPTION SCHEME 2010

- (b) the information required in the table below for the following Participants (which for the avoidance of doubt, shall include Participants who have exercised all their Option(s) in any particular FY):
- (i) Participants who are Directors of the Company; and
 - (ii) Participants, other than those in (i) above, who receive 5% or more of the total number of Option(s) available under the Option Scheme;

Name of Participant	Options granted during the FY under review (including terms)	Aggregate Options granted since commencement of the Option Scheme to end of the FY under review	Aggregate Options exercised since commencement of the Option Scheme to end of the FY under review	Aggregate Options outstanding as at end of the FY under review

- (c) the number and proportion of Option(s) granted at the following discounts to the Market Price of the Shares in the FY under review:
- (i) Option(s) granted at a discount of 10% or less; and
 - (ii) Option(s) granted at above 10% but not more than 20% discount.

26. ABSTENTION FROM VOTING

Participants who are Shareholders are to abstain from voting on any Shareholders' resolution relating to the Option Scheme.

APPENDIX A1 — LETTER OF OFFER

Serial No.: _____

PRIVATE AND CONFIDENTIAL

Date:

To: Name
Designation
Address

Dear Sir/Madam

PARKWAY SHARE OPTION SCHEME 2010

We are pleased to inform you that you have been nominated by the Committee of the Board of Directors of Parkway Holdings Limited (the “**Company**”) to participate in the Parkway Share Option Scheme 2010 (the “**Option Scheme**”). Terms as defined in the Option Scheme shall have the same meaning when used in this letter.

Accordingly, an offer is hereby made to grant you an Option, in consideration of the payment of a sum of S\$●, to subscribe for and be allotted ● Shares at the price of S\$● for each Share. The Option shall be subject to the terms of this Letter of Offer and the Option Scheme (as the same may be amended or modified from time to time pursuant to the terms and conditions of the Option Scheme), a copy of which is enclosed herewith.

The Option is personal to you and may not be sold, mortgaged, transferred, charged, assigned, pledged or otherwise disposed of or encumbered in whole or in part or in any way whatsoever.

If you wish to accept the offer, please sign and return the enclosed Acceptance Form with a sum of S\$● not later than ● a.m./p.m. on ● failing which this offer will forthwith lapse.

Yours faithfully
For and on behalf of
Parkway Holdings Limited

Name:
Designation:

APPENDIX A2 — ACCEPTANCE FORM

Serial No.: _____

PRIVATE AND CONFIDENTIAL

To: The Committee
Parkway Share Option Scheme 2010
Parkway Holdings Limited
111 Somerset Road
#15-01 TripleOne Somerset
Singapore 238164

Closing Time and Date for Acceptance of Option : _____
No. of Shares in respect of which Option is offered : _____
Exercise Price per Share : S\$ _____
Total Amount Payable on Acceptance of Option : S\$ _____

I have read your Letter of Offer dated ● and agree to be bound by the terms thereof and of the Parkway Share Option Scheme 2010 stated therein. I confirm that my acceptance of the Option will not result in the contravention of any applicable law or regulation in relation to the ownership of Shares in the Company or Option to subscribe for such Shares.

I hereby accept the Option to subscribe for ● Shares at S\$● for each Share and enclose *cash/bank draft/cashier's order/postal order no. ● for S\$● being payment for the acceptance of the Option.

I understand that I am not obliged to exercise the Option.

I also understand that I shall be responsible for all the fees of CDP relating to or in connection with the allotment and issue of any Shares in CDP's name, the deposit of share certificate(s) with CDP, my securities account with CDP or my securities sub-account with a CDP Depository Agent (as the case may be) (collectively, the "**CDP charges**").

I confirm that as at the date hereof:

- (a) I am not less than 21 years old nor an undischarged bankrupt nor have I entered into a composition with any of my creditors;
- (b) I satisfy the eligibility requirements to participate in the Option Scheme as defined in Rule 4 of the Option Scheme; and
- (c) I satisfy the other requirements to participate in the Option Scheme as set out in the Rules of the Option Scheme.

I hereby acknowledge that you have not made any representation or warranty or given me any expectation of employment or continued employment to induce me to accept the offer and that the terms of the Letter of Offer and this Acceptance Form constitute the entire agreement between us relating to the offer.

I agree to keep all information pertaining to the grant of the Option to me confidential.

