

**CIRCULAR DATED 15 OCTOBER 2018**

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.**

**This Circular is issued by Koda Ltd (the “Company”). If you are in any doubt as to the 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 the Company, you should forward this Circular, the Notice of Extraordinary General Meeting and the attached Proxy Form immediately 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.

This Circular has been prepared by the Company for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). The SGX-ST assumes no responsibility for the correctness of any of the statements or opinions made or reports contained in this Circular. Approval in-principle granted by the SGX-ST for the listing and quotation of the New Shares (as defined herein) on the Official List of the Main Board of the SGX-ST is not to be taken as an indication of the merits of the Company, its subsidiaries, the Proposed Adoption of the Koda Performance Share Plan 2018 (as defined herein) or the New Shares (as defined herein).

**K O D A <sup>TM</sup> LTD**

(Incorporated in the Republic of Singapore on 17 April 1980)  
(Company Registration Number 198001299R)

**CIRCULAR TO SHAREHOLDERS**

**IN RELATION TO**

- I. THE PROPOSED ADOPTION OF THE KODA PERFORMANCE SHARE PLAN 2018;**
- II. THE PROPOSED PARTICIPATION BY MR JAMES KOH JYH GANG, A CONTROLLING SHAREHOLDER OF THE COMPANY, IN THE KODA PERFORMANCE SHARE PLAN 2018;**
- III. THE PROPOSED PARTICIPATION BY MR ERNIE KOH JYH ENG, AN ASSOCIATE OF A CONTROLLING SHAREHOLDER OF THE COMPANY, IN THE KODA PERFORMANCE SHARE PLAN 2018;**
- IV. THE PROPOSED PARTICIPATION BY MDM KOH SHWU LEE, AN ASSOCIATE OF A CONTROLLING SHAREHOLDER OF THE COMPANY, IN THE KODA PERFORMANCE SHARE PLAN 2018;**
- V. THE PROPOSED PARTICIPATION BY MR KOH ZHUXIAN JOSHUA, AN ASSOCIATE OF A CONTROLLING SHAREHOLDER OF THE COMPANY, IN THE KODA PERFORMANCE SHARE PLAN 2018;**
- VI. THE PROPOSED PARTICIPATION BY MR KOH ZHULIAN JULIAN, AN ASSOCIATE OF A CONTROLLING SHAREHOLDER OF THE COMPANY, IN THE KODA PERFORMANCE SHARE PLAN 2018; AND**
- VII. THE PROPOSED RENEWAL OF THE SHARE BUY-BACK MANDATE.**

**IMPORTANT DATES AND TIMES:**

Last date and time for lodgement of Proxy Form	:	28 October 2018 at 11.00 a.m.
Date and time of Extraordinary General Meeting	:	31 October 2018 at 11.00 a.m. (or as soon as practicable immediately following the conclusion or adjournment of the Annual General Meeting of the Company to be held on the same day and at the same place at 10.00 a.m.)
Place of Extraordinary General Meeting	:	28 Defu Lane 4 Singapore 539424

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## DEFINITIONS

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In this Circular, unless otherwise stated or the context otherwise requires, the following words and expressions shall have the following meanings:

- “ACRA”* : The Accounting and Corporate Regulatory Authority of Singapore
- “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 trustees 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;
- (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
- “Average Closing Price”* : The average of the closing market prices of a Share over the last five (5) Market Days on which the Shares are transacted on the SGX-ST or, as the case may be, such Other Exchange, immediately preceding the date of the On-Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted, in accordance with the rules of the SGX-ST, for any corporate action that occurs after the relevant five-day period
- “Award”* : A contingent award of Shares under the Koda Performance Share Plan 2018
- “Board” or “Board of Directors”* : The board of directors of the Company as at the date of this Circular or from time to time, as the case may be
- “CDP”* : The Central Depository (Pte) Limited

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## DEFINITIONS

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“Circular”	:	This circular to Shareholders dated 15 October 2018 in respect of, <i>inter alia</i> , the Proposed Adoption of the Koda Performance Plan 2018
“Companies Act”	:	The Companies Act, Cap. 50, of Singapore, as may be amended or modified from time to time
“Company”	:	Koda Ltd
“control”	:	The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of a company
“Controlling Shareholder”	:	A person who:  (a) holds directly or indirectly 15% or more of the total voting rights in the Company. The SGX-ST may determine that a person who satisfies this paragraph is not a Controlling Shareholder; or  (b) in fact exercises control over the Company
“Date of Grant”	:	The date on which an Award is a granted to a Participant
“date of the making of the offer”	:	The date on which the Company makes an offer for the purchase or acquisition of the Shares from holders of the Shares, stating therein the relevant terms of the equal access scheme for effecting the Off-Market Purchase
“Director”	:	A director of the Company as at the date of this Circular or from time to time, as the case may be
“EGM”	:	The extraordinary general meeting of the Company to be held on 31 October 2018 at 11.00 a.m. (or as soon as practicable immediately following the conclusion or adjournment of the Annual General Meeting of the Company to be held on the same day and at the same place at 10.00 a.m.), notice of which is set out on page N-1 of this Circular
“EPS”	:	Earnings per Share
“FY”	:	Financial year ended or ending 30 June, as the case may be
“Group”	:	The Company and its subsidiaries collectively
“Group Employee”	:	A confirmed full-time employee of the Group (including a Group Executive Director)

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## DEFINITIONS

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<i>“Group Executive Director”</i>	:	A Director of the Company and/or a director of the Company’s subsidiaries, as the case may be, who performs an executive function
<i>“Koda Performance Share Plan 2008”</i>	:	The performance share plan which was adopted at an extraordinary general meeting of the Company held on 28 October 2008
<i>“Koda Performance Share Plan 2018”</i>	:	The proposed Koda Performance Share Plan 2018, the Rules of which are set out in Appendix A to this Circular
<i>“Koda Share Option Scheme 2001”</i>	:	The share option scheme which was adopted at an extraordinary general meeting of the Company held on 6 December 2001
<i>“Latest Practicable Date”</i>	:	5 October 2018, being the latest practicable date prior to the printing of this Circular
<i>“Listing Manual”</i>	:	The listing manual of the SGX-ST and its relevant rule(s), as may be amended or modified from time to time
<i>“Market Day”</i>	:	A day on which the SGX-ST is open for trading of securities
<i>“Maximum Price”</i>	:	The maximum purchase price (excluding brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses) to be paid by the Company for Shares as determined by the Directors which must not exceed:  (a) in the case of an On-Market Purchase, 105% of the Average Closing Price of the Shares; and  (b) in the case of an Off-Market Purchase, 115% of the Average Closing Price of the Shares
<i>“New Shares”</i>	:	The new Shares which may be allotted and issued from time to time pursuant to the vesting of an Award under the Koda Performance Share Plan 2018
<i>“Notice of EGM”</i>	:	The notice of EGM which is set out on page N-1 of this Circular
<i>“NTA”</i>	:	Net tangible assets
<i>“Off-Market Purchase”</i>	:	Off-market purchases (if effected otherwise than on the SGX-ST or, as the case may be, Other Exchange) in accordance with any equal access scheme(s) as may be determined or formulated by the Directors of the Company as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act

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## DEFINITIONS

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<i>“On-Market Purchase”</i>	:	On-market purchases on the SGX-ST or, as the case may be, Other Exchange
<i>“Ordinary Resolution”</i>	:	The ordinary resolutions as set out in the Notice of EGM
<i>“Other Exchange”</i>	:	Any stock exchange (other than the SGX-ST) on which the Shares may for the time being be listed and quoted
<i>“Participant”</i>	:	A person who is eligible and who has been selected by the Remuneration Committee to participate in the Koda Performance Share Plan 2018 in accordance with the Rules
<i>“performance target(s)”</i>	:	The performance target(s) prescribed by the Remuneration Committee to be fulfilled by a Participant for any particular period determined by the Remuneration Committee
<i>“Proposed Adoption of Koda Performance Share Plan 2018”</i>	:	The proposed adoption of the Koda Performance Share Plan 2018
<i>“Proposed Resolutions”</i>	:	The Proposed Adoption of the Koda Performance Share Plan 2018; the proposed participation by Mr James Koh Jyh Gang, a Controlling Shareholder of the Company, in the Koda Performance Share Plan 2018; the proposed participation by Mr Ernie Koh Jyh Eng, an Associate of a Controlling Shareholder of the Company, in the Koda Performance Share Plan 2018; the proposed participation by Mdm Koh Shwu Lee, an Associate of a Controlling Shareholder of the Company, in the Koda Performance Share Plan 2018; the proposed participation by Mr Koh Zhuxian Joshua, an Associate of a Controlling Shareholder of the Company, in the Koda Performance Share Plan 2018; the proposed participation by Mr Koh Zhulian Julian, an Associate of a Controlling Shareholder of the Company, in the Koda Performance Share Plan 2018; and the proposed renewal of the Share Buy-back Mandate
<i>“Proxy Form”</i>	:	The proxy form in respect of the EGM as set out in this Circular
<i>“Purchased Shares”</i>	:	Any Shares purchased or otherwise acquired by the Company under the Share Buy-Back Mandate
<i>“Record Date”</i>	:	In relation to any dividends, rights, allotments or other distributions, the date as at the close of business on which Shareholders must be registered with the Company and/or CDP, as the case may be, in order to participate in any such dividends, rights, allotments or other distributions

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## DEFINITIONS

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<i>“Relevant Period”</i>	:	The period commencing from the date of the passing of Ordinary Resolution 7 relating to the proposed renewal of the Share Buy-back Mandate and expiring on the earlier of (a) the date on which the next annual general meeting of the Company is held or required by law to be held; or (b) the date on which the purchases or acquisitions of issued Shares pursuant to the Share Buy-back Mandate are carried out to the full extent mandated, unless varied or revoked by the Company in general meeting
<i>“Remuneration Committee”</i>	:	The Remuneration Committee of the Company from time to time
<i>“Rules”</i>	:	The rules of the Koda Performance Share Plan 2018, as may be amended or modified from time to time, and any reference to a particular Rule shall be construed accordingly
<i>“Securities Accounts”</i>	:	The securities accounts maintained by Depositors with CDP, but not including the securities accounts maintained with a Depository Agent
<i>“SFA”</i>	:	The Securities and Futures Act, Cap. 289, of Singapore, as may be amended or modified from time to time
<i>“SGX-ST”</i>	:	Singapore Exchange Securities Trading Limited
<i>“Shareholders”</i>	:	The registered holders of Shares, except that where the registered holder is CDP, the term <i>“Shareholders”</i> in relation to Shares held by CDP shall mean the persons named as Depositors in the Depository Register maintained by CDP and to whose Securities Accounts such Shares are credited
<i>“Share Buy-back Guidance Note”</i>	:	The share buy-back guidance note as set out in Appendix 2 to the Take-over Code
<i>“Share Buy-back Mandate”</i>	:	The share buy-back mandate to enable the Company to purchase or otherwise acquire issued Shares
<i>“Shares”</i>	:	Ordinary shares in the capital of the Company
<i>“SIC”</i>	:	The Securities Industry Council of Singapore
<i>“subsidiary holdings”</i>	:	Shares referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Companies Act
<i>“Substantial Shareholder”</i>	:	A person who has an interest or interests in voting Shares in the Company representing not less than 5% of all the voting Shares

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## DEFINITIONS

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“Take-over Code”	:	The Singapore Code on Take-overs and Mergers, as may be amended or modified from time to time
“Vesting Period(s)”	:	The period(s) at the end of which an Award is vested in a Participant, as determined by the Remuneration Committee at the Date of Grant
“%”	:	Per centum or percentage

### Currencies

“S\$” and “S\$ cents”	:	Singapore dollars and cents respectively, the lawful currency of Singapore
“US\$” and “US\$ cents”	:	United States of America dollars and cents respectively, the lawful currency of the United States of America

The terms “*Depositor*”, “*Depository Agent*” and “*Depository Register*” shall have the same meanings ascribed to them respectively in Section 81SF of the SFA.

The terms “*subsidiary*” and “*treasury shares*” shall have the same meanings ascribed to them respectively in the Companies Act.

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 Companies Act, the SFA, the Listing Manual or any statutory modification thereof and used in this Circular shall, where applicable, have the same meaning ascribed to it under the Companies Act, the SFA, the Listing Manual or any statutory modification thereof, as the case may be, unless the context requires otherwise.

Words importing the singular shall, where applicable, include the plural and *vice versa*, and words importing 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 to a time of day or date in this Circular shall be a reference to Singapore time and dates, unless otherwise stated.

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

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

### **Exchange rate**

For the purpose of this Circular, unless otherwise stated, the exchange rate of US\$1 : S\$1.3819 obtained from the Monetary Authority of Singapore on the Latest Practicable Date shall be applied throughout this Circular.



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## LETTER TO SHAREHOLDERS

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### KODA LTD

(Incorporated in the Republic of Singapore on 17 April 1980)  
(Company Registration Number 198001299R)

#### Board of Directors:

Koh Teng Kwee	(Founder and Non-Executive Chairman)
James Koh Jyh Gang	(Deputy Chairman and Managing Director)
Ernie Koh Jyh Eng	(Executive Director)
Koh Shwu Lee	(Executive Director)
Tan Choon Seng	(Lead Independent Director)
Chan Wah Tiong	(Independent Director)
Sim Cheng Huat	(Independent Director)
Ying Siew Hon, Francis	(Independent Director)

#### Registered Office:

28 Defu Lane 4  
Singapore 539424

**15 October 2018**

To: The Shareholders of Koda Ltd

Dear Sir/Madam,

#### 1. INTRODUCTION

##### 1.1 EGM

The Directors are convening an EGM to be held on 31 October 2018 to seek Shareholders' approval in relation to:

- (a) the proposed adoption of the Koda Performance Share Plan 2018 (the "**Proposed Adoption of the Koda Performance Share Plan 2018**");
- (b) the proposed participation by Mr James Koh Jyh Gang, a Controlling Shareholder of the Company, in the Koda Performance Share Plan 2018;
- (c) the proposed participation by Mr Ernie Koh Jyh Eng, an Associate of a Controlling Shareholder of the Company, in the Koda Performance Share Plan 2018;
- (d) the proposed participation by Mdm Koh Shwu Lee, an Associate of a Controlling Shareholder of the Company, in the Koda Performance Share Plan 2018;
- (e) the proposed participation by Mr Koh Zhuxian Joshua, an Associate of a Controlling Shareholder of the Company, in the Koda Performance Share Plan 2018;
- (f) the proposed participation by Mr Koh Zhulian Julian, an Associate of a Controlling Shareholder of the Company, in the Koda Performance Share Plan 2018; and
- (g) the proposed renewal of the Share Buy-back Mandate,  
  
(collectively, the "**Proposed Resolutions**").

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## LETTER TO SHAREHOLDERS

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### 1.2 Circular

The purpose of this Circular is to provide Shareholders with information relating to, and to seek Shareholders' approval for, the Proposed Resolutions. Shareholders' approval will be sought at the EGM to be held on 31 October 2018 at 11.00 a.m. (or as soon as practicable immediately following the conclusion or adjournment of the Annual General Meeting of the Company to be held on the same day and at the same place at 10.00 a.m.), notice of which is set out on page N-1 of this Circular.

The SGX-ST assumes no responsibility for the correctness of any of the statements or opinions made or reports contained in this Circular.

### 1.3 Approval in-principle from the SGX-ST

On 1 October 2018, the Company received the approval in-principle from the SGX-ST for the listing and quotation of the New Shares to be allotted and issued pursuant to the vesting of Awards under the Koda Performance Share Plan 2018 on the Official List of the Main Board of the SGX-ST, subject to the following conditions:

- (a) Shareholders' approval for Koda Performance Share Plan 2018; and
- (b) the Company's compliance with the SGX-ST's listing requirements and guidelines.