APPENDIX A2 — ACCEPTANCE FORM

PLEASE PRINT IN BLOCK LETTERS

Name in full : _____

Designation : _____

Address : _____

Nationality : _____

*NRIC/Passport No. : _____

Signature : _____

Date : _____

* Delete as appropriate

Notes:

1. This Acceptance Form must be addressed to The Committee, Parkway Share Option Scheme 2010 in a sealed envelope marked "Private and Confidential".
2. The Option Holder shall be informed by the Company of the relevant CDP charges payable at the time of the exercise of an Option.

APPENDIX A3 — EXERCISE NOTICE

PRIVATE AND CONFIDENTIAL

To: The Committee
Parkway Share Option Scheme 2010
Parkway Holdings Limited
111 Somerset Road
#15-01 TripleOne Somerset
Singapore 238164

Total number of ordinary shares (the “**Shares**”) at S\$● per Share under an Option granted on ● (the “**Offer Date**”) : _____

Number of Shares previously allotted and issued thereunder : _____

Outstanding balance of Shares which may be allotted and issued thereunder : _____

Number of Shares now to be subscribed : _____

1. Pursuant to your Letter of Offer dated ● (the “**Date of Grant**”) and my acceptance thereof, I hereby exercise the Option to subscribe for the abovementioned Shares in Parkway Holdings Limited (the “**Company**”) at S\$● per Share.
2. I hereby request the Company to allot and issue to me the number of Shares specified in paragraph 1 in the name of The Central Depository (Pte) Limited (“**CDP**”) to the credit of my *Securities Account with CDP/*Securities Sub-Account with a CDP Depository Agent specified below and to deliver the share certificate(s) relating thereto to CDP at my own risk. I further agree to bear such fees or other charges as may be imposed by CDP (the “**CDP charges**”) and any stamp duties in respect thereof:

*(a) Direct Securities Account Number : _____
*(b) Securities Sub-Account Number : _____
Name of CDP Depository Agent : _____
3. I enclose *cash/cheque/cashier’s order/bank draft/postal order no. ● for S\$● in payment for the subscription of the total number of the said Shares and the CDP charges of S\$●.
4. I agree to subscribe for the Shares subject to the terms of the Letter of Offer, the Parkway Share Option Scheme 2010 (as the same may be amended or modified pursuant to the terms thereof from time to time) and the Memorandum and Articles of Association of the Company.
5. I declare that I am subscribing for the Shares for myself and not as a nominee for any other person.

APPENDIX A3 — EXERCISE NOTICE

PLEASE PRINT IN BLOCK LETTERS

Name in full : _____

Designation : _____

Address : _____

Nationality : _____

*NRIC/Passport No. : _____

Signature : _____

Date : _____

* Delete as appropriate

Notes:

1. An Option may be exercised in whole or in part.
2. This Exercise Notice must be addressed to The Committee, Parkway Share Option Scheme 2010 in a sealed envelope marked "Private and Confidential".

APPENDIX B — GENERAL INFORMATION

1. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS IN THE COMPANY

The shareholdings of the Directors and Substantial Shareholders as recorded in the Register of Directors' Shareholdings and Register of Substantial Shareholders (based on notifications received from the respective Directors and Substantial Shareholders) as at the Latest Practicable Date were as follows:

1.1 Directors' Interests

Directors	Direct Interest		Deemed Interest		Total Interest		Number of Shares comprised in out-standing Share Options	Number of Shares comprised in Awards granted ⁽²⁾
	Number of Shares	% ⁽¹⁾	Number of Shares	% ⁽¹⁾	Number of Shares	% ⁽¹⁾		
Malvinder Mohan Singh	—	—	277,923,995	24.5886	277,923,995	24.5886	—	—
Richard Seow Yung Liang	366,666	0.0324	—	—	366,666	0.0324	6,150,000	—
Dr. Lim Cheok Peng	2,501,333	0.2213	—	—	2,501,333	0.2213	4,015,000	1,458,976
Dr Tan See Leng	29,000	0.0026	—	—	29,000	0.0026	1,000,000	575,000
Alain Ahkong Chuen Fah	—	—	—	—	—	—	1,150,000	—
Chang See Hiang	504,000	0.0446	—	—	504,000	0.0446	650,000	—
Balinder Singh Dhillon	—	—	—	—	—	—	—	—
Sunil Godhwani	—	—	—	—	—	—	—	—
Dato' Mohammed Azlan b. Hashim	—	—	—	—	—	—	—	—
Ho Kian Guan	1,480,403	0.1310	15,900,000	1.4067	17,380,403	1.5377	500,000	—
Shivinder Mohan Singh	—	—	277,923,995	24.5886	277,923,995	24.5886	—	—
Ho Kian Hock	154,000	0.0136	15,900,000	1.4067	16,054,000	1.4203	—	—
Ganendran Sarvananthan	—	—	—	—	—	—	—	—
Ahmad Shahizam b. Mohd. Shariff	—	—	—	—	—	—	—	—
Ashish Jaiprakash Shastry	—	—	—	—	—	—	760,000	—

Notes:—

- (1) As a percentage of the total number of issued Shares as at the Latest Practicable Date, comprising 1,130,298,092 Shares excluding Treasury Shares.
- (2) Awards of performance shares made under the Parkway Performance Share Plan. The actual number of performance shares to be delivered will depend on the achievement of prescribed performance targets over the performance qualifying period(s). The number of performance shares includes additional performance shares that may be delivered if performance targets are exceeded.

APPENDIX B — GENERAL INFORMATION

1.2 Substantial Shareholders' Interests

Substantial Shareholders	Direct Interest		Deemed Interest		Total Interest	
	Number of Shares	% ⁽¹⁷⁾	Number of Shares	% ⁽¹⁷⁾	Number of Shares	% ⁽¹⁷⁾
Fortis Global Healthcare (Mauritius) Limited ⁽¹⁶⁾	275,055,996	24.3348	2,867,999	0.2537	277,923,995	24.5886
Fortis Healthcare Holdings Limited ⁽¹⁾	—	—	277,923,995	24.5886	277,923,995	24.5886
Fortis Healthcare International Limited ⁽³⁾	—	—	277,923,995	24.5886	277,923,995	24.5886
Fortis Healthcare Limited ⁽²⁾	—	—	277,923,995	24.5886	277,923,995	24.5886
Franklin Resources, Inc.	—	—	67,638,101	5.9841	67,638,101	5.9841
International Hospital Limited ⁽⁴⁾	—	—	277,923,995	24.5886	277,923,995	24.5886
Khazanah Nasional Berhad ⁽¹⁴⁾	—	—	263,000,352	23.2682	263,000,352	23.2682
Malav Holdings Private Limited ⁽⁶⁾	—	—	277,923,995	24.5886	277,923,995	24.5886
Malvinder Mohan Singh ⁽⁵⁾	—	—	277,923,995	24.5886	277,923,995	24.5886
Mount Kinabalu Investments Ltd ⁽¹⁵⁾	263,000,352	23.2682	—	—	263,000,352	23.2682
Newton Investment Management Limited ⁽¹³⁾	67,725,695	5.9918	—	—	67,725,695	5.9918
Shivi Holdings (P) Ltd. ⁽⁸⁾	—	—	277,923,995	24.5886	277,923,995	24.5886
Shivinder Mohan Singh ⁽⁷⁾	—	—	277,923,995	24.5886	277,923,995	24.5886
Templeton Global Advisors Limited ⁽⁹⁾	—	—	56,950,998	5.0386	56,950,998	5.0386
Templeton International, Inc. ⁽¹⁰⁾	—	—	67,388,101	5.9620	67,388,101	5.9620
Templeton Global Holdings Ltd ⁽¹¹⁾	—	—	56,950,998	5.0386	56,950,998	5.0386
Templeton Worldwide, Inc. ⁽¹²⁾	—	—	67,388,101	5.9620	67,388,101	5.9620
The Bank Of New York Mellon Corporation	—	—	67,758,890	5.9948	67,758,890	5.9948

Notes:—

- (1) (i) Fortis Global Healthcare (Mauritius) Limited (“FGHL”) is a wholly-owned subsidiary of Fortis Healthcare International Limited (“FHIL”). FHIL is wholly-owned by International Hospital Limited, which is in turn a wholly-owned subsidiary of Fortis Healthcare Limited (“FHL”). Fortis Healthcare Holdings Limited (“FHHL”) owns 76% of the shares of FHL.
(ii) Under Section 7 of the Companies Act, FHHL is deemed to have an interest of FGHL in the shares in Parkway.
- (2) (i) FGHL is a wholly-owned subsidiary of FHIL. FHIL is wholly-owned by International Hospital Limited (“IHL”), which is in turn a wholly-owned subsidiary of FHL.
(ii) Under Section 7 of the Companies Act, FHL is deemed to have an interest in the interests of FGHL in the shares of Parkway.
- (3) (i) FGHL is a wholly-owned subsidiary of FHIL.
(ii) Under Section 7 of the Companies Act, FHIL is deemed to have an interest in the interests of FGHL in the shares of Parkway.
- (4) (i) FGHL is a wholly-owned subsidiary of FHIL, which is in turn wholly-owned by IHL.
(ii) Under Section 7 of the Companies Act, IHL is deemed to have an interest in the interests of FGHL in the shares of Parkway.
- (5) (i) FGHL is a wholly-owned subsidiary of FHIL. FHIL is wholly-owned by IHL, which is in turn a wholly-owned subsidiary of FHL. FHHL owns 76% of the shares of FHL. Malav Holdings Private Limited (“MHPL”), a company which is owned as to 100% by Malvinder Mohan Singh, owns 50% of the shares of FHHL.
(ii) Under Section 7 of the Companies Act, Malvinder Mohan Singh is deemed to have an interest in the interests of FGHL in the shares of Parkway.