**Shareholders should note that the approval in-principle granted by the SGX-ST is not to be taken as an indication of the merits of the Company, its subsidiaries, the Proposed Adoption of the Koda Performance Share Plan 2018 or the New Shares.**

## 2. THE PROPOSED ADOPTION OF THE KODA PERFORMANCE SHARE PLAN 2018

### 2.1 Background

The Company had in place a share option scheme (the "**Koda Share Option Scheme 2001**") which was adopted at an extraordinary general meeting of the Company held on 6 December 2001. The duration of the Koda Share Option Scheme 2001 was subject to a maximum period of 10 years from the date that it was adopted. The Koda Share Option Scheme 2001 had accordingly expired and lapsed on 6 December 2011.

The Company had in place a performance share plan (the "**Koda Performance Share Plan 2008**") which was adopted at an extraordinary general meeting of the Company held on 28 October 2008. The duration of the Koda Performance Share Plan 2008 was subject to a maximum period of 10 years from the date that it was adopted. The Koda Performance Share Plan will accordingly expire and lapse on 28 October 2018.

The Company is proposing to adopt a new performance share plan, known as the Koda Performance Share Plan 2018, to replace the Koda Performance Share Plan 2008. Save for the Koda Share Option Scheme 2001 which has expired and lapsed on 6 December 2011 and the Koda Performance Share Plan 2008 which will expire and lapse on 28 October 2018, the Company did not and currently does not have any other share option scheme, performance share plan or share incentive scheme of the Company in force.

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## LETTER TO SHAREHOLDERS

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### Koda Share Option Scheme 2001

Details relating to the Koda Share Option Scheme 2001 are set out below:

- (a) Total number of Shares reserved under the Koda Share Option Scheme 2001 : Nil
- (b) Total number of Shares allotted and issued under the Koda Share Option Scheme 2001 : Nil
- (c) Number of participants granted options under the Koda Share Option Scheme 2001 : Nil
- (d) Material conditions to which the options granted under the Koda Share Option Scheme 2001 are subject : Nil

There were no options granted to Directors, Controlling Shareholders and their Associates under the Koda Share Option Scheme 2001.

### Koda Performance Share Plan 2008

Details relating to the Koda Performance Share Plan 2008 are set out below:

- (a) Total number of Shares reserved under the Koda Performance Share Plan 2008 : Up to 1,185,162, representing the outstanding awards granted under the Koda Performance Share Plan 2008.
- (b) Total number of Shares allotted and issued under the Koda Performance Share Plan 2008 : 362,108
- (c) Number of participants granted awards under the Koda Performance Share Plan 2008 : Four (4), namely, Mr Koh Zhuxian Joshua, Mr Koh Zhulian Julian, Mr Wong Se Sun and Mr Gan Shee Wen.  

Please refer to the Company's announcement dated 28 November 2016 for further details.
- (d) Material conditions to which the awards granted under the Koda Performance Share Plan 2008 are subject : The Shares allotted and issued pursuant to the vesting of awards under the Koda Performance Share Plan 2008 are subject to a two (2) year moratorium from the date such Shares are allotted and issued.

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## LETTER TO SHAREHOLDERS

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Details of awards granted to Associates of Controlling Shareholders under the Koda Performance Share Plan 2008 are set out below:

<b>Name of participant</b>	<b>Date the award was granted</b>	<b>Number of Shares offered under the award</b>	<b>Number of Shares allotted and issued upon vesting of the award</b>
<b>Associates of Controlling Shareholders</b>			
Mr Koh Zhuxian Joshua	28 November 2016	Up to 117,000 <sup>(1)</sup>	54,846
Mr Koh Zhulian Julian	28 November 2016	Up to 123,000 <sup>(1)</sup>	60,846

**Note:**

(1) The number of Shares stated refers to the number of Shares offered under the award as at the date the award was granted i.e. 28 November 2016. Please refer to the Company's announcement dated 3 October 2017 for adjustments to the number of Shares offered under the award arising from the Company's bonus issue completed on 12 June 2017 and the Company's announcement dated 10 November 2017 for adjustments to the number of Shares offered under the award arising from the Company's bonus issue completed on 9 November 2017.

Save as disclosed above, there were no awards granted to Directors, Controlling Shareholders and their Associates under the Koda Performance Share Plan 2008.

## 2.2 Rationale

### Rationale for the Proposed Adoption of the Koda Performance Share Plan 2018

The objective of the Koda Performance Share Plan 2018 is to provide an opportunity for Group Employees (including Group Executive Directors) to be remunerated not just through cash bonuses but also through an equity stake in the Company. The Koda Performance Share Plan 2018 enables the Company to recognise past contributions and services of the Group Employees (including Group Executive Directors) and incentivises them to contribute to the long-term growth and profitability of the Group.

The objectives of the Koda Performance Share Plan 2018 include:

- (a) to motivate Participants to perform at an optimal level of efficiency and to maintain a high level of contribution to the Group;
- (b) to retain key Group Employees (including Group Executive Directors) whose contributions are important to the long-term growth and profitability of the Group;
- (c) to instil loyalty and a strong sense of identity in the Participants;
- (d) to attract potential employees 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.

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## LETTER TO SHAREHOLDERS

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### Rationale for participation by Controlling Shareholders and Associates of Controlling Shareholders

The Company acknowledges that the contributions and services of Group Employees who are Controlling Shareholders and Group Employees who are Associates of Controlling Shareholders are equally important to the Company's long-term success. Accordingly, the Company believes that all Group Employees (including Group Employees who are Controlling Shareholders and Group Employees who are Associates of Controlling Shareholders) should be treated fairly and equally and should be equally entitled to participate in the Koda Performance Share Plan 2018. The Company is of the view that Group Employees who are Controlling Shareholders and Group Employees who are Associates of Controlling Shareholders should be remunerated for their contributions to the Group on the same basis as other eligible Group Employees who are not Controlling Shareholders or Associates of Controlling Shareholders. They should not be excluded from participating in the Koda Performance Share Plan 2018 solely for the reason that they are Controlling Shareholders or Associates of Controlling Shareholders.

Rule 853 of the Listing Manual states that participation in a scheme by controlling shareholders and their associates must be approved by independent shareholders of the issuer. A separate resolution must be passed for each person and approved by independent shareholders of the issuer. A separate resolution must be passed for each person and to approve the actual number and terms of options to be granted to that participant. Accordingly, the Controlling Shareholders and Associates of Controlling Shareholders shall abstain from voting on any resolution in relation to their participation in the Koda Performance Share Plan 2018 and any resolution in relation to a grant of Awards to them. Given the foregoing, the Company is of the view that there are sufficient safeguards against any abuse of the Koda Performance Share Plan 2018 resulting from the participation of Group Employees who are Controlling Shareholders and Group Employees who are Associates of Controlling Shareholders.

### **2.3 Summary of the Koda Performance Share Plan 2018**

The proposed Rules of the Koda Performance Share Plan 2018 are set out in Appendix A to this Circular. The following is a summary of the proposed Rules of the Koda Performance Share Plan 2018.

#### Eligibility

Any Group Employee (including a Group Executive Director) is eligible to participate in the Koda Performance Share Plan 2018 at the absolute discretion of the Remuneration Committee if at the Date of Grant:

- (a) such person shall have attained the age of 21 years and above; and
- (b) such person shall not be an undischarged bankrupt.

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## LETTER TO SHAREHOLDERS

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PROVIDED THAT if any such Group Employee is a Controlling Shareholder or an Associate of a Controlling Shareholder, his participation in the Koda Performance Share Plan 2018 and the grant of Awards to him, including the actual number of Shares and terms of Awards to be granted to him, shall be subject to independent Shareholders' approval at a general meeting in separate resolutions for participation by each Controlling Shareholder or Associate of a Controlling Shareholder in the Koda Performance Share Plan 2018, and for the grant of Awards to each Controlling Shareholder or Associate of a Controlling Shareholder. The circular to Shareholders to seek independent Shareholder's approval for such matters shall disclose the rationale and justification for his participation in the Koda Performance Share Plan 2018 and for the grant of Awards, including the actual number of Shares and the terms of such Awards.

### Size and duration of the Koda Performance Share Plan 2018

The aggregate number of Shares available under the Koda Performance Share Plan 2018, when added to all Shares, options or awards granted under any other share option scheme, performance share plan or share incentive scheme of the Company then in force, shall not exceed 15% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company from time to time.

The Koda Performance Share Plan 2018 shall continue in force at the absolute discretion of the Remuneration Committee, subject to a maximum period of 10 years commencing on the date on which Shareholders' approval at a general meeting is obtained for the adoption the Koda Performance Share Plan 2018 by the Company. Subject to compliance with any applicable laws and regulations in Singapore, the Koda Performance Share Plan 2018 may continue beyond the above stipulated period with the approval of Shareholders by ordinary resolution at a general meeting and the approval of any relevant authorities which may then be required.

The Koda Performance Share Plan 2018 may be terminated at any time by the Remuneration Committee, or by Shareholders by ordinary resolution at a general meeting subject to all approvals of any relevant authorities which may then be required, and if the Koda Performance Share Plan 2018 is so terminated, no further Awards shall be granted by the Company thereunder.

The termination, discontinuance or expiry of the Koda Performance Share Plan 2018 shall not affect the Awards which have been granted and accepted in accordance with the Koda Performance Share Plan 2018, whether such Awards have been vested (whether fully or partially) or not.

### Grant of Awards

The Remuneration Committee may recommend such grants of Awards to Participants as the Remuneration Committee may decide in its absolute discretion to the Board for approval at any time during the period when the Koda Performance Share Plan 2018 is in force, PROVIDED THAT in the event that an announcement on any matter of an exceptional nature involving unpublished price sensitive information is imminent, Awards may only be vested and hence any Shares comprised in such Awards may only be delivered on or after the second Market Day from the date on which the aforesaid announcement is made.

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## LETTER TO SHAREHOLDERS

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The selection of a Group Employee (including a Group Executive Director) to participate in the Koda Performance Share Plan 2018, and the grant of Awards to him, including the actual number of Shares and terms of Awards to be granted to him shall be determined at the absolute discretion of the Remuneration Committee and recommended by the Remuneration Committee to the Board for approval, considering, *inter alia*, the following criteria:

- (a) the financial performance of the Group;
- (b) such person's rank, length of service, achievements, job performance and potential for future development, and his contribution to the success and development of the Group; and
- (c) the extent of effort and resourcefulness required to achieve the performance target(s) within the performance period(s). The performance target(s) shall be set by the Remuneration Committee based on such person's job scope and responsibilities.

The Remuneration Committee shall, in its absolute discretion, decide in relation to each Award to be recommended by the Remuneration Committee:

- (a) the Participant;
- (b) the Date of Grant;
- (c) the number of Shares which are the subject of the Award;
- (d) the performance target(s) and the performance period(s);
- (e) the Vesting Period(s);
- (f) the extent to which Shares which are the subject of that Award shall be vested on the prescribed performance target(s), if any, being satisfied (whether fully or partially) or exceeded at the end of the performance period(s), or at the end of the prescribed Vesting Period(s), as the case may be; and
- (g) such other terms which the Remuneration Committee may determine in relation to the Award.

PROVIDED THAT the grant of Awards to Participants who are Controlling Shareholders or Associates of a Controlling Shareholder shall be subject to independent Shareholders' approval at a general meeting in separate resolutions for the grant of Awards to each Controlling Shareholder or Associate of a Controlling Shareholder, and the actual number of Shares which are the subject of such Awards shall comply with the following limits:

- (i) the aggregate of the number of Shares available to Controlling Shareholders and Associates of Controlling Shareholders under the Koda Performance Share Plan 2018 shall not exceed 25% of the Shares available under the Koda Performance Share Plan 2018; and
- (ii) the number of Shares available to each Controlling Shareholder or Associate of a Controlling Shareholder shall not exceed 10% of the Shares available under the Koda Performance Share Plan 2018.



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PROVIDED FURTHER THAT the aggregate number of Shares available under the Koda Performance Share Plan 2018, when added to all Shares, options or awards granted under any other share option scheme, performance share plan or share incentive scheme of the Company then in force, shall not exceed 15% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company from time to time.

The Remuneration Committee may recommend the amendment or waiver of the performance target(s), performance period(s) and/or Vesting Period(s) in respect of any Award to the Board for approval:

- (a) in the event of a take-over offer (whether conditional or unconditional) being made for the Company, or a scheme of arrangement or compromise between the Company and its Shareholders being sanctioned by the Singapore court under the Companies Act, or a proposal to liquidate or sell all or substantially all of the assets of the Company; or
- (b) if anything happens which causes the Remuneration Committee to conclude that:
  - (i) an amended performance target, performance period or Vesting Period would be a fairer measure of performance and would be no less difficult to satisfy; or
  - (ii) the performance target, performance period or Vesting Period should be waived,

and the Remuneration Committee shall notify the Participants of such amendment or waiver (but accidental omission to give notice to any Participant(s) shall not invalidate any such amendment or waiver).

Participants are not required to pay for the grant of Awards.

An Award is personal to the Participant to whom it is granted and it may not be transferred, charged, assigned, pledged or otherwise disposed of, in whole or in part, except with the prior approval of the Remuneration Committee and if a Participant shall do, suffer or permit any such act or thing as a result of which he would or might be deprived of any such rights under an Award, that Award shall immediately lapse and shall forthwith become void and cease to have effect. However, the Shares received by a Participant pursuant to the vesting of Awards granted under the Koda Performance Share Plan 2018 may be transferred, charged, assigned, pledged or otherwise disposed of, in whole or in part.

### Acceptance of Awards offered

The grant of an Award to a Participant may only be accepted by the Participant within 15 days from the Date of Grant by completing, signing and returning to the Company an acceptance form in such form as the Remuneration Committee shall approve PROVIDED THAT the Participant remains eligible to participate in the Koda Performance Share Plan 2018 in accordance with the Rules on the date which the Remuneration Committee receives such acceptance form. The Participant may accept or refuse the whole but not part of the Award offered. The Remuneration Committee shall within 15 days of receipt of the acceptance form, acknowledge receipt of the same. If the grant of the Award is not accepted by the Participant, the Award offered shall, upon expiry of the 15 day period, automatically lapse and shall forthwith become void and cease to have effect.



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## LETTER TO SHAREHOLDERS

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### Events prior to the vesting of Awards

An Award, to the extent which Shares which are the subject of that Award have not yet vested, shall immediately lapse and shall forthwith become void and cease to have effect on the occurrence of any of the following events (and in such event, the Participant shall have no claim whatsoever against the Company, its Directors or employees):

- (a) the Participant, being a Group Employee, ceasing for any reason whatsoever to be in the employment of the Group, or in the event the company, which the Participant is employed in, ceases to be a company in the Group;
- (b) the Participant, being an executive Director, ceasing to be a Director of the Company for any reason whatsoever;
- (c) the Participant commits any breach of any of the terms of his Award;
- (d) the Participant commits any misconduct or any breach of any of the terms of his employment contract as determined by the Remuneration Committee in its absolute discretion;
- (e) bankruptcy of a Participant;
- (f) winding-up of the Company; or
- (g) any other event approved by the Remuneration Committee in its absolute discretion.

For the purpose of paragraph (a) above, a Group Employee shall be deemed to have ceased to be in the employment of the Group on the date on which he gives notice of termination of employment, unless prior to the date on which termination takes effect, the Group Employee has (with the consent of the Group) withdrawn such notice of termination.

For the purpose of paragraph (b) above, an executive Director shall be deemed to have ceased to be a Director of the Company on the date on which he gives notice of resignation as a Director of the Company, unless prior to the date on which resignation takes effect, the executive Director has (with the consent of the Company) withdrawn notice of resignation.