APPENDIX B — GENERAL INFORMATION

- (6)
 - (i) FGHL is a wholly-owned subsidiary of FHIL. FHIL is wholly-owned by IHL, which is in turn a wholly-owned subsidiary of FHL. FHHL owns 76% of the shares of FHL and MHPL owns 50% of the shares of FHHL.
 - (ii) Under Section 7 of the Companies Act, MHPL is deemed to have an interest in the interests of FGHL in the shares of Parkway.
- (7)
 - (i) FGHL is a wholly-owned subsidiary of FHIL. FHIL is wholly-owned by IHL, which is in turn a wholly-owned subsidiary of FHL. FHHL owns 76% of the shares of FHL. Shivi Holdings (P) Ltd. (“**SHPL**”), a company which is owned as to 100% by Shivinder Mohan Singh, owns 50% of the shares of FHHL.
 - (ii) Under Section 7 of the Companies Act, Shivinder Mohan Singh is deemed to have an interest in the interests of FGHL in the shares of Parkway.
- (8)
 - (i) FGHL is a wholly-owned subsidiary of FHIL. FHIL is wholly-owned by IHL, which is in turn a wholly-owned subsidiary of FHL. FHHL owns 76% of the shares of FHL and SHPL owns 50% of the shares of FHHL.
 - (ii) Under Section 7 of the Companies Act, SHPL is deemed to have an interest in the interests of FGHL in the shares of Parkway.
- (9) Wholly-owned subsidiary of Templeton Global Holdings Ltd., which is wholly-owned subsidiary of Templeton International Inc., which is wholly-owned subsidiary of Templeton Worldwide, Inc., which is a wholly-owned subsidiary of Franklin Resources, Inc.
- (10) Wholly-owned subsidiary of Templeton Worldwide, Inc., which is a wholly-owned subsidiary of Franklin Resources, Inc.
- (11) Wholly-owned subsidiary of Templeton International Inc., which is wholly-owned subsidiary of Templeton Worldwide, Inc., which is a wholly-owned subsidiary of Franklin Resources, Inc.
- (12) Wholly-owned subsidiary of Franklin Resources, Inc.
- (13) Subsidiary of The Bank of New York Mellon Corporation.
- (14)
 - (i) Mount Kinabalu Investments Ltd (“**MKI**”), a wholly-owned subsidiary of Khazanah, has agreed to acquire an aggregate of 2,075,000 ordinary shares in the capital of Parkway Holdings Limited through a series of open market purchases made from 11 June 2008 to 17 June 2008 (“**Market Purchases**”).
 - (ii) MKI has also been allocated 82,500,612 rights shares from Parkway Holdings Limited’s rights issue. The rights shares were issued on 16 June 2008 and listed on 17 June 2008.
 - (iii) Pursuant to Section 7 of the Companies Act, Chapter 50 of Singapore, Khazanah is deemed to have an interest in the Market Purchases made by MKI and the Rights Shares allocated to MKI.
- (15)
 - (i) MKI, a wholly-owned subsidiary of Khazanah, has agreed to acquire an aggregate of 2,075,000 ordinary shares in the capital of Parkway Holdings Limited through a series of open market purchases made from 11 June 2008 to 17 June 2008.
 - (ii) MKI has also been allocated 82,500,612 rights shares from Parkway Holdings Limited’s rights issue. The rights shares were issued on 16 June 2008 and listed on 17 June 2008.
- (16) Deemed interest:-
 - (i) Pursuant to an agreement dated 11 March 2010 between FGHL with Richard Seow Yung Liang (“**RS**”), FGHL is deemed to have an interest in 366,666 ordinary shares in Parkway held by RS with effect from 19 March 2010 (the “**Completion Date**”).
 - (ii) Pursuant to an agreement dated 11 March 2010 between FGHL with Lim Cheok Peng (“**LCP**”), FGHL is deemed to have an interest in 2,501,333 ordinary shares in Parkway held by LCP with effect from the Completion Date.
- (17) As a percentage of the total number of issued Shares as at the Latest Practicable Date, comprising 1,130,298,092 Shares excluding Treasury Shares.

2. DOCUMENTS FOR INSPECTION

The rules of the Option Scheme may be inspected at the registered office of the Company at 111 Somerset Road, #15-01 TripleOne Somerset, Singapore 238164, during normal business hours on any weekday from the date of this Circular up to the date of the EGM.

APPENDIX C — EXTRACTS FROM THE RULES OF THE PARKWAY SHARE OPTION SCHEME 2001

The following are certain rules of the 2001 Scheme pertaining to some salient terms applicable to options granted under the 2001 Scheme. All capitalised terms used in this Appendix C shall have the same meanings as set out in the rules of the 2001 Scheme. Please refer to the rules in their entirety for the other terms and conditions governing the 2001 Scheme.

Rule 3: Eligibility

- (a) To be eligible to participate in the Scheme, an Employee must:
 - (i) be confirmed in his employment with the Company or any Subsidiary and not on probation; and
 - (ii) have attained the age of 21 years on or before the Date of Grant.
- (b) Non-Executive Directors shall be eligible to participate in the Scheme.
- (c) Controlling Shareholders and associates of Controlling Shareholders shall not be eligible to participate in the Scheme.
- (d) Subject to the Companies Act and any requirement of the Singapore Exchange or any other stock exchange on which the Shares may be listed or quoted, the terms of eligibility for participation in the Scheme may be amended from time to time at the absolute discretion of the Board.

Rule 4: Grant of Options

- (a) The Committee may, subject to the Rules, grant Options to Employees and Non-Executive Directors as it may select in its absolute discretion at any time, except that no Options shall be granted:
 - (i) during the period commencing one (1) month before the announcement of the final results of Parkway and two (2) weeks before the announcement of the results of Parkway for each of the first, second and third quarters of its financial year (as the case may be), and ending on the fifth Market Day such results are announced; and
 - (ii) at any time after any matter of an exceptional nature involving price sensitive information has occurred or has been the subject of a decision until after such price sensitive information has been publicly announced.

The Letter of Offer to grant the Option shall be in or substantially in the form set out in Annexure A. An Option shall be personal to the Participant to whom it is granted and shall not be transferred, charged, assigned, pledged or otherwise disposed of in whole or in part, except with the Committee's prior approval.

- (b) The number of Shares to be offered to a Participant in accordance with the Scheme shall be determined at the absolute discretion of the Committee who shall take into account criteria such as the Participant's rank, past performance, years of service and potential for future development or his contribution to the success of the Group and such other general criteria as the Committee may in its absolute discretion consider appropriate.
- (c) The maximum entitlement of a Participant during the operation of the Scheme shall not exceed 25% of the Shares available under the Scheme.

APPENDIX C — EXTRACTS FROM THE RULES OF THE PARKWAY SHARE OPTION SCHEME 2001

- (d) The grant of an Option to a Participant under this Rule 4 shall be accepted by the Participant within thirty (30) days from the Date of Grant of that Option and in any event not later than 5:00 p.m. on the thirtieth day from such Date of Grant by completing, signing and returning the Acceptance Form in or substantially in the form set out in Annexure B, subject to such modification as the Committee may from time to time determine, accompanied by payment of \$1.00 as consideration.
- (e) If a grant of an Option is not accepted in the manner as provided in Rule 4(d), such offer shall upon the expiry of the thirty-day period automatically lapse and shall be null and void and of no effect. An Option shall be deemed to be accepted only upon the receipt by the Company of the said Acceptance Form which is duly completed and signed and the payment of \$1.00.