For the avoidance of doubt, no Award shall lapse and shall forthwith become void and cease to have effect pursuant to paragraphs (a) or (b) above in the event of any transfer of employment of a Participant within the Group or upon the cessation of employment of an executive Director who shall continue to serve as a Non-Executive Director.

### Vesting of Awards

As soon as reasonably practicable after the end of the performance period(s), the Remuneration Committee shall review the performance target(s) prescribed in the Award, and determine whether it has been satisfied or exceeded, and if so, the extent to which it has been satisfied or exceeded. If the Remuneration Committee determines in its absolute discretion that the performance target(s) prescribed in the Award has/have not been satisfied or exceeded at the end of the performance period(s), that Award shall lapse and shall forthwith become void and cease to have effect.

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## LETTER TO SHAREHOLDERS

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Subject to:

- (a) the Remuneration Committee having determined that the performance target(s) has/ have been satisfied or exceeded at the end of the performance period(s);
- (b) the Participant (being a Group Employee) having continued to be a Group Employee from the Date of Grant up to the end of the performance period(s), or the Participant (being an executive Director) having continued to be a Director of the Company from the Date of Grant up to the end of the performance period(s), as the case may be;
- (c) the Remuneration Committee being of the opinion that the performance of the Participant has been satisfactory;
- (d) such consents (including any approvals required by the SGX-ST) as may be necessary;
- (e) compliance with the terms of the Award, the Koda Performance Share Plan 2018 and the constitution of the Company;
- (f) where New Shares are to be allotted and issued or treasury shares (if any) transferred on the vesting of an Award, the Participant having a Securities Account maintained with CDP, a securities sub-account maintained with a Depository Agent or a CPF investment account maintained with a CPF agent bank, and compliance with the applicable requirements of CDP; and
- (g) where New Shares are to be allotted and issued on the vesting of an Award, the Company being satisfied that the New Shares which are the subject of the vested Award will be listed and quoted on the Official List of the Main Board of the SGX-ST,

upon the expiry of the performance period(s) in relation to an Award, the Company shall deliver to the Participant the Shares which are the subject of the Award the vesting date.

Subject to the prevailing legislation, the Listing Manual of the SGX-ST and the constitution of the Company, the Company shall have absolute discretion to deliver Shares to Participants upon vesting of their Awards by way of:

- (a) an allotment and issue of New Shares; or
- (b) a transfer of treasury shares (if any).

In determining whether to allot and issue New Shares or transfer treasury shares (if any) for delivery to Participants upon vesting of their Awards, the Company will take into account factors, including but not limited to the number of Shares to be delivered, the prevailing market price of the Shares and the financial effects on the Company of either allotting and issuing New Shares or transferring treasury shares (if any).

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## LETTER TO SHAREHOLDERS

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New Shares allotted and issued and/or treasury shares (if any) transferred, upon the vesting of an Award shall:

- (a) be subject to the provisions of the constitution of the Company; and
- (b) rank *pari passu* in all respects with the then existing issued Shares of the Company except for any dividend, right, allotment or other distribution, the Record Date of which is before the vesting date.

### Variation of capital

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

- (a) the class and/or the number of Shares which are the subject of an Award, to the extent which such Shares have not yet vested, and the rights attached thereto; and/or
- (b) the class and/or the number of Shares in respect of future Awards granted under the Koda Performance Share Plan 2018,

may, at the option of the Remuneration Committee, be adjusted in such manner as the Remuneration Committee may determine to be appropriate.

Notwithstanding the provisions above:

- (a) no adjustment shall be made:
  - (i) if as a result, the Participant receives a benefit that a Shareholder does not receive;
  - (ii) if such adjustment will result in the aggregate number of Shares available under the Koda Performance Share Plan 2018, when added to all Shares, options or awards granted under any other share option scheme, performance share plan or share incentive scheme of the Company then in force, to exceed 15% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company from time to time; and
  - (iii) unless the Remuneration Committee after considering all relevant circumstances considers it equitable to do so; and
- (b) any adjustment (except in relation to a capitalisation issue) must be confirmed in writing by the Auditors (acting only as experts and not as arbitrators) to be in their opinion, fair and reasonable.

Unless the Remuneration Committee considers an adjustment to be appropriate, the following events shall not normally be regarded as a circumstance requirement adjustment:

- (a) a private placement of Shares;
- (b) an allotment and issue of Shares:
  - (i) as consideration for an acquisition of any assets;

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## LETTER TO SHAREHOLDERS

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- (ii) upon the exercise of securities convertible into, or with rights to acquire or subscribe for Shares; and
- (iii) pursuant to the Koda Performance Share Plan 2018 and any other share option scheme, performance share plan or share incentive scheme of the Company then in force; and
- (c) a 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 Main Board of the SGX-ST during the period when a share buyback mandate granted by Shareholders (including any renewal of such mandate) is in force.

### Amendments, modifications and/or alterations to the Koda Performance Share Plan 2018

Any or all the provisions of the Koda Performance Share Plan 2018 may be amended, modified and/or altered at any time and from time to time by resolution of the Board on the recommendation of the Remuneration Committee, except that:

- (a) any amendment, modification or alteration which shall materially and adversely alter the rights attached to any Award granted prior to such amendment, modification or alteration may only be made with the consent in writing of such number of Participants whose Shares which are the subject of their Awards represent not less than three quarters of the aggregate number of Shares which are the subject of all Awards held by all Participants who respond to the Company's request for such consent within 21 days of the Company's despatch of the request; and
- (b) any amendment, modification or alteration which would be to the advantage of the Participants under the Koda Performance Share Plan 2018 shall be subject to Shareholders' approval at a general meeting.

For the purposes of paragraphs (a) and (b) above, the opinion of the Remuneration Committee as to whether any amendment, modification or alteration would materially and adversely alter the rights attached to any Award granted prior to such amendment, modification or alteration, or which would be to the advantage of the Participants under the Koda Performance Share Plan 2018 shall be final and conclusive.

The Remuneration Committee may at any time by resolution (and without other formality, save for the prior approval of the SGX-ST, if necessary) amend, modify and/or alter the Koda Performance Share Plan 2018 in any way to the extent necessary to cause the Koda Performance Share Plan 2018 to comply with any statutory provision or the provisions or the regulations of any regulatory or other relevant authority or body (including the SGX-ST).

Written notice of any amendment, modification and/or alteration made shall be given to all Participants (but accidental omission to give notice to any Participant(s) shall not invalidate any such amendment, modification or alteration).

### Administration of the Koda Performance Share Plan 2018

The Koda Performance Share Plan 2018 shall be administered by the Remuneration Committee in its absolute discretion with such powers and duties as are conferred on it by the Board PROVIDED THAT a Participant who is a member of the Remuneration Committee shall not be involved in its deliberation or decision in respect of Awards granted or to be

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## LETTER TO SHAREHOLDERS

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granted to him or held by him, and PROVIDED FURTHER THAT where Awards are proposed to be granted to Directors, Controlling Shareholders or their Associates, all members of the Board (and not just members of the Remuneration Committee), except for those Directors, Controlling Shareholders or their Associates, will be involved in the deliberation or decision on the same.

The Remuneration Committee shall have the power, from time to time, to make and vary such arrangements, guidelines and/or regulations (not being inconsistent with the Koda Performance Share Plan 2018) for the implementation and administration of the Koda Performance Share Plan 2018, and to give effect to the provisions of the Koda Performance Share Plan 2018, as it may, in its absolute discretion, think fit.

Any decision of the Remuneration Committee, made pursuant to any provision of the Koda Performance Share Plan 2018 (other than a matter to be certified by the Auditors), shall be final and binding (including any decisions pertaining to disputes as to interpretation of the Koda Performance Share Plan 2018 or any Rule, regulation or procedure thereunder or as to any rights under the Koda Performance Share Plan 2018).

### Disclosures in annual report

The Company shall make the following disclosures in its annual report for the duration of the Koda Performance Share Plan 2018:

- (a) the names of the members of the Remuneration Committee administering the Koda Performance Share Plan 2018;
- (b) the information required in the table below for the following Participants:
  - (i) Participants who are Directors of the Company;
  - (ii) Participants who are Controlling Shareholders or Associates of Controlling Shareholders; and
  - (iii) Participants, other than those in paragraphs (i) and (ii) above, who receive 5% or more of the total number of Shares available under the Koda Performance Share Plan 2018.

Name of Participant	Awards granted during financial year under review (including terms)	Aggregate Awards granted since commencement of the Koda Performance Share Plan 2018 to end of financial year under review	Aggregate Awards vested since commencement of the Koda Performance Share Plan 2018 to end of financial year under review	Aggregate Awards not yet vested as at end of financial year under review

If any of the requirements above is not applicable, an appropriate negative statement will be included in the annual report.

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## LETTER TO SHAREHOLDERS

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### 2.4 Summary of material differences between the Koda Performance Share Plan 2008 and the Koda Performance Share Plan 2018

(a) Acceptance of Awards offered

Koda Performance Share Plan 2008

Koda Performance Share Plan 2018

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*The grant of an Award to a Participant may only be accepted by the Participant within 15 days from the Date of Grant by completing, signing and returning to the Company an acceptance form in such form as the Remuneration Committee shall approve PROVIDED THAT the Participant remains eligible to participate in this Plan in accordance with the Rules on the date which the Remuneration Committee receives such acceptance form. The Participant may accept or refuse the whole but not part of the Award offered. The Remuneration Committee shall within 15 days of receipt of the acceptance form, acknowledge receipt of the same.*

*If the grant of the Award is not accepted by the Participant in the manner as provided in Rule 7.1, the Award offered shall, upon expiry of the 15 day period referred to in Rule 7.1, automatically lapse and shall forthwith become void and cease to have effect.*

(b) Vesting of Awards

Koda Performance Share Plan 2008

Koda Performance Share Plan 2018

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*Subject to:*

*(a) the Remuneration Committee having determined that the performance target(s) has/have been satisfied or exceeded at the end of the performance period(s);*

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Koda Performance Share Plan 2008

Koda Performance Share Plan 2018

- (b) *the Participant (being a Group Employee) having continued to be a Group Employee from the Date of Grant up to the end of the performance period(s), or the Participant (being an executive Director) having continued to be a Director of the Company from the Date of Grant up to the end of the performance period(s), as the case may be;*
- (c) *the Remuneration Committee being of the opinion that the performance of the Participant has been satisfactory;*
- (d) *such consents (including any approvals required by the SGX-ST) as may be necessary;*
- (e) *compliance with the terms of the Award, this Plan and the constitution of the Company;*
- (f) *where New Shares are to be allotted and issued or treasury shares (if any) transferred on the vesting of an Award, the Participant having a Securities Account maintained with CDP, a securities sub-account maintained with a Depository Agent or a CPF investment account maintained with a CPF agent bank, and compliance with the applicable requirements of CDP; and*
- (g) *where New Shares are to be allotted and issued on the vesting of an Award, the Company being satisfied that the New Shares which are the subject of the vested Award will be listed and quoted on the Official List of the Main Board of the SGX-ST,*

*upon the expiry of the performance period(s) in relation to an Award, the Company shall deliver to the Participant the Shares which are the subject of the Award the vesting date.*

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Koda Performance Share Plan 2008

Koda Performance Share Plan 2018

*Shares which are the subject of a vested Award shall be delivered to a Participant on the vesting date, which shall be a Market Day falling as soon as practicable after the vesting of such Award in accordance with Rule 9.1, and the Company shall within 10 Market Days after the vesting date, allot and issue the New Shares and deposit the share certificate(s) with CDP, or in the case of a transfer of treasury shares (if any), do such acts or things which are necessary for the transfer to be effective.*

*Where New Shares are allotted and issued upon the vesting of any Award, the Company shall, as soon as practicable after such allotment and issue, apply to the SGX-ST for the listing and quotation of such New Shares.*

(c) Administration

Koda Performance Share Plan 2008

Koda Performance Share Plan 2018

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*Shareholders who are eligible to participate in this Plan shall abstain from voting on any resolution relating to this Plan.*

(d) Taxes

Koda Performance Share Plan 2008

Koda Performance Share Plan 2018

*All taxes (including income tax) arising from the exercise of any Awards granted to any Participants under the Plan shall be borne by the Participants.*

*The Participants shall be responsible for obtaining consent from any governmental regulatory or other relevant authority or body that may be required by any country or jurisdiction in order to permit the grant or vesting of the relevant Award. All taxes (including income tax) arising from the grant or vesting of any Award under this Plan shall be borne by that Participant. The Company shall not be responsible for any failure by the Participant to obtain any such consent or for any tax or other liability to which the Participant may become subject as a result of his participation in this Plan.*



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## LETTER TO SHAREHOLDERS

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(e) Collection, use and disclosure of personal data

Koda Performance Share Plan 2008

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Koda Performance Share Plan 2018

*For the purposes of implementing and administering this Plan, and in order to comply with any applicable laws, listing rules, regulations and/or guidelines, the Company will collect, use and disclose the personal data of the Participants, as contained in each Award Letter and/or any other notice or communication given or received pursuant to this Plan, and/or which is otherwise collected from the Participants (or their authorised representative(s)). By participating in this Plan, each Participant consents to the collection, use and disclosure of his personal data for all such purposes, including disclosure of data to related corporations of the Company and/or third parties who provide services to the Company (whether within or outside Singapore), and to the collection, use and further disclosure by such parties for such purposes. Each Participant also warrants that where he discloses the personal data of third parties to the Company in connection with this Plan, he has obtained the prior consent of such third parties for the Company to collect, use and disclose their personal data for the abovementioned purposes, in accordance with any applicable laws, regulations and/or guidelines. Each Participant shall indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Participant's breach of this warranty.*

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## LETTER TO SHAREHOLDERS

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### 2.5 Financial effects of the Koda Performance Share Plan 2018

#### Share capital

The grant of Awards under Koda Performance Share Plan 2018 will result in an increase in the of issued share capital of the Company to the extent that New Shares are allotted and issued upon vesting of the Awards. The number of New Shares allotted and issued will depend on, *inter alia*, the number of Shares which are the subject of the vested Award. However, if treasury shares are transferred to the Participants in lieu of allotting and issuing New Shares to the Participants, the Koda Performance Share Plan 2018 will have no impact on the issued share capital of the Company.

#### EPS

The grant of Awards under the Koda Performance Share Plan 2018 will result in a charge to earnings equivalent to the fair value of the Awards as at the Date of Grant, and recognised over the period from the Date of Grant to the vesting date. Although the Koda Performance Share Plan 2018 will have a dilutive impact on the EPS of the Company and the Group, the delivery of Shares to Participants in respect of Awards granted under the Koda Performance Share Plan 2018 is contingent upon the Participants satisfying or exceeding prescribed performance target(s) which will take into consideration, *inter alia*, the contributions of the Participants towards the financial performance of the Group.

#### NTA

The grant of Awards under the Koda Performance Share Plan 2018 will result in a charge to the Company's and Group's income statements equivalent to the fair value of the Awards as at the Date of Grant, and recognised over the period from the Date of Grant to the vesting date. The allotment and issue of New Shares under the Koda Performance Share Plan 2018 will not have an impact on the NTA of the Company and the Group. If treasury shares are transferred to Participants, the NTA of the Company and the Group will decrease by the cost at which such treasury shares were purchased. Although the Koda Performance Share Plan 2018 will result in a charge to the Company's and Group's income statements, the delivery of Shares to Participants in respect of Awards granted under the Koda Performance Share Plan 2018 is contingent upon the Participants satisfying or exceeding prescribed performance target(s) which will take into consideration, *inter alia*, the contributions of the Participants towards the financial performance of the Group.

#### Dilutive impact

The dilutive impact of the Koda Performance Share Plan 2018 on the EPS and the NTA per share of the Company and the Group is not expected to be significant.

#### Potential cost of Awards

The grant of Awards under the Koda Performance Share Plan 2018 is considered a share-based payment that falls under the scope of Financial Reporting Standard 102 ("FRS 102"). The Awards, if settled by way of the allotment and issue of New Shares or by way of a transfer of treasury shares, would be accounted for as equity-settled share-based payment transactions, as described in the following paragraphs.

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## LETTER TO SHAREHOLDERS

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The grant of Awards under the Koda Performance Share Plan 2018 will result in a charge to the Company's and Group's income statements equivalent to the fair value of the Awards as at the Date of Grant, and recognised over the period from the Date of Grant to the vesting date. The total amount of the charge over the Vesting Period(s) is/are determined by reference to the fair value of each Award granted as at the Date of Grant and the number of Shares delivered as at the vesting date, with a corresponding credit to the reserve account. The charge to the Company's and Group's income statement also depends on whether or not the performance target(s) prescribed in an Award is measured by reference to the market price of the Shares. This is known as a market condition. At each reporting date, the number of Shares that are expected to be delivered pursuant to the vesting of Awards under the Koda Performance Share Plan 2018 are estimated. The impact on the revision of original estimates is recognised as an expense in the Company's and Group's income statements, and as a corresponding adjustment to the reserve account over the remaining Vesting Period(s), unless the revision to original estimates is due to market conditions. No adjustment is made if the revision or actual outcome differs from the original estimate due to market conditions. No expense is recognised for Awards that do not ultimately vest, except for Awards where vesting is conditional upon a market condition, which are treated as vested irrespective of whether or not the market condition is satisfied, provided that all other prescribed performance target(s) are satisfied or exceeded.

### Taxes

All taxes (including income tax) arising from the grant or vesting of any Award under this Plan shall be borne by that Participant.

### *Pro forma* financial effects

For illustrative purposes only, the *pro forma* financial effects on the Group arising from the allotment and issue of New Shares under the Koda Performance Share Plan 2018 have been prepared based on the audited consolidated financial statements of the Company for FY2018, and are subject to, *inter alia*, the following assumptions:

- (a) 12,335,424 New Shares (representing 15% of 82,236,160 issued Shares being the total number of issued Shares excluding 230,000 treasury shares and nil subsidiary holdings as at the Latest Practicable Date, and assuming no further Shares are issued, or purchased or otherwise acquired and held as treasury shares, and no Share is held as subsidiary holdings on or prior to the EGM) are allotted and issued under the Koda Performance Share Plan 2018 (the "**Allotment**");
- (b) the financial effects on the NTA per Share of the Group are computed assuming that the Allotment was completed on 30 June 2018 at S\$0.70 per share;
- (c) the financial effects on the EPS of the Group are computed assuming that the Allotment was completed on 30 June 2018; and
- (d) the exchange rate of US\$1 : S\$1.3819 obtained from the Monetary Authority of Singapore on the Latest Practicable Date.

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	Before the Allotment	After the Allotment
NTA (US\$'000)	33,661	33,661
Number of Shares (excluding treasury shares and subsidiary holdings) ( '000)	82,236	94,572
NTA per Share (US\$ cents)	40.9	35.6
NTA per Share (S\$ cents)	56.6	49.2
	Before the Allotment	After the Allotment
Net profit for FY2018 (US\$'000)	5,672	5,672
Weighted average number of Shares (excluding treasury shares and subsidiary holdings) ( '000)	67,584	67,584
EPS (US\$ cents)	8.4	8.4
EPS (S\$ cents)	11.6	11.6

**Shareholders should note that the financial effects set out above are based on the respective aforementioned assumptions, and are for illustration purposes only. In particular, Shareholders should note that the financial effects set out above are based on the audited consolidated financial statements of the Company for FY2018, and are not necessarily representative of the future financial performance of the Company and the Group.**

### **3. THE PROPOSED PARTICIPATION BY A CONTROLLING SHAREHOLDER AND HIS ASSOCIATES IN THE KODA PERFORMANCE SHARE PLAN 2018**

#### **3.1 The proposed participation by Mr James Koh Jyh Gang, a Controlling Shareholder of the Company, in the Koda Performance Share Plan 2018**

Mr James Koh Jyh Gang is the Deputy Chairman and Executive Director of the Company. He spearheads the Group's operations and growth strategies. He has experience in a range of industry-wide projects in Singapore, Vietnam and China, and has drawn on that experience to formulate the Group's business development strategies, strengthen supply chain management, broach new design concepts and manage the Group's international marketing efforts. In addition, he contributes technical knowledge by advising the research & development and production teams on product development and processes.

Mr James Koh Jyh Gang is a Controlling Shareholder of the Company. As at the Latest Practicable Date, he is interested in 13,523,094 Shares held by him, representing

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## LETTER TO SHAREHOLDERS

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approximately 16.44% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company.

The proposed participation by Mr James Koh Jyh Gang in the Koda Performance Share Plan 2018 would enable the Company to recognise his valuable contributions and services, and provide an opportunity for the Company to remunerate Mr James Koh Jyh Gang not just through cash bonuses but also through an equity stake in the Company. In this way, Mr James Koh Jyh Gang will be incentivised to contribute to the long-term growth and profitability of the Group, and motivated to perform at an optimal level of efficiency and to maintain a high level of contribution to the Group.

Subject to Shareholders' approval at the EGM for the Proposed Adoption of the Share Performance Plan 2018 and subject to Shareholders' approval for the proposed participation by Mr James Koh Jyh Gang in the Koda Performance Share Plan 2018, in the event that the Company decides to grant Awards to Mr James Koh Jyh Gang under the Koda Performance Share Plan 2018, the Company will disclose to its independent Shareholders the rationale and justification for such Awards, including the actual number of Shares and the terms of such Awards, and seek the independent Shareholders' approval at a general meeting for the grant of such Awards.

### **3.2 The proposed participation by Mr Ernie Koh Jyh Eng, an Associate of a Controlling Shareholder of the Company, in the Koda Performance Share Plan 2018**

Mr Ernie Koh Jyh Eng is the Executive Director of Sales & Marketing of the Company. He manages the Group's sales and marketing functions, and has significant experience in international marketing and corporate branding. He helms the Group's marketing initiatives, particularly in customer relationship management, client base diversification, trade fair participation, new product launches and marketing talent recruitment. More specifically, he is in charge of the Group's furniture fair management, formulating the Group's strategies for new market penetration, and devising pricing plans.

Mr Ernie Koh Jyh Eng is the brother of Mr James Koh Jyh Gang, a Controlling Shareholder of the Company, and is accordingly an Associate of a Controlling Shareholder of the Company. As at the Latest Practicable Date, he is interested in 8,954,988 Shares held by him and his spouse, Mdm Wong Sau Wai, representing approximately 10.89% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company.

The proposed participation by Mr Ernie Koh Jyh Eng in the Koda Performance Share Plan 2018 would enable the Company to recognise his valuable contributions and services, and provide an opportunity for the Company to remunerate Mr Ernie Koh Jyh Eng not just through cash bonuses but also through an equity stake in the Company. In this way, Mr Ernie Koh Jyh Eng will be incentivised to contribute to the long-term growth and profitability of the Group, and motivated to perform at an optimal level of efficiency and to maintain a high level of contribution to the Group.

Subject to Shareholders' approval at the EGM for the Proposed Adoption of the Share Performance Plan 2018 and subject to Shareholders' approval for the proposed participation by Mr Ernie Koh Jyh Eng in the Koda Performance Share Plan 2018, in the event that the Company decides to grant Awards to Mr Ernie Koh Jyh Eng under the Koda Performance Share Plan 2018, the Company will disclose to its independent Shareholders the rationale

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and justification for such Awards, including the actual number of Shares and the terms of such Awards, and seek the independent Shareholders' approval at a general meeting for the grant of such Awards.

### **3.3 The proposed participation by Mdm Koh Shwu Lee, an Associate of a Controlling Shareholder of the Company, in the Koda Performance Share Plan 2018**

Mdm Koh Shwu Lee is the Executive Director of Finance & Administration of the Company. She manages the Group's administration, finance, logistics, sourcing and human resource functions, and plays an integral role in the daily operations of the Group. More specifically, she is responsible for the Group's capital investment evaluation, credit control management, cash flow planning, budgetary control and documentary credit review.

Mdm Koh Shwu Lee is the sister of Mr James Koh Jyh Gang, a Controlling Shareholder of the Company, and is accordingly an Associate of a Controlling Shareholder of the Company. As at the Latest Practicable Date, she is interested in 8,544,426 Shares held by her and her spouse, Mr Kavin Seow Soo Yeow, representing approximately 10.39% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company.

The proposed participation by Mdm Koh Shwu Lee in the Koda Performance Share Plan 2018 would enable the Company to recognise her valuable contributions and services, and provide an opportunity for the Company to remunerate Mdm Koh Shwu Lee not just through cash bonuses but also through an equity stake in the Company. In this way, Mdm Koh Shwu Lee will be incentivised to contribute to the long-term growth and profitability of the Group, and motivated to perform at an optimal level of efficiency and to maintain a high level of contribution to the Group.

Subject to Shareholders' approval at the EGM for the Proposed Adoption of the Share Performance Plan 2018 and subject to Shareholders' approval for the proposed participation by Mdm Koh Shwu Lee in the Koda Performance Share Plan 2018, in the event that the Company decides to grant Awards to Mdm Koh Shwu Lee under the Koda Performance Share Plan 2018, the Company will disclose to its independent Shareholders the rationale and justification for such Awards, including the actual number of Shares and the terms of such Awards, and seek the independent Shareholders' approval at a general meeting for the grant of such Awards.

### **3.4 The proposed participation by Mr Koh Zhuxian Joshua, an Associate of a Controlling Shareholder of the Company, in the Koda Performance Share Plan 2018**

Mr Koh Zhuxian Joshua is the Chief Executive Officer of Commune Lifestyle Pte. Ltd.. He is responsible for overseeing the operations of the retail and distribution business of Commune Lifestyle Pte. Ltd., its business development and provide overall strategy for the "Commune" brand.

Mr Koh Zhuxian Joshua is the son of Mr James Koh Jyh Gang, a Controlling Shareholder of the Company, and is accordingly an Associate of a Controlling Shareholder of the Company. As at the Latest Practicable Date, he is interested in 2,266,552 Shares held by him, representing approximately 2.76% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company.

The proposed participation by Mr Koh Zhuxian Joshua in the Koda Performance Share Plan 2018 would enable the Company to recognise his valuable contributions and services, and provide an opportunity for the Company to remunerate Mr Koh Zhuxian Joshua not just

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through cash bonuses but also through an equity stake in the Company. In this way, Mr Koh Zhuxian Joshua will be incentivised to contribute to the long-term growth and profitability of the Group, and motivated to perform at an optimal level of efficiency and to maintain a high level of contribution to the Group.

Subject to Shareholders' approval at the EGM for the Proposed Adoption of the Share Performance Plan 2018 and subject to Shareholders' approval for the proposed participation by Mr Koh Zhuxian Joshua in the Koda Performance Share Plan 2018, in the event that the Company decides to grant Awards to Mr Koh Zhuxian Joshua under the Koda Performance Share Plan 2018, the Company will disclose to its independent Shareholders the rationale and justification for such Awards, including the actual number of Shares and the terms of such Awards, and seek the independent Shareholders' approval at a general meeting for the grant of such Awards.

### **3.5 The proposed participation by Mr Koh Zhulian Julian, an Associate of a Controlling Shareholder of the Company, in the Koda Performance Share Plan 2018**

Mr Koh Zhulian Julian is the Head of Design of the Group. He is responsible for the Group's design and innovation. He leads the design team and oversees the Group's designing and branding, as well as sample and product development. He is also the creative mind behind the Group's local and overseas exhibitions. In addition, he is the creative force behind Commune Lifestyle Pte. Ltd., curating sensory environments in retail spaces and unique shopping experiences for consumers centred on the concept of bringing people together.

Mr Koh Zhulian Julian is the son of Mr James Koh Jyh Gang, a Controlling Shareholder of the Company, and is accordingly an Associate of a Controlling Shareholder of the Company. As at the Latest Practicable Date, he is interested in 2,207,452 Shares held by him, representing approximately 2.68% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company.

The proposed participation by Mr Koh Zhulian Julian in the Koda Performance Share Plan 2018 would enable the Company to recognise his valuable contributions and services, and provide an opportunity for the Company to remunerate Mr Koh Zhulian Julian not just through cash bonuses but also through an equity stake in the Company. In this way, Mr Koh Zhulian Julian will be incentivised to contribute to the long-term growth and profitability of the Group, and motivated to perform at an optimal level of efficiency and to maintain a high level of contribution to the Group.

Subject to Shareholders' approval at the EGM for the Proposed Adoption of the Share Performance Plan 2018 and subject to Shareholders' approval for the proposed participation by Mr Koh Zhulian Julian in the Koda Performance Share Plan 2018, in the event that the Company decides to grant Awards to Mr Koh Zhulian Julian under the Koda Performance Share Plan 2018, the Company will disclose to its independent Shareholders the rationale and justification for such Awards, including the actual number of Shares and the terms of such Awards, and seek the independent Shareholders' approval at a general meeting for the grant of such Awards.



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### 4. THE PROPOSED RENEWAL OF THE SHARE BUY-BACK MANDATE

#### 4.1 Introduction

The Share Buy-back Mandate was first approved by Shareholders at an extraordinary general meeting of the Company held on 30 October 2015. The Share Buy-back Mandate was renewed at the extraordinary general meeting of the Company held on 27 October 2017, and will expire on 31 October 2018 being the date on which the next Annual General Meeting of the Company is to be held.

It is a requirement under the Companies Act that a company which wishes to purchase or otherwise acquire its own shares should obtain shareholders' approval to do so at a general meeting. In addition, Rule 881 of the Listing Manual states that an issuer may purchase its own shares if it has obtained the prior specific approval of shareholders in general meeting. Accordingly, Shareholders' approval is being sought at the EGM to be held on 31 October 2018 at 11.00 a.m. (or as soon as practicable immediately following the conclusion or adjournment of the Annual General Meeting of the Company to be held on the same day and at the same place at 10.00 a.m.) for the proposed renewal of the Share Buy-back Mandate.

If the proposed renewal of the Share Buy-back Mandate is approved by Shareholders at the EGM, the authority conferred on the Directors pursuant to the Share Buy-back Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of Ordinary Resolution 7 relating to the proposed renewal of the Share Buy-back Mandate and expiring on the earlier of (a) the date on which the next annual general meeting of the Company is held or required by law to be held; or (b) the date on which the purchases or acquisitions of issued Shares pursuant to the Share Buy-back Mandate are carried out to the full extent mandated, unless varied or revoked by the Company in general meeting (the "**Relevant Period**").

#### 4.2 Rationale for the Share Buy-back Mandate

The Share Buy-back Mandate would give the Company the flexibility to undertake Share Purchases up to the limit as set out Section 4.3(a) of this Circular at any time and from time to time during the Relevant Period. The rationale for the Company to undertake such Share Purchases are as follows:

- (a) The Share Buy-back Mandate gives the Directors the flexibility to undertake Share Purchases as and when circumstances permit, with the objective of enhancing Shareholders' value and to improve, *inter alia*, the return on equity of the Group. A Share Purchase made at an appropriate price level is one of the ways through which Shareholders' value may be enhanced and the return on equity of the Group may be improved.
- (b) The Share Buy-back Mandate will provide the Company with a mechanism to facilitate the return of surplus cash over and above the Group's working capital requirements in an expedient and cost-efficient manner. Share Purchases also allow the Directors to exercise control over the Company's share structure with the view to enhance the EPS and/or the NTA per Share of the Company.
- (c) The Company may undertake Share Purchases to mitigate short-term market volatility (by way of stabilising the supply and demand of issued Shares) and offset the effects of price speculation of its Shares.