Rule 5: Subscription Price

- (a) Subject to any adjustment pursuant to Rule 10, the Subscription Price for each Share in respect of which a Market Price Option is exercisable shall be determined by the Committee at its absolute discretion, and fixed by the Committee at the Market Price, rounded up to the nearest whole cent.
- (b) Subject to any adjustment pursuant to Rule 10, the Subscription Price for each Share in respect of which an Incentive Option is exercisable shall be determined by the Committee at its absolute discretion, and fixed by the Committee at a price which is set at a discount to the Market Price, provided that:
 - (i) the maximum discount shall not exceed 20% of the Market Price. In determining the quantum of such discount, the Committee shall take into consideration such criteria as the Committee may, in its absolute discretion, deem appropriate including but not limited to:
 - (1) the performance of the Company and/or the Group;
 - (2) the individual performance of the Participant; and
 - (3) the contribution of the Participant to the success and development of the Company and/or the Group; and
 - (ii) the prior approval of the shareholders of the Company in general meeting shall have been obtained for the making of offers and grants of Options under the Scheme at a discount not exceeding the maximum discount as aforesaid, rounded up to the nearest whole cent.

Rule 6: Rights to Exercise Options

- (a) Subject as provided in this Rule 6 and Rule 7, and any other conditions (including that relating to the vesting schedule of the relevant Option) as may be imposed by the Committee from time to time, each Option shall be exercisable, in whole or in part, as follows:
 - (i) in the case of a Market Price Option, during the period commencing after the first anniversary of the Date of Grant of that Option ("**Commencement Date**") and expiring on the fifth anniversary of such Date of Grant; and
 - (ii) in the case of an Incentive Option, during the period commencing after the second anniversary of the Date of Grant of that Option and expiring on the fifth anniversary of such Date of Grant.

APPENDIX C — EXTRACTS FROM THE RULES OF THE PARKWAY SHARE OPTION SCHEME 2001

In the event of an Option being exercised in part only, the balance of the Option not thereby exercised shall continue to be exercisable in accordance with the Scheme until such time as it shall lapse in accordance with the Scheme. Upon the expiry of the relevant Option Period, all corresponding unexercised Options will immediately lapse and become null and void.

- (b) An Option shall, to the extent unexercised, immediately lapse without any claim against the Company:
- (i) subject to Rules 6(c) and 6(d), upon the Participant ceasing to be in the employment of, or ceasing to hold any office in, the Company or any of its Subsidiaries, as the case may be, for any reason whatsoever; or
 - (ii) upon the bankruptcy of the Participant or the happening of any other event which results in his being deprived of the legal or beneficial ownership of such Option; or
 - (iii) in the event of misconduct on the part of the Participant as determined by the Committee in its discretion.

For the purpose of Rule 6(b)(i), the Participant shall be deemed to have ceased to be so employed as of the date the notice of termination of employment is tendered by or is given to him, unless such notice shall be withdrawn prior to its effective date.

- (c) If a Participant ceases to be employed by, or ceases to hold office in, the Company or any of its Subsidiaries, as the case may be, by reason of his:
- (i) ill health, injury or disability (in each case evidenced to the satisfaction of the Committee);
 - (ii) redundancy;
 - (iii) retirement at or after a normal retirement age; or
 - (iv) retirement before that age with the consent of the Committee;

or for any other reason approved in writing by the Committee; or where a Participant, being a Non-Executive Director, ceases at any time to be a director of any company within the Group, he may, if permitted to do so at the absolute discretion of the Committee, exercise any Option within the period of six (6) months (or such other period as shall be determined in the absolute discretion of the Committee) after the date of such cessation of employment or before the fifth anniversary of the Date of Grant of that Option, whichever is earlier, and upon the expiry of such period, that Option shall lapse. Such Option may be exercised in full at any time during the abovementioned period that has been determined by the Committee notwithstanding that the date of exercise of such Option falls on a date prior to the Commencement Date.

- (d) If a Participant dies and at the date of his death holds any unexercised Option, such Option may, if permitted at the absolute discretion of the Committee, be exercised by the duly appointed personal representatives of the Participant within the period of twelve (12) months (or such other period as shall be determined in the absolute discretion of the Committee) after his death or before the fifth anniversary of the Date of Grant of that Option, whichever is earlier, and upon the expiry of such period that Option shall lapse. Such Option may be exercised in full at any time during the abovementioned period that has been determined by the Committee notwithstanding that the date of exercise of such Option falls on a date prior to the Commencement Date.

APPENDIX C — EXTRACTS FROM THE RULES OF THE PARKWAY SHARE OPTION SCHEME 2001

Rule 9: Limitations on the Size of the Scheme

- (a) The number of Shares over which the Committee may grant Options on any date, when added to the total number of Shares issued and are issuable in respect of all Options granted under the Scheme and any other share-based incentive schemes of the Company (if any), shall not exceed 15% of the total number of the issued ordinary shares of the Company on the day immediately preceding the relevant Date of Grant.
- (b) For the avoidance of doubt, Scheme Shares which could not have been issued under any Option which has expired or lapsed or has become unexercisable for any reason whatsoever shall become available for further grants under the Scheme.