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As and when circumstances permit, the Directors will decide whether to carry out the Share Purchases via On-Market Purchases or Off-Market Purchases, after taking into consideration relevant factors such as the amount of surplus cash available, working capital requirements, prevailing market conditions and the most cost effective and efficient approach.

The Share Purchases will only be undertaken as and when the Directors consider it to be in the best interests of the Company and its Shareholders. The Directors do not propose to carry out Share Purchases to such an extent that would, or in circumstances that might, result in a material adverse effect on the financial condition of the Group.

Shareholders should note that Shares Purchases pursuant to the Share Buy-back Mandate may not be carried out to the full extent mandated. The Share Purchases will not cause illiquidity or affect orderly trading of the Shares.

### 4.3 Authority and limits on the Share Buy-back Mandate

The authority and limits on the Share Buy-back Mandate are summarised below:

(a) Maximum number of Shares

Only Shares that are issued and fully paid-up may be purchased or otherwise acquired by the Company pursuant to the Share Buy-back Mandate. The maximum number of Shares which can be purchased or otherwise acquired by the Company pursuant to the Share Buy-back Mandate during the Relevant Period is limited to that number of issued Shares representing not more than 10% of the total number of issued Shares as at date of the passing of Ordinary Resolution 7 relating to the proposed renewal of the Share Buy-back Mandate (excluding any treasury shares and subsidiary holdings as at that date). For the purposes of computing the 10% limit, any of the Shares which are held as treasury shares or subsidiary holdings will be disregarded.

**Purely for illustration purposes only**, based on the total number of issued Shares as at the Latest Practicable Date, comprising 82,236,160 Shares (excluding 230,000 treasury shares and nil subsidiary holdings), and assuming no further Shares are issued, or purchased or otherwise acquired and held as treasury shares, and no Share is held as subsidiary holdings on or prior to the EGM, not more than 8,223,616 Shares (representing not more than 10% of the total number of issued Shares excluding 230,000 treasury shares and nil subsidiary holdings as at that date) may be purchased or otherwise acquired by the Company pursuant to the Share Buy-back Mandate.

(b) Duration of authority

If the proposed renewal of the Share Buy-back Mandate is approved by Shareholders at the EGM, the authority conferred on the Directors pursuant to the Share Buy-back Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of Ordinary Resolution 7 relating to the proposed renewal of the Share Buy-back Mandate and expiring on the earlier of:

- (i) the date on which the next annual general meeting of the Company is held or required by law to be held;
- (ii) the date on which the purchases or acquisitions of issued Shares pursuant to the Share Buy-back Mandate are carried out to the full extent mandated,

unless varied or revoked by the Company in general meeting.

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The authority conferred on the Directors pursuant to the Share Buy-back Mandate to undertake Share Purchases may be renewed at each annual general meeting or other general meeting of the Company. When seeking the Shareholders' approval for the proposed renewal of the Share Buy-Back Mandate, the Company is required to disclose details pertaining to any Share Purchases made during the previous 12 months (whether an On-Market Purchase or an Off-Market Purchase), giving the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for such Share Purchases, where relevant, and the total consideration paid for such Share Purchases.

(c) Manner of Share Purchases

Share Purchases may be made by way of:

- (i) on-market purchases on the SGX-ST or, as the case may be, any other stock exchange on which the Shares may for the time being be listed and quoted ("**Other Exchange**") ("**On-Market Purchases**"); and/or
- (ii) off-market purchases (if effected otherwise than on the SGX-ST or, as the case may be, Other Exchange) in accordance with any equal access scheme(s) as may be determined or formulated by the Directors of the Company as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act ("**Off-Market Purchases**").

The Directors may impose such terms and conditions, which are not inconsistent with the Companies Act, the Listing Manual and the Share Buy-back Mandate, as they consider fit in the interests of the Company in connection with or in relation to any equal access scheme(s).

Under the Companies Act, an Off-Market Purchase must satisfy all the following conditions:

- (A) offers for Share Purchases shall be made to every person who holds Shares, to purchase or otherwise acquire the same percentage of their Shares;
- (B) all of the abovementioned persons shall be given a reasonable opportunity to accept the offer made to them; and
- (C) the terms of all the offers are the same, except that there shall be disregarded:
  - (AA) differences in consideration attributable to the fact that the offers relate to Shares with different accrued dividend entitlements;
  - (BB) differences in consideration attributable to the fact that the offers relate to Shares with different amounts remaining unpaid (if applicable); and
  - (CC) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

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In addition, the Listing Manual provides that, in making an Off-Market Purchase, the Company must issue an offer document to all Shareholders which must contain at least the following information:

- (I) the terms and conditions of the offer;
- (II) the period and procedures for acceptances;
- (III) the reasons for the proposed Share Purchases;
- (IV) the consequences, if any, of Share Purchases by the Company that will arise under the Take-over Code or other applicable take-over rules;
- (V) whether the Share Purchases, if made, would have any effect on the listing of the Shares on the SGX-ST;
- (VI) details of any Share Purchases made by the Company in the previous 12 months (whether an On-Market Purchase or an Off-Market Purchase), giving the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for such Share Purchases, where relevant, and the total consideration paid for such Share Purchases; and
- (VII) whether the Shares purchased or acquired by the Company will be cancelled or kept as treasury shares.

(d) Maximum Price

The purchase price (excluding brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses) to be paid by the Company for Shares (the “**Maximum Price**”) as determined by the Directors must not exceed:

- (i) in the case of an On-Market Purchase, 105% of the Average Closing Price of the Shares; and
- (ii) in the case of an Off-Market Purchase, 115% of the Average Closing Price of the Shares.

In this Section 4.3(d) of this Circular:

- (A) “**Average Closing Price**” means the average of the closing market prices of a Share over the last five (5) Market Days on which the Shares are transacted on the SGX-ST or, as the case may be, such Other Exchange, immediately preceding the date of the On-Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted, in accordance with the rules of the SGX-ST, for any corporate action that occurs after the relevant five-day period; and
- (B) “**date of the making of the offer**” means the date on which the Company makes an offer for the purchase or acquisition of the Shares from holders of the Shares, stating therein the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

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### 4.4 Status of Purchased Shares

Any Shares purchased or otherwise acquired by the Company under the Share Buy-Back Mandate (“**Purchased Shares**”) shall, unless held as treasury shares in accordance with the Companies Act, be deemed to be cancelled immediately on purchase or acquisition (and all rights and privileges attached to those Purchased Shares will expire on such cancellation). The total number of issued Shares will be diminished by the number of Purchased Shares which are not held as treasury shares.

### 4.5 Treasury shares

Under the Companies Act, Purchased Shares may be held or dealt with by the Company as treasury shares. Some provisions on treasury shares under the Companies Act are summarised below:

(a) Maximum holdings

The aggregate number of Shares held as treasury shares cannot at any time exceed 10% of the total number of issued Shares at that time. In the event that the Company exceeds the 10% threshold, the Company must dispose of or cancel these excess treasury shares within six (6) months or such further period as the Registrar of Companies may allow.

(b) Voting and other rights

The Company cannot exercise any right in respect of treasury shares. In particular, the Company cannot exercise any right to attend and vote at meetings, and for the purposes of the Companies Act, the Company shall be treated as having no right to vote and the treasury shares shall be treated as having no voting rights.

In addition, no dividend may be paid, and no other distribution of the Company’s assets may be made, to the Company in respect of treasury shares. However, the allotment and issue of Shares as fully paid bonus Shares in respect of treasury shares is allowed. Also, a subdivision or consolidation of any treasury shares into treasury shares of a smaller or larger amount is allowed so long as the total value of the treasury shares after the subdivision or consolidation is the same as before, as the case may be.

(c) Disposal and cancellation

Where Shares are held as treasury shares, the Company may at any time:

- (i) sell the treasury shares for cash;
- (ii) transfer the treasury shares for the purpose of or pursuant to the Koda Performance Share Plan 2018 and any other share option scheme, performance share plan or share incentive scheme of the Company then in force;
- (iii) transfer the treasury shares as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (iv) cancel the treasury shares; or
- (v) sell, transfer or otherwise use the treasury shares for such other purposes as may be prescribed by the Minister of Finance.

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### 4.6 Source of funds

In undertaking Share Purchases, the Company may only apply funds legally available for such Share Purchases in accordance with the constitution of the Company and the applicable laws in Singapore. The Company may not purchase its Shares for a consideration other than cash or, in the case of an On-Market Purchase, for settlement other than in accordance with the trading rules of the SGX-ST.

Under the Companies Act, the Company may purchase or otherwise acquire its own Shares out of profits and/or capital so long as the Company is solvent. It is an offence for a Director or an officer of the Company to approve or authorise the purchase or acquisition of Shares, knowing that the Company is not solvent. For this purpose, pursuant to Section 76F(4) of the Companies Act, a company is solvent if:

- (a) there is no ground on which the company could be found to be unable to pay its debts;
- (b) if:
  - (i) it is intended to commence winding up of the company within the period of 12 months immediately after the date of the payment, the company will be able to pay its debts in full within the period of 12 months after the date of commencement of the winding up; or
  - (ii) it is not intended so to commence winding up, the company will be able to pay its debts as they fall due during the period of 12 months immediately after the date of the payment; and
- (c) the value of the company's assets is not less than the value of its liabilities (including contingent liabilities) and will not, after the proposed purchase or acquisition of issued Shares become less than the value of its liabilities (including contingent liabilities).

The Company intends to use the Group's internal resources to finance its Share Purchases (including any brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses incurred directly in relation to the Share Purchases). The purchase or acquisition of issued Shares will only be undertaken if it can benefit the Company and its Shareholders. The Directors will only make purchases or acquisitions of issued Shares in circumstances that they believe will not result in any material adverse effect on the financial condition of the Group.

### 4.7 Financial effects

The financial effects on the Company and the Group arising from its purchase or acquisition of issued Shares pursuant to the Share Buy-back Mandate will depend on, *inter alia*, whether the Shares purchased or acquired is an On-Market Purchase or an Off-Market Purchase, whether the Shares are purchased or acquired out of capital and/or profits of the Company, the number of issued Shares purchased or acquired, the consideration paid for such Shares and whether the issued Shares purchased or acquired are held as treasury shares or cancelled.

For illustrative purposes only, the financial effects on the Company and the Group arising from its purchase or acquisition of issued Shares pursuant to the Share Buy-back Mandate

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have been prepared based on the audited consolidated financial statements of the Company for FY2018, and are subject to, *inter alia*, the following assumptions:

- (a) the Share Purchases comprised 8,223,616 Shares (representing 10% of 82,236,160 issued Shares being the total number of issued Shares excluding 230,000 treasury shares and nil subsidiary holdings as at the Latest Practicable Date, and assuming no further Shares are issued, or purchased or otherwise acquired and held as treasury shares, and no Share is held as subsidiary holdings on or prior to the EGM);
- (b) in the case of On-Market Purchases, the Maximum Price was S\$0.794 per Share (being 105% of the Average Closing Price of the Shares over the last five (5) Market Days on which the Shares are transacted on the SGX-ST immediately preceding the Latest Practicable Date) and accordingly the maximum amount of funds required for effecting such On-Market Purchases (excluding brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses), would amount to approximately S\$6.5 million (equivalent to approximately US\$4.7 million);
- (c) in the case of Off-Market Purchases, the Maximum Price was S\$0.869 per Share (being 115% of the Average Closing Price of the Shares over the last five (5) Market Days on which the Shares are transacted on the SGX-ST immediately preceding the Latest Practicable Date) and accordingly the maximum amount of funds required for effecting such Off-Market Purchases (excluding brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses), would amount to approximately S\$7.2 million (equivalent to approximately US\$5.2 million);
- (d) there were no expenses (including brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses) incurred in relation to the Share Purchases;
- (e) the Share Purchases pursuant to the Share Buy-back Mandate were completed on 1 July 2017;
- (f) the 230,000 treasury shares as at the Latest Practicable Date are not cancelled and continues to be held by the Company as treasury shares;
- (g) the Share Purchases were made entirely out of the Company's profits and financed entirely by the Company's internal resources; and
- (h) the exchange rate of US\$1 : S\$1.3819 obtained from the Monetary Authority of Singapore on the Latest Practicable Date.

Pursuant to Section 76G of the Companies Act, where issued Shares are purchased or acquired, and cancelled under Section 76B(5) of the Companies Act, the Company shall:

- (i) reduce the amount of its share capital where the issued Shares were purchased or acquired out of the capital of the Company;
- (ii) reduce the amount of its profits where the issued Shares were purchased or acquired out of the profits of the Company; or

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(iii) reduce the amount of its share capital and profits proportionately where the issued Shares were purchased or acquired out of both the capital and the profits of the Company,

by the total amount of the purchase price paid by the Company for the issued Shares cancelled. For the avoidance of doubt, the total amount of the purchase price paid by the Company for the issued Shares cancelled shall include any expenses (including brokerage or commission) incurred directly in the purchase or acquisition of such issued Shares which is paid out of the Company's capital or profits under Section 76F(1) of the Companies Act.

On the other hand, where issued Shares are purchased or acquired, and not cancelled under Section 76B(5) of the Companies Act, but held as treasury shares, there will be no change in the Company's share capital.

In both cases, the Shareholders' equity is reduced by the total amount of the purchase price paid by the Company for the issued Shares purchased or acquired.

### Scenario 1 – Assuming Shares were purchased and cancelled

	Group			Company		
	Before Share Purchases US\$'000	After Share Purchases		Before Share Purchases US\$'000	After Share Purchases	
		On-Market Purchase US\$'000	Off-Market Purchase US\$'000		On-Market Purchase US\$'000	Off-Market Purchase US\$'000
<b>As at 30 June 2018</b>						
Share capital (including treasury shares)	4,525	4,525	4,525	4,525	4,525	4,525
Share capital of existing treasury shares	(71)	(71)	(71)	(71)	(71)	(71)
Reserves	29,207	24,483	24,033	12,358	7,634	7,184
Shareholders' equity	33,661	29,937	28,487	16,812	12,088	11,638
NTA	33,661	29,937	28,487	16,812	12,088	11,638
Current assets	26,424	21,700	21,250	16,974	12,250	11,800
Current liabilities	8,729	8,729	8,729	8,211	8,211	8,211
Total borrowings	713	713	713	619	619	619
Net profit for FY2018	5,672	5,672	5,672	874	874	874
Number of Shares ('000)	82,236	74,013	74,013	82,236	74,013	74,013
Weighted average number of Shares (excluding treasury shares) ('000)	67,584	59,360	59,360	67,584	59,360	59,360
<b>Financial ratios</b>						
NTA per Share (US\$ cents) <sup>(1)</sup>	49.8	48.7	48.0	24.9	20.4	19.6
NTA per Share (S\$ cents) <sup>(1)(2)</sup>	68.8	67.4	66.3	34.4	28.1	27.1
Gearing (times) <sup>(3)</sup>	0.02	0.02	0.03	0.04	0.05	0.05
Current ratio (times) <sup>(4)</sup>	3.03	2.49	2.43	2.07	1.49	1.44
EPS (US\$ cents) <sup>(5)</sup>	8.39	9.56	9.56	1.29	1.47	1.47
EPS (S\$ cents) <sup>(2)(5)</sup>	11.60	13.20	13.20	1.79	2.03	2.03



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**Notes:**

- (1) "NTA per Share" represents NTA divided by the weighted average number of Shares.
- (2) Equivalent amount in S\$ cents have been provided for comparative purposes based on the exchange rate of US\$1 : S\$1.3819 obtained from the Monetary Authority of Singapore on the Latest Practicable Date.
- (3) "Gearing" represents total borrowings divided by Shareholders' equity.
- (4) "Current ratio" represents current assets divided by current liabilities.
- (5) "EPS" represents net profit for FY2018 divided by the weighted average number of Shares.