Rule 12: Administration of the Scheme

- (a) The Scheme shall be administered by the Committee to be appointed by the Board, which shall be vested with such powers and duties as are conferred upon it under the Scheme.
- (b) The Committee shall have the power, from time to time, to make and vary such rules (not being inconsistent with the Scheme) for the implementation and administration of the Scheme as they think fit including, but not limited to:
 - (i) imposing restrictions on the number of Options that may be exercised within each financial year; and
 - (ii) amending criteria for granting Options if by so doing, it would be a fairer measure of performance for a Participant or for the Scheme as a whole.
- (c) Neither the Scheme nor the grant of Options under the Scheme shall impose on the Company or the Committee any liability whatsoever in connection with:
 - (i) the lapsing of any Options pursuant to any provision of the Scheme;
 - (ii) the failure or refusal by the Committee to exercise, or the exercise by the Committee of, any discretion under the Scheme; and/or
 - (iii) any decision or determination of the Committee made pursuant to any provision of the Scheme.
- (d) Any decision of the Committee made pursuant to any provision of the Scheme (other than a matter to be certified by the Auditors) including without limitation any decisions pertaining to the quantum of discount applicable to an Incentive Option or to disputes as to the interpretation of the Scheme or any rule, regulation, procedure thereunder or as to any rights under the Scheme, shall be final and binding.
- (e) A Participant who is a member of the Committee shall not be involved in its deliberation in respect of Options to be granted to that Participant.

**APPENDIX C — EXTRACTS FROM THE RULES OF
THE PARKWAY SHARE OPTION SCHEME 2001**

Rule 16: Duration of the Scheme

The Scheme shall continue to be in force at the discretion of the Committee, subject to a maximum period of 10 years commencing from the Adoption Date and provided always that the Scheme may continue beyond the above stipulated period with the approval of the Company's shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required.

The termination of the Scheme shall not affect Options which have been granted and accepted as provided in Rule 4(d), whether such Options have been exercised (whether fully or partially) or not.

NOTICE OF EXTRAORDINARY GENERAL MEETING

PARKWAY HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 197400320R)

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of Parkway Holdings Limited (the “**Company**”) will be held at The Lecture Theatre, Level 3, Gleneagles Hospital, 6A Napier Road, Singapore 258500 on 16 April 2010 at 11.15 a.m. (or as soon as practicable thereafter following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 11.00 a.m. on the same day and at the same place) for the purpose of considering and, if thought fit, passing (with or without modification) the following resolutions as Ordinary Resolutions:

ORDINARY RESOLUTIONS:

1. Proposed Adoption of the Parkway Share Option Scheme 2010

That the share option scheme to be known as the Parkway Share Option Scheme 2010 (the “**Option Scheme**”), the rules of which have been set out in the circular to Shareholders dated 31 March 2010 (the “**Circular**”), be and is hereby approved and adopted substantially in the form set out in the rules of the Option Scheme, and the Directors of the Company be and are hereby authorised:

- (a) to establish and administer the Option Scheme;
- (b) to modify and/or amend the Option Scheme from time to time provided that such modifications and/or amendments are effected in accordance with the provisions of the Option Scheme and to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the Option Scheme; and
- (c) to offer and grant Option(s) in accordance with the rules of the Option Scheme and to allot and issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the exercise of the Option(s) under the Option Scheme.

2. Authority to Offer and Grant Option(s) at a Discount not exceeding 20% of the Market Price under the Option Scheme

That subject to and contingent upon the passing of Ordinary Resolution 1, the Directors of the Company be and are hereby authorised to offer and grant Option(s) in accordance with the rules of the Option Scheme with Exercise Prices set at a discount not exceeding 20% of the Market Price.

All capitalised terms used in this Notice which are not defined herein shall have the same meanings ascribed to them in the Circular dated 31 March 2010 to the shareholders of the Company.

By Order of the Board

June Tay Kwok Fung/Ho Li Li
Company Secretaries

Singapore, 31 March 2010

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

- (1) A member of the Company entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint one or two proxies to attend and vote in his stead save that no such limit shall be imposed on the number of proxies appointed by members which are nominee companies. A proxy need not be a member of the Company.
- (2) Where a member appoints more than one proxy, the Company may treat the appointments as invalid unless the member specifies the proportion of his shareholding (expressed as a percentage of the whole) to be represented by each proxy.
- (3) The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 111 Somerset Road, #15-01 TripleOne Somerset, Singapore 238164 not less than 48 hours before the time set for the Extraordinary General Meeting.
- (4) The instrument appointing a proxy or proxies must be under the hand of the appointer or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised.

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PARKWAY HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number:197400320R)

IMPORTANT:

1. For investors who have used their CPF monies to buy Parkway Holdings Limited shares, this Circular is forwarded to them at the request of their CPF Approved Nominees and is sent solely **FOR INFORMATION ONLY**.
2. This Proxy Form is not valid for use by CPF Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF investors who wish to vote should contact their CPF Approved Nominees.

PROXY FORM EXTRAORDINARY GENERAL MEETING

*I/We _____ NRIC/Passport No./

Company Registration No. _____ of _____

being *a member/members of PARKWAY HOLDINGS LIMITED (the "**Company**"), hereby appoint:

Name	Address	NRIC/Passport No.	Proportion of my/our shareholding (%)	
			Number of Shares	%

and/or (delete as appropriate)

Name	Address	NRIC/Passport No.	Proportion of my/our shareholding (%)	
			Number of Shares	%

as my/our proxy/proxies to attend and to vote for me/us on my/our behalf and, if necessary, to demand a poll at the Extraordinary General Meeting ("**Meeting**") of the Company to be held on 16 April 2010 at The Lecture Theatre, Level 3, Gleneagles Hospital, 6A Napier Road, Singapore 258500 at 11.15 a.m. (or as soon as practicable thereafter following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 11.00 a.m. on the same day and at the same place) and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the Resolutions to be proposed at the Meeting as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/their discretion, as he/they will on any other matter arising at the Meeting.

	TO BE USED ON A SHOW OF HANDS		TO BE USED IN THE EVENT OF A POLL	
	FOR*	AGAINST*	NO. OF VOTES FOR**	NO. OF VOTES AGAINST**
ORDINARY RESOLUTIONS				
Resolution 1 To approve the proposed adoption of the Parkway Share Option Scheme 2010 (the " Option Scheme ")				
Resolution 2 To approve the offer and grant of option(s) at a discount not exceeding 20% of the Market Price under the Option Scheme				

* Please indicate your vote 'For' or 'Against' with a '✓' within the box provided.

** If you wish to exercise all your votes 'For' or 'Against', please indicate with a '✓' within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this _____ day of _____ 2010

Total Number of Shares in	No. of Shares
(a) Depository Register	
(b) Register of Members	

Signature(s) of Member(s) or Common Seal

* Delete accordingly



IMPORTANT (PLEASE READ NOTES BELOW BEFORE COMPLETING THIS PROXY FORM)

NOTES:

1. Please insert the total number of Shares held by you. If you only have Shares entered against your name in the Depository Register (as defined in Section 130A of the Companies Act, Cap. 50), you should insert that number of Shares. If you only have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, this instrument of Proxy will be deemed to relate to all the Shares held by you.
2. A member entitled to attend and vote at a meeting of the Company is entitled to appoint one or two proxies to attend and vote on his behalf instead of him save that no such limit shall be imposed on the number of proxies appointed by members which are nominee companies. A proxy need not be a member of the Company.
3. Where a member appoints more than one proxy, the Company may treat the appointments as invalid unless the member specifies the proportion of his shareholding (expressed as a percentage of the whole) to be represented by each proxy.
4. The instrument appointing a proxy or proxies must be under the hand of the appointer or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised.
5. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 111 Somerset Road, #15-01 TripleOne Somerset, Singapore 238164 not less than 48 hours before the time appointed for the Extraordinary General Meeting.
6. Where an instrument appointing a proxy or proxies is signed on behalf of the appointer by an attorney, the power of attorney (or other authority) or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
7. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointer are not ascertainable from the instructions of the appointer specified in the instrument appointing a proxy or proxies. In addition, in the case of members whose Shares are entered against their names in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if such member is not shown to have Shares entered against his/its names in the Depository Register 48 hours before the time appointed for holding the Extraordinary General Meeting as certified by The Central Depository (Pte) Limited to the Company.
8. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Extraordinary General Meeting in accordance with Section 179 of the Companies Act, Cap. 50. The representative attending the meeting must produce evidence of his authority.