**Scenario 2 – Assuming Shares were purchased and held as treasury shares**

	Group			Company		
	Before Share Purchases US\$'000	After Share Purchases		Before Share Purchases US\$'000	After Share Purchases	
		On-Market Purchase US\$'000	Off-Market Purchase US\$'000		On-Market Purchase US\$'000	Off-Market Purchase US\$'000
<b>As at 30 June 2018</b>						
Share capital (including treasury shares)	4,525	4,525	4,525	4,525	4,525	4,525
Share capital of existing treasury shares	(71)	(71)	(71)	(71)	(71)	(71)
Share capital of new treasury shares	–	(4,724)	5,174	–	(4,742)	5,174
Reserves	29,207	29,207	29,207	12,358	12,358	12,358
Shareholders' equity	33,661	28,937	28,487	16,812	12,088	11,638
NTA	33,661	28,937	28,487	16,812	12,088	11,638
Current assets	26,424	21,700	21,250	16,974	12,250	11,800
Current liabilities	8,729	8,729	8,729	8,211	8,211	8,211
Total borrowings	713	713	713	619	619	619
Net profit for FY2018	5,672	5,672	5,672	874	874	874
Number of Shares ('000)	82,236	74,013	74,013	82,236	74,013	74,013
Weighted average number of Shares (excluding treasury shares) ('000)	67,584	59,360	59,360	67,584	59,360	59,360
<b>Financial ratios</b>						
NTA per Share (US\$ cents) <sup>(1)</sup>	49.8	48.7	48.0	24.9	20.4	19.6
NTA per Share (S\$ cents) <sup>(1)(2)</sup>	68.8	67.4	66.3	34.4	28.1	27.1
Gearing (times) <sup>(3)</sup>	0.02	0.02	0.03	0.04	0.05	0.05
Current ratio (times) <sup>(4)</sup>	3.03	2.49	2.43	2.07	1.49	1.44
EPS (US\$ cents) <sup>(5)</sup>	8.39	9.56	9.56	1.29	1.47	1.47
EPS (S\$ cents) <sup>(2)(5)</sup>	11.60	13.20	13.20	1.79	2.03	2.03

**Notes:**

- (1) "NTA per Share" represents NTA divided by the weighted average number of Shares.
- (2) Equivalent amount in S\$ cents have been provided for comparative purposes based on the exchange rate of US\$1 : S\$1.3819 obtained from the Monetary Authority of Singapore on the Latest Practicable Date.
- (3) "Gearing" represents total borrowings divided by Shareholders' equity.
- (4) "Current ratio" represents current assets divided by current liabilities.
- (5) "EPS" represents net profit for FY2018 divided by the weighted average number of Shares.



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Shareholders should note that the financial effects set out above are based on the respective aforementioned assumptions, and are for illustration purposes only. In particular, Shareholders should note that the financial effects set out above are based on the audited consolidated financial statements of the Company for FY2018, and are not necessarily representative of the future financial performance of the Company and the Group. Although the Share Buy-back Mandate authorises the Company to purchase or acquire up to 10% of the total number of issued Shares (excluding any treasury shares and subsidiary holdings), the Company may not necessarily purchase or acquire issued Shares, or be able to carry out purchases or acquisitions of issued Shares to the full extent mandated.

The Share Purchases will only be undertaken as and when the Directors consider it to be in the best interests of the Company and its Shareholders. The Directors do not propose to carry out Share Purchases to such an extent that would, or in circumstances that might, result in a material adverse effect on the financial condition of the Group. In particular, the Directors will only carry out Share Purchases after taking into consideration relevant factors such as the amount of surplus cash available, working capital requirements and prevailing market conditions.

#### 4.8 Tax implications

Shareholders who are in any doubt as to their respective tax positions or the tax implications of the Share Purchases by the Company or who may be subject to tax whether in or outside Singapore should consult their own professional advisers.

#### 4.9 Listing status

Rule 723 of the Listing Manual states that an issuer must ensure that at least 10% of the total number of issued shares excluding treasury shares (excluding preference shares and convertible equity securities) in a class that is listed is at all times held by the public.

As at the Latest Practicable Date, approximately 38.6% of issued Shares (excluding 230,000 treasury shares and nil subsidiary holdings) are held in the hands of the public. Assuming that the Company carries out purchases or acquisitions of issued Shares to the full extent mandated i.e. up to 10% of the total number of issued Shares (excluding 230,000 treasury shares and nil subsidiary holdings) as at the Latest Practicable Date from members of the public, the percentage of issued Shares (excluding any treasury shares and subsidiary holdings) held in the hands of the public would be approximately 31.8%.

The Directors will endeavour to ensure that the requirements of Rule 723 of the Listing Manual are complied with.

#### 4.10 Listing Manual

Rule 886 of the Listing Manual states that an issuer must notify the SGX-ST of any share buy-back as follows:

- (a) in the case of an on-market acquisition, by 9.00 a.m. on the market day following the day on which it purchased shares; and
- (b) in the case of an off-market acquisition under an equal access scheme, by 9.00 a.m. on the second market day after the close of acceptances of the offer.

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## LETTER TO SHAREHOLDERS

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Such notification must be made in the form of Appendix 8.3.1 to the Listing Manual and must include, *inter alia*, the total number of shares purchased, the number of shares cancelled, the number of shares held as treasury shares, the price paid per share or the highest price per share and lowest price per share, and the total consideration (including stamp duties, clearing charges, etc) paid or payable for the shares.

The Company will not purchase or acquire issued Shares pursuant to the Share Buy-back Mandate at any time after any matter or development of a price sensitive nature has occurred or has been the subject of consideration and/or a decision of the Board until such price sensitive information has been publicly announced. In particular, in line with Rule 1207(19)(c) of the Listing Manual, the Company will not purchase or acquire issued Shares during the period commencing two (2) weeks before the announcement of the Company's financial statements for each of the first three (3) quarters of its financial year and one (1) month before the announcement of the Company's full year financial statements.

### 4.11 Application of the Take-over Code

Appendix 2 to the Take-over Code contains the Share Buy-back Guidance Note applicable as at the Latest Practicable Date. The take-over implications arising from any purchase or acquisition of issued Shares by the Company are set out below.

(a) Obligations to make a take-over offer

Paragraph 1 of the Share Buy-back Guidance Note states that when a company buys back its shares, any resulting increase in the percentage of voting rights held by a shareholder and persons acting in concert with him will be treated as an acquisition for the purpose of Rule 14 of the Take-over Code. Consequently, a shareholder or group of shareholders acting in concert could obtain or consolidate effective control of the company and become obliged to make an offer under Rule 14 of the Take-over Code.

(b) Persons acting in concert

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), cooperate, through the acquisition by any of them of shares in a company, to obtain or consolidate effective control of that company.

Without prejudice to the general application of the definition above, the following individuals and companies will be presumed to be persons acting in concert with each other unless the contrary is established:

- (i) the following companies:
  - (A) a company;
  - (B) the parent company of (A);
  - (C) the subsidiaries of (A);
  - (D) the fellow subsidiaries of (A);
  - (E) the associated companies of any of (A), (B), (C) or (D);

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## LETTER TO SHAREHOLDERS

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- (F) companies whose associated companies include any of (A), (B), (C), (D) or (E); and
  - (G) any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the above for the purchase of voting rights.
- (ii) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts);
  - (iii) a company with any of its pension funds and employee share schemes;
  - (iv) a person with any investment company, unit trust or other fund whose investment such person manages on a discretionary basis, but only in respect of the investment account which such person manages;
  - (v) a financial or other professional adviser, including a stockbroker, with its client in respect of the shareholdings of the adviser and persons controlling, controlled by or under the same control as the adviser;
  - (vi) directors of a company (together with their close relatives, related trusts and companies controlled by any of such directors, their close relatives and related trusts) which is subject to an offer or where the directors have reason to believe a bona fide offer for their company may be imminent;
  - (vii) partners; and
  - (viii) the following persons and entities:
    - (A) an individual;
    - (B) the close relatives of (A);
    - (C) the related trusts of (A);
    - (D) any person who is accustomed to act in accordance with the instructions of (A);
    - (E) companies controlled by any of (A), (B), (C) or (D); and
    - (F) any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the above for the purchase of voting rights.

In this Section 4.11(b) of this Circular:

- (I) “**associated company**” means a company is an associated company of another company if the second company owns or controls at least 20% but not more than 50% of the voting rights of the first-mentioned company; and

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## LETTER TO SHAREHOLDERS

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(II) “**close relatives**” include immediate family (i.e. parents, siblings, spouse and children), siblings of parents (i.e. uncles and aunts) as well as their children (i.e. cousins), and children of siblings (i.e. nephews and nieces).

(c) Effect of Rule 14 of the Take-over Code and the Share Buy-back Guidance Note

Rule 14.1 of the Take-over Code states that except with the SIC’s consent, where:

- (i) any person acquires whether by a series of transactions over a period of time or not, shares which (taken together with shares held or acquired by persons acting in concert with him) carry 30% or more of the voting rights of a company; or
- (ii) any person who, together with persons acting in concert with him, holds not less than 30% but not more than 50% of the voting rights and such person, or any person acting in concert with him, acquires in any period of six (6) months additional shares carrying more than 1% of the voting rights,

such person must extend offers immediately, on the basis set out in Rule 14 of the Take-over Code, to the holders of any class of share capital of the company which carries votes and in which such person, or persons acting in concert with him, hold shares. In addition to such person, each of the principal members of the group of persons acting in concert with him may, according to the circumstances of the case, have the obligation to extend an offer.

In addition:

- (A) paragraph 1 of the Share Buy-back Guidance Note states that when a company buys back its shares, any resulting increase in the percentage of voting rights held by a shareholder and persons acting in concert with him will be treated as an acquisition for the purpose of Rule 14 of the Take-over Code. Consequently, a shareholder or group of shareholders acting in concert could obtain or consolidate effective control of the company and become obliged to make an offer under Rule 14 of the Take-over Code; and
- (B) paragraph 2 of the Share Buy-back Guidance Note states that a shareholder, who is not acting in concert with the directors, will not be required to make an offer under Rule 14 of the Take-over Code if, as a result of a company buying back its own shares, the voting rights of the shareholder in the company would increase to 30% or more, or, if the shareholder holds between 30% and 50% of the company’s voting rights, would increase by more than 1% in any period of six (6) months, as a result of the company buying back its shares. Such a shareholder need not abstain from voting on the resolution to authorise the share buy-back, unless so required under the Companies Act.

As at the Latest Practicable Date, Mr Koh Teng Kwee, Mr James Koh Jyh Gang, Mr Ernie Koh Jyh Eng, Mdm Koh Shwu Lee, Mr Koh Zhuxian Joshua and Mr Koh Zhulian Julian and persons presumed to be acting in concert with them under the Take-over Code (the “**Koh Concert Group**”) hold in aggregate more than 50% of the Company’s voting rights. Therefore, when the Company purchases or acquires issued Shares pursuant to the Share Buy-back Mandate, any resulting increase in the percentage of voting rights held by the Koh Concert Group will not require an offer to be made under Rule 14 of the Take-over Code.

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The statements in this Section 4.11 of this Circular do not purport to be a comprehensive or exhaustive description of Take-over Code. Shareholders are advised to consult their own professional advisers and/or the SIC at the earliest opportunity as to whether an obligation to make an offer would arise as a result of the Company purchasing or acquiring issued Shares pursuant to the Share Buy-back Mandate.

### 4.12 Share Purchases in the previous 12 months

The Company purchased or acquired an aggregate of 119,000 issued Shares by way of On-Market Purchases in the 12 months preceding the Latest Practicable Date pursuant to the Share Buy-back Mandate renewed at the extraordinary general meeting of the Company held on 27 October 2017. The highest and lowest prices paid for the Share Purchases (excluding brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses) were S\$0.70 and S\$0.60 per Share respectively. The total consideration paid for the Share Purchases (excluding brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses) was S\$77,087.00.

## 5. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

The interests of the Directors and Substantial Shareholders in the Shares as recorded in the Company's Register of Directors' Shareholdings and the Company's Register of Substantial Shareholders respectively as at the Latest Practicable Date are set out below:

	Direct Interest	Deemed interest	Total interest	
	Number of Shares	Number of Shares	Number of Shares	% <sup>(1)</sup>
<b>Directors</b>				
Koh Teng Kwee	9,427,872	–	9,427,872	11.46
James Koh Jyh Gang	13,523,094	–	13,523,094	16.44
Ernie Koh Jyh Eng	8,933,388	21,600 <sup>(2)</sup>	8,954,988	10.89
Koh Shwu Lee	8,285,226	259,200 <sup>(3)</sup>	8,544,426	10.39
Tan Choon Seng	–	–	–	–
Chan Wah Tiong	–	–	–	–
Sim Cheng Huat	–	–	–	–
Ying Siew Hon, Francis	–	–	–	–
<b>Substantial Shareholders (other than Directors)</b>				
	–	–	–	–

**Notes:**

- (1) Based on 82,236,160 issued Shares (excluding 230,000 treasury shares and nil subsidiary holdings) of the Company as at the Latest Practicable Date.
- (2) Mr Ernie Koh Jyh Eng is deemed interested in 21,600 Shares held by his spouse, Mdm Wong Sau Wai.
- (3) Mdm Koh Shwu Lee is deemed interested in 259,200 Shares held by her spouse, Mr Kavin Seow Soo Yeow.

Save as disclosed in this Circular, none of the Directors and the Substantial Shareholders have any interest, direct or indirect, in the Proposed Resolutions, other than through their respective shareholdings in the Company.

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## LETTER TO SHAREHOLDERS

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### 6. DIRECTORS' RECOMMENDATIONS

#### 6.1 The Proposed Adoption of the Koda Performance Share Plan 2018

Mr James Koh Jyh Gang, Mr Ernie Koh Jyh Eng and Mdm Koh Shwu Lee are eligible to participate in, and are therefore interested in the Proposed Adoption of the Koda Performance Share Plan 2018. Accordingly, Mr James Koh Jyh Gang, Mr Ernie Koh Jyh Eng and Mdm Koh Shwu Lee have refrained from making any recommendation as to how Shareholders should vote in respect of Ordinary Resolution 1 relating to the Proposed Adoption of the Koda Performance Share Plan 2018 at the EGM.

The Directors (other than Mr James Koh Jyh Gang, Mr Ernie Koh Jyh Eng and Mdm Koh Shwu Lee) having considered, *inter alia*, the rationale and the information relating to the Proposed Adoption of the Koda Performance Share Plan 2018, are of the opinion that the Proposed Adoption of the Koda Performance Share Plan 2018 would be beneficial to, and is in the best interests of the Company. Accordingly, the Directors (other than Mr James Koh Jyh Gang, Mr Ernie Koh Jyh Eng and Mdm Koh Shwu Lee) recommend that Shareholders vote in favour of Ordinary Resolution 1 relating to the Proposed Adoption of the Koda Performance Share Plan 2018 at the EGM.

#### 6.2 The proposed participation by Mr James Koh Jyh Gang, Mr Ernie Koh Jyh Eng, Mdm Koh Shwu Lee, Mr Koh Zhuxian Joshua and Mr Koh Zhulian Julian in the Koda Performance Share Plan 2018

Mr Koh Teng Kwee, Mr James Koh Jyh Gang, Mr Ernie Koh Jyh Eng and Mdm Koh Shwu Lee are interested in the proposed participation by Mr James Koh Jyh Gang, Mr Ernie Koh Jyh Eng, Mdm Koh Shwu Lee, Mr Koh Zhuxian Joshua and Mr Koh Zhulian Julian in the Koda Performance Share Plan 2018. Accordingly, Mr Koh Teng Kwee, Mr James Koh Jyh Gang, Mr Ernie Koh Jyh Eng and Mdm Koh Shwu Lee have refrained from making any recommendation as to how Shareholders should vote in respect of Ordinary Resolutions 2 to 6 relating to the proposed participation by Mr James Koh Jyh Gang, Mr Ernie Koh Jyh Eng, Mdm Koh Shwu Lee, Mr Koh Zhuxian Joshua and Mr Koh Zhulian Julian in the Koda Performance Share Plan 2018 at the EGM.

The Directors (other than Mr Koh Teng Kwee, Mr James Koh Jyh Gang, Mr Ernie Koh Jyh Eng and Mdm Koh Shwu Lee) having considered, *inter alia*, the rationale and the information relating to the proposed participation by Mr James Koh Jyh Gang, Mr Ernie Koh Jyh Eng, Mdm Koh Shwu Lee, Mr Koh Zhuxian Joshua and Mr Koh Zhulian Julian in the Koda Performance Share Plan 2018, are of the opinion that the proposed participation by Mr James Koh Jyh Gang, Mr Ernie Koh Jyh Eng, Mdm Koh Shwu Lee, Mr Koh Zhuxian Joshua and Mr Koh Zhulian Julian in the Koda Performance Share Plan 2018 would be beneficial to, and is in the best interests of the Company. Accordingly, the Directors (other than Mr Koh Teng Kwee, Mr James Koh Jyh Gang, Mr Ernie Koh Jyh Eng and Mdm Koh Shwu Lee) recommend that Shareholders vote in favour of Ordinary Resolutions 2 to 6 relating to the proposed participation by Mr James Koh Jyh Gang, Mr Ernie Koh Jyh Eng, Mdm Koh Shwu Lee, Mr Koh Zhuxian Joshua and Mr Koh Zhulian Julian in the Koda Performance Share Plan 2018 at the EGM.

#### 6.3 The proposed renewal of the Share Buy-back Mandate

The Directors having considered, *inter alia*, the rationale and information relating to the proposed renewal of the Share Buy-back Mandate, are of the opinion that the proposed renewal of the Share Buy-back Mandate is in the best interests of the Company. Accordingly, the Directors recommend that Shareholders vote in favour of Ordinary Resolution 7 relating to the proposed renewal of the Share Buy-back Mandate at the EGM.

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## LETTER TO SHAREHOLDERS

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### 7. ABSTENTION FROM VOTING

#### 7.1 The Proposed Adoption of the Koda Performance Share Plan 2018

Rule 859 of the Listing Manual states that shareholders who are eligible to participate in the scheme must abstain from voting on any resolution relating to the scheme (other than a resolution relating to the participation of, or grant of options to, directors and employees of the issuer's parent company and its subsidiaries).

Accordingly, all persons (including Directors and employees who are also Shareholders, and Controlling Shareholders and Associates of Controlling Shareholders) who are eligible to participate in the Koda Performance Share Plan 2018 must abstain from voting on Ordinary Resolution 1 relating to the Proposed Adoption of the Koda Performance Share Plan 2018 at the EGM, and shall also refrain from accepting nominations as proxy or otherwise vote at the EGM in respect of Ordinary Resolution 1 relating to the Proposed Adoption of the Koda Performance Share Plan 2018 at the EGM unless Shareholders appointing them as proxies give specific instructions in the relevant Proxy Form on the manner in which they wish their votes to be casted.

#### 7.2 The proposed participation by Mr James Koh Jyh Gang, Mr Ernie Koh Jyh Eng, Mdm Koh Shwu Lee, Mr Koh Zhuxian Joshua and Mr Koh Zhulian Julian in the Koda Performance Share Plan 2018

Rule 853 of the Listing Manual states, *inter alia*, that participation in a scheme by controlling shareholders and their associates must be approved by independent shareholders of the issuer.

Accordingly, Mr James Koh Jyh Gang, Mr Ernie Koh Jyh Eng, Mdm Koh Shwu Lee, Mr Koh Zhuxian Joshua and Mr Koh Zhulian Julian must abstain from voting on, and must procure their immediate family members to abstain from voting on, Ordinary Resolutions 2 to 6 relating to the proposed participation by Mr James Koh Jyh Gang, Mr Ernie Koh Jyh Eng, Mdm Koh Shwu Lee, Mr Koh Zhuxian Joshua and Mr Koh Zhulian Julian in the Koda Performance Share Plan 2018 at the EGM, and shall also refrain from, and shall procure their immediate family members to refrain from, accepting nominations as proxy or otherwise vote at the EGM in respect of Ordinary Resolutions 2 to 6 relating to the proposed participation by Mr James Koh Jyh Gang, Mr Ernie Koh Jyh Eng, Mdm Koh Shwu Lee, Mr Koh Zhuxian Joshua and Mr Koh Zhulian Julian in the Koda Performance Share Plan 2018 at the EGM unless Shareholders appointing them as proxies give specific instructions in the relevant Proxy Form on the manner in which they wish their votes to be casted.

### 8. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Resolutions, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in the Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the Circular in its proper form and context.



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## LETTER TO SHAREHOLDERS

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### 9. EGM

The EGM, notice of which is set out on page N-1 of this Circular, will be held at 28 Defu Lane 4 Singapore 539424 on 31 October 2018 at 11.00 a.m. (or as soon as practicable immediately following the conclusion or adjournment of the Annual General Meeting of the Company to be held on the same day and at the same place at 10.00 a.m.) for the purpose of considering and, if thought fit, passing, with or without any modification, the Proposed Resolutions set out in the Notice of EGM.

### 10. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM and 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 arrive at the registered office of the Company at 28 Defu Lane 4 Singapore 539424, not later than 72 hours before the time fixed for holding the EGM.

The completion and return of a Proxy Form by a Shareholder does not preclude him from attending and voting in person at the EGM if he so wishes. A Depositor shall not be regarded as a member of the Company entitled to attend the EGM and to speak and vote thereat unless his name appears on the Depository Register 72 hours before the EGM.

### 11. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at the registered office of the Company at 28 Defu Lane 4 Singapore 539424, during normal business hours from the date of this Circular up to and including the date of the EGM:

- (a) the constitution of the Company;
- (b) the proposed Rules of the Koda Performance Share Plan 2018; and
- (c) the annual report of the Company for the financial year ended 30 June 2018.

Yours faithfully  
For and on behalf of the Board of Directors of  
**KODA LTD**

James Koh Jyh Gang  
Deputy Chairman and Managing Director

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## APPENDIX A – RULES OF THE KODA PERFORMANCE SHARE PLAN 2018

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### RULES OF THE KODA PERFORMANCE SHARE PLAN 2018

#### 1. NAME OF THE PLAN

1.1 This Plan shall be called the “Koda Performance Share Plan 2018”.

#### 2. DEFINITIONS

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

- “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 trustees 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; or
- (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
- “Award”* : A contingent award of Shares under this Plan
- “Award Letter”* : A letter in such form as the Remuneration Committee shall approve confirming an Award granted to a Participant by the Remuneration Committee
- “Board”* : The board of directors of the Company from time to time
- “CDP”* : The Central Depository (Pte) Limited

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## APPENDIX A – RULES OF THE KODA PERFORMANCE SHARE PLAN 2018

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<i>“Companies Act”</i>	:	The Companies Act, Cap. 50, of Singapore, as may be amended or modified from time to time
<i>“Company”</i>	:	Koda Ltd
<i>“control”</i>	:	The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of a company
<i>“Controlling Shareholder”</i>	:	A person who:  (a) holds directly or indirectly 15% or more of the total voting rights in the Company. The SGX-ST may determine that a person who satisfies this paragraph is not a Controlling Shareholder; or  (b) in fact exercises control over the Company
<i>“CPF”</i>	:	The Central Provident Fund
<i>“Date of Grant”</i>	:	The date on which an Award is granted to a Participant
<i>“Director”</i>	:	A director of the Company time to time
<i>“Group”</i>	:	The Company and its subsidiaries collectively
<i>“Group Employee”</i>	:	A confirmed full-time employee of the Group (including a Group Executive Director)
<i>“Group Executive Director”</i>	:	A Director of the Company and/or a director of the Company’s subsidiaries, as the case may be, who performs an executive function
<i>“immediate family”</i>	:	In relation to a person, means the person’s spouse, child, adopted child, step-child, sibling and parent
<i>“Listing Manual”</i>	:	The listing manual of the SGX-ST and its relevant rule(s), as may be amended or modified from time to time
<i>“Market Day”</i>	:	A day on which the SGX-ST is open for trading of securities
<i>“New Shares”</i>	:	The new Shares which may be allotted and issued from time to time pursuant to the vesting of an Award under this Plan

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## APPENDIX A – RULES OF THE KODA PERFORMANCE SHARE PLAN 2018

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<i>“Non-Executive Director”</i>	:	A Director of the Company (including an independent Director of the Company) who does not perform an executive function
<i>“Participant”</i>	:	A person who is eligible and who has been selected by the Remuneration Committee to participate in this Plan in accordance with the Rules
<i>“performance target(s)”</i>	:	The performance target(s) prescribed by the Remuneration Committee to be fulfilled by a Participant for any particular period determined by the Remuneration Committee
<i>“Plan”</i>	:	This Koda Performance Share Plan 2018, as may be amended or modified from time to time
<i>“Record Date”</i>	:	In relation to any dividends, rights, allotments or other distributions, the date as at the close of business on which Shareholders must be registered with the Company and/or CDP, as the case may be, in order to participate in any such dividends, rights, allotments or other distributions
<i>“Remuneration Committee”</i>	:	The Remuneration Committee of the Company from time to time
<i>“Rules”</i>	:	The rules of this Plan, as may be amended or modified from time to time, and any reference to a particular Rule shall be construed accordingly
<i>“Securities Accounts”</i>	:	The securities accounts maintained by Depositors with CDP, but not including the securities accounts maintained with a Depository Agent
<i>“SFA”</i>	:	The Securities and Futures Act, Cap. 289, of Singapore, as may be amended or modified from time to time
<i>“SGX-ST”</i>	:	Singapore Exchange Securities Trading Limited
<i>“Shareholders”</i>	:	The registered holders of Shares, except that where the registered holder is CDP, the term <i>“Shareholders”</i> in relation to Shares held by CDP shall mean the persons named as Depositors in the Depository Register maintained by CDP and to whose Securities Accounts such Shares are credited
<i>“Shares”</i>	:	Ordinary shares in the capital of the Company

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## APPENDIX A – RULES OF THE KODA PERFORMANCE SHARE PLAN 2018

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- “subsidiary holdings”* : Shares referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Companies Act
- “Substantial Shareholder”* : A person who has an interest or interests in voting Shares in the Company representing not less than 5% of all the voting Shares
- “Vesting Period(s)”* : The period(s) at the end of which an Award is vested in a Participant, as determined by the Remuneration Committee at the Date of Grant
- “%”* : Per centum or percentage
- 2.2 The terms *“Depositor”*, *“Depository Agent”* and *“Depository Register”* shall have the same meanings ascribed to them respectively in Section 81SF of the SFA.
- 2.3 The terms *“subsidiary”* and *“treasury shares”* shall have the same meanings ascribed to them respectively in the Companies Act.
- 2.4 Any reference in this Plan 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 Companies Act, the SFA, the Listing Manual or any statutory modification thereof and used in this Plan shall, where applicable, have the same meaning ascribed to it under the Companies Act, the SFA, the Listing Manual or any statutory modification thereof, as the case may be, unless the context requires otherwise.
- 2.5 Words importing the singular shall, where applicable, include the plural and *vice versa*, and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to *“persons”* shall, where applicable, include corporations.
- 2.6 Any reference to a time of day or date in this Plan shall be a reference to Singapore time and dates, unless otherwise stated.
- 2.7 The headings in this Plan are inserted for convenience only and shall be ignored in construing this Plan.

### 3. OBJECTIVES OF THIS PLAN

- 3.1 The objective of this Plan is to provide an opportunity for Group Employees (including Group Executive Directors) to be remunerated not just through cash bonuses but also through an equity stake in the Company. This Plan enables the Company to recognise past contributions and services of the Group Employees (including Group Executive Directors) and incentivises them to contribute to the long-term growth and profitability of the Group.

The objectives of this Plan include:

- (a) to motivate Participants to perform at an optimal level of efficiency and to maintain a high level of contribution to the Group;

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## APPENDIX A – RULES OF THE KODA PERFORMANCE SHARE PLAN 2018

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- (b) to retain key Group Employees (including Group Executive Directors) whose contributions are important to the long-term growth and profitability of the Group;
- (c) to instil loyalty and a strong sense of identity in the Participants;
- (d) to attract potential employees 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 Any Group Employee (including a Group Executive Director) is eligible to participate in this Plan at the absolute discretion of the Remuneration Committee if at the Date of Grant:

- (a) such person shall have attained the age of 21 years and above; and
- (b) such person shall not be an undischarged bankrupt.

PROVIDED THAT if any such Group Employee is a Controlling Shareholder or an Associate of a Controlling Shareholder, his participation in this Plan and the grant of Awards to him, including the actual number of Shares and terms of Awards to be granted to him, shall be subject to independent Shareholders' approval at a general meeting in separate resolutions for participation by each Controlling Shareholder or Associate of a Controlling Shareholder in this Plan, and for the grant of Awards to each Controlling Shareholder or Associate of a Controlling Shareholder. The circular to Shareholders to seek independent Shareholder's approval for such matters shall disclose the rationale and justification for his participation in this Plan and for the grant of Awards, including the actual number of Shares and the terms of such Awards.

4.2 For the avoidance of doubt, Non-Executive Directors (including independent Directors of the Company) are not eligible to participate in this Plan.

4.3 The selection of a Group Employee (including a Group Executive Director) to participate in this Plan, and the grant of Awards to him, including the actual number of Shares and terms of Awards to be granted to him shall be determined at the absolute discretion of the Remuneration Committee and recommended by the Remuneration Committee to the Board for approval, considering, *inter alia*, the following criteria:

- (a) the financial performance of the Group;
- (b) such person's rank, length of service, achievements, job performance and potential for future development, and his contribution to the success and development of the Group; and
- (c) the extent of effort and resourcefulness required to achieve the performance target(s) within the performance period(s). The performance target(s) shall be set by the Remuneration Committee based on such person's job scope and responsibilities.

4.4 There shall be no restriction on the eligibility of any Participant to participate in any other share option scheme, performance share plan or share incentive scheme to be implemented by the Company or any other company within the Group.

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## APPENDIX A – RULES OF THE KODA PERFORMANCE SHARE PLAN 2018

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4.5 Subject to the Companies Act, the Listing Manual and any other requirements of the SGX-ST, the eligibility criteria to participate in this Plan may be amended or modified from time to time at the absolute discretion of the Remuneration Committee.

### 5. SIZE AND DURATION OF THIS PLAN

5.1 The aggregate number of Shares available under this Plan, when added to all Shares, options or awards granted under any other share option scheme, performance share plan or share incentive scheme of the Company then in force, shall not exceed 15% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company from time to time.

5.2 This Plan shall continue in force at the absolute discretion of the Remuneration Committee, subject to a maximum period of 10 years commencing on the date on which Shareholders' approval at a general meeting is obtained for the adoption of this Plan by the Company. Subject to compliance with any applicable laws and regulations in Singapore, this Plan may continue beyond the above stipulated period with the approval of Shareholders by ordinary resolution at a general meeting and the approval of any relevant authorities which may then be required.

5.3 This Plan may be terminated at any time by the Remuneration Committee, or by Shareholders by ordinary resolution at a general meeting subject to all approvals of any relevant authorities which may then be required, and if this Plan is so terminated, no further Awards shall be granted by the Company hereunder.

5.4 The termination, discontinuance or expiry of this Plan shall not affect the Awards which have been granted and accepted in accordance with this Plan, whether such Awards have been vested (whether fully or partially) or not.

### 6. GRANT OF AWARDS

6.1 Subject to **Rule 5.1**, the Remuneration Committee may recommend such grants of Awards to Participants as the Remuneration Committee may decide in its absolute discretion to the Board for approval at any time during the period when this Plan is in force, PROVIDED THAT in the event that an announcement on any matter of an exceptional nature involving unpublished price sensitive information is imminent, Awards may only be vested and hence any Shares comprised in such Awards may only be delivered on or after the second Market Day from the date on which the aforesaid announcement is made.

6.2 The Remuneration Committee shall, in its absolute discretion, decide in relation to each Award to be recommended by the Remuneration Committee:

- (a) the Participant;
- (b) the Date of Grant;
- (c) the number of Shares which are the subject of the Award;
- (d) the performance target(s) and the performance period(s);
- (e) the Vesting Period(s);



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## APPENDIX A – RULES OF THE KODA PERFORMANCE SHARE PLAN 2018

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- (f) the extent to which Shares which are the subject of that Award shall be vested on the prescribed performance target(s), if any, being satisfied (whether fully or partially) or exceeded at the end of the performance period(s), or at the end of the prescribed Vesting Period(s), as the case may be; and
- (g) such other terms which the Remuneration Committee may determine in relation to the Award.

PROVIDED THAT the grant of Awards to Participants who are Controlling Shareholders or Associates of a Controlling Shareholder shall be subject to independent Shareholders' approval at a general meeting in separate resolutions for the grant of Awards to each Controlling Shareholder or Associate of a Controlling Shareholder, and the actual number of Shares which are the subject of such Awards shall comply with the following limits:

- (i) the aggregate of the number of Shares available to Controlling Shareholders and Associates of Controlling Shareholders under this Plan shall not exceed 25% of the Shares available under this Plan; and
- (ii) the number of Shares available to each Controlling Shareholder or Associate of a Controlling Shareholder shall not exceed 10% of the Shares available under this Plan.

PROVIDED FURTHER THAT the aggregate number of Shares available under this Plan, when added to all Shares, options or awards granted under any other share option scheme, performance share plan or share incentive scheme of the Company then in force, shall not exceed 15% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company from time to time.

6.3 The Remuneration Committee may recommend the amendment or waiver of the performance target(s), performance period(s) and/or Vesting Period(s) in respect of any Award to the Board for approval:

- (a) in the event of a take-over offer (whether conditional or unconditional) being made for the Company, or a scheme of arrangement or compromise between the Company and its Shareholders being sanctioned by the Singapore court under the Companies Act, or a proposal to liquidate or sell all or substantially all of the assets of the Company; or
- (b) if anything happens which causes the Remuneration Committee to conclude that:
  - (i) an amended performance target, performance period or Vesting Period would be a fairer measure of performance and would be no less difficult to satisfy; or
  - (ii) the performance target, performance period or Vesting Period should be waived,

and the Remuneration Committee shall notify the Participants of such amendment or waiver (but accidental omission to give notice to any Participant(s) shall not invalidate any such amendment or waiver).

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## **APPENDIX A – RULES OF THE KODA PERFORMANCE SHARE PLAN 2018**

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- 6.4 As soon as reasonably practicable after making an Award, the Remuneration Committee shall send to each Participant an Award Letter confirming the Award and specifying in relation to the Award:
- (a) the Date of Grant;
  - (b) the number of Shares which are the subject of the Award;
  - (c) the performance target(s) and the performance period(s);
  - (d) the extent to which Shares which are the subject of that Award shall be vested on the prescribed performance target(s), if any, being satisfied (whether fully or partially) or exceeded at the end of the performance period(s), or at the end of the prescribed Vesting Period(s), as the case may be; and
  - (e) such other terms which the Remuneration Committee may determine in relation to the Award.
- 6.5 Participants are not required to pay for the grant of Awards.
- 6.6 Awards represent the right of a Participant to receive Shares in the Company free of charge upon the Participant satisfying or exceeding prescribed performance target(s) at the end of the performance period(s) and/or otherwise having performed well and/or made a significant contribution to the Group. Awards are vested and the Shares which are the subject of the Award are delivered to the Participant at the end of the performance period(s), once the Remuneration Committee is, at its sole discretion, satisfied that the prescribed performance target(s) have been satisfied. The Remuneration Committee may also grant an Award where in its opinion a Participant has performed well and/or made a significant to the Group.
- 6.7 An Award is personal to the Participant to whom it is granted and it may not be transferred, charged, assigned, pledged or otherwise disposed of, in whole or in part, except with the prior approval of the Remuneration Committee and if a Participant shall do, suffer or permit any such act or thing as a result of which he would or might be deprived of any such rights under an Award, that Award shall immediately lapse and shall forthwith become void and cease to have effect. However, the Shares received by a Participant pursuant to the vesting of Awards granted under this Plan may be transferred, charged, assigned, pledged or otherwise disposed of, in whole or in part.
- 7. ACCEPTANCE OF AWARDS OFFERED**
- 7.1 The grant of an Award to a Participant may only be accepted by the Participant within 15 days from the Date of Grant by completing, signing and returning to the Company an acceptance form in such form as the Remuneration Committee shall approve PROVIDED THAT the Participant remains eligible to participate in this Plan in accordance with the Rules on the date which the Remuneration Committee receives such acceptance form. The Participant may accept or refuse the whole but not part of the Award offered. The Remuneration Committee shall within 15 days of receipt of the acceptance form, acknowledge receipt of the same.

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## APPENDIX A – RULES OF THE KODA PERFORMANCE SHARE PLAN 2018

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- 7.2 If the grant of the Award is not accepted by the Participant in the manner as provided in **Rule 7.1**, the Award offered shall, upon expiry of the 15 day period referred to in **Rule 7.1**, automatically lapse and shall forthwith become void and cease to have effect.

### 8. EVENTS PRIOR TO THE VESTING OF AWARDS

- 8.1 An Award, to the extent which Shares which are the subject of that Award have not yet vested, shall forthwith become void and cease to have effect on the occurrence of any of the following events (and in such event, the Participant shall have no claim whatsoever against the Company, its Directors or employees):
- (a) the Participant, being a Group Employee, ceasing for any reason whatsoever to be in the employment of the Group, or in the event the company, which the Participant is employed in, ceases to be a company in the Group;
  - (b) the Participant, being an executive Director, ceasing to be a Director of the Company for any reason whatsoever;
  - (c) the Participant commits any breach of any of the terms of his Award;
  - (d) the Participant commits any misconduct or any breach of any of the terms of his employment contract as determined by the Remuneration Committee in its absolute discretion;
  - (e) bankruptcy of a Participant;
  - (f) winding-up of the Company; or
  - (g) any other event approved by the Remuneration Committee in its absolute discretion.

For the purpose of **paragraph (a)** above, a Group Employee shall be deemed to have ceased to be in the employment of the Group on the date on which he gives notice of termination of employment, unless prior to the date on which termination takes effect, the Group Employee has (with the consent of the Group) withdrawn such notice of termination.

For the purpose of **paragraph (b)** above, an executive Director shall be deemed to have ceased to be a Director of the Company on the date on which he gives notice of resignation as a Director of the Company, unless prior to the date on which resignation takes effect, the executive Director has (with the consent of the Company) withdrawn notice of resignation.

For the avoidance of doubt, no Award shall lapse and shall forthwith become void and cease to have effect pursuant to **paragraphs (a) or (b)** above in the event of any transfer of employment of a Participant within the Group or upon the cessation of employment of an executive Director who shall continue to serve as a Non-Executive Director.

- 8.2 The Remuneration Committee may, in its absolute discretion, recommend the preservation of all or any part of any Award on such terms as it deems fit to the Board for approval notwithstanding **Rule 8.1** and the provisions of this Plan. Upon approval of the Board, such Awards shall be deemed not to have lapsed and not to have become void nor cease to have effect in accordance with **Rule 8.1**.

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## APPENDIX A – RULES OF THE KODA PERFORMANCE SHARE PLAN 2018

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### 9. VESTING OF AWARDS

- 9.1 As soon as reasonably practicable after the end of the performance period(s), the Remuneration Committee shall review the performance target(s) prescribed in the Award, and determine whether it has been satisfied or exceeded, and if so, the extent to which it has been satisfied or exceeded. If the Remuneration Committee determines in its absolute discretion that the performance target(s) prescribed in the Award has/have not been satisfied or exceeded at the end of the performance period(s), that Award shall lapse and shall forthwith become void and cease to have effect.
- 9.2 The Remuneration Committee shall have the absolute discretion to determine whether the performance target(s) prescribed in the Award has/have been satisfied (whether fully or partially) or exceeded at the end of the performance period(s) and, in making any such determination, the Remuneration Committee shall have the right to make reference to the audited results of the Company or the Group, as the case may be, to take into account such factors as the Remuneration Committee may determine to be relevant, including changes in accounting methods, taxes and extraordinary events.

Subject to:

- (a) the Remuneration Committee having determined that the performance target(s) has/have been satisfied or exceeded at the end of the performance period(s);
- (b) the Participant (being a Group Employee) having continued to be a Group Employee from the Date of Grant up to the end of the performance period(s), or the Participant (being an executive Director) having continued to be a Director of the Company from the Date of Grant up to the end of the performance period(s), as the case may be;
- (c) the Remuneration Committee being of the opinion that the performance of the Participant has been satisfactory;
- (d) such consents (including any approvals required by the SGX-ST) as may be necessary;
- (e) compliance with the terms of the Award, this Plan and the constitution of the Company;
- (f) where New Shares are to be allotted and issued or treasury shares (if any) transferred on the vesting of an Award, the Participant having a Securities Account maintained with CDP, a securities sub-account maintained with a Depository Agent or a CPF investment account maintained with a CPF agent bank, and compliance with the applicable requirements of CDP; and
- (g) where New Shares are to be allotted and issued on the vesting of an Award, the Company being satisfied that the New Shares which are the subject of the vested Award will be listed and quoted on the Official List of the Main Board of the SGX-ST,

upon the expiry of the performance period(s) in relation to an Award, the Company shall deliver to the Participant the Shares which are the subject of the Award the vesting date.

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## APPENDIX A – RULES OF THE KODA PERFORMANCE SHARE PLAN 2018

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9.3 Subject to the prevailing legislation, the Listing Manual of the SGX-ST and the constitution of the Company, the Company shall have absolute discretion to deliver Shares to Participants upon vesting of their Awards by way of:

- (a) an allotment and issue of New Shares; or
- (b) a transfer of treasury shares (if any).

In determining whether to allot and issue New Shares or transfer treasury shares (if any) for delivery to Participants upon vesting of their Awards, the Company will take into account factors, including but not limited to the number of Shares to be delivered, the prevailing market price of the Shares and the financial effects on the Company of either allotting and issuing New Shares or transferring treasury shares (if any).

9.4 Shares which are the subject of a vested Award shall be delivered to a Participant on the vesting date, which shall be a Market Day falling as soon as practicable after the vesting of such Award in accordance with **Rule 9.1**, and the Company shall within 10 Market Days after the vesting date, allot and issue the New Shares and deposit the share certificate(s) with CDP, or in the case of a transfer of treasury shares (if any), do such acts or things which are necessary for the transfer to be effective.

9.5 Where New Shares are allotted and issued upon the vesting of any Award, the Company shall, as soon as practicable after such allotment and issue, apply to the SGX-ST for the listing and quotation of such New Shares.

9.6 New Shares which are allotted and issued or transferred on the vesting of an Award to a Participant shall be registered in the name of, or transferred to, CDP to the credit of the Participant's Securities Account maintained with CDP or the Participant's securities sub-account maintained with a Depository Agent or the Participant's CPF investment account maintained with a CPF agent bank.

9.7 New Shares allotted and issued and/or treasury shares (if any) transferred, upon the vesting of an Award shall:

- (a) be subject to the provisions of the constitution of the Company; and
- (b) rank *pari passu* in all respects with the then existing issued Shares of the Company except for any dividend, right, allotment or other distribution, the Record Date of which is before the vesting date.

### 10. VARIATION OF CAPITAL

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

- (a) the class and/or the number of Shares which are the subject of an Award, to the extent which such Shares have not yet vested, and the rights attached thereto; and/or
- (b) the class and/or the number of Shares in respect of future Awards granted under this Plan,

may, at the option of the Remuneration Committee, be adjusted in such manner as the Remuneration Committee may determine to be appropriate.

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## APPENDIX A – RULES OF THE KODA PERFORMANCE SHARE PLAN 2018

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10.2 Notwithstanding the provisions of Rule 10.1 above:

- (a) no adjustment shall be made:
  - (i) if as a result, the Participant receives a benefit that a Shareholder does not receive;
  - (ii) if such adjustment will result in the aggregate number of Shares available under this Plan, when added to all Shares, options or awards granted under any other share option scheme, performance share plan or share incentive scheme of the Company then in force, to exceed 15% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company from time to time; and
  - (iii) unless the Remuneration Committee after considering all relevant circumstances considers it equitable to do so; and
- (b) any adjustment (except in relation to a capitalisation issue) must be confirmed in writing by the Auditors (acting only as experts and not as arbitrators) to be in their opinion, fair and reasonable.

10.3 Unless the Remuneration Committee considers an adjustment to be appropriate, the following events shall not normally be regarded as a circumstance requirement adjustment:

- (a) a private placement of Shares;
- (b) an allotment and issue of Shares:
  - (i) as consideration for an acquisition of any assets;
  - (ii) upon the exercise of securities convertible into, or with rights to acquire or subscribe for Shares; and
  - (iii) pursuant to this Plan and any other share option scheme, performance share plan or share incentive scheme of the Company then in force; and
- (c) a 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 Main Board of the SGX-ST during the period when a share buyback mandate granted by Shareholders (including any renewal of such mandate) is in force.

10.4 Upon any adjustment being made pursuant to **Rule 10**, the Company shall notify each Participant (or his duly appointed personal representative(s), where applicable) in writing and deliver to him (or his duly appointed personal representative(s), where applicable) a statement setting forth the class and/or the number of Shares which are the subject of the adjusted Award, to the extent which such Shares have not vested, and the date on which such adjustment shall take effect.

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## APPENDIX A – RULES OF THE KODA PERFORMANCE SHARE PLAN 2018

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### 11. AMENDMENTS, MODIFICATIONS AND/OR ALTERATIONS TO THIS PLAN

- 11.1 Any or all the provisions of this Plan may be amended, modified and/or altered at any time and from time to time by resolution of the Board on the recommendation of the Remuneration Committee, except that:
- (a) any amendment, modification or alteration which shall materially and adversely alter the rights attached to any Award granted prior to such amendment, modification or alteration may only be made with the consent in writing of such number of Participants whose Shares which are the subject of their Awards represent not less than three quarters of the aggregate number of Shares which are the subject of all Awards held by all Participants who respond to the Company's request for such consent within 21 days of the Company's despatch of the request; and
  - (b) any amendment, modification or alteration which would be to the advantage of the Participants under this Plan shall be subject to Shareholders' approval at a general meeting.

For the purposes of **paragraphs (a) and (b)** above, the opinion of the Remuneration Committee as to whether any amendment, modification or alteration would materially and adversely alter the rights attached to any Award granted prior to such amendment, modification or alteration, or which would be to the advantage of the Participants under this Plan shall be final and conclusive.

- 11.2 Notwithstanding anything to the contrary contained in **Rule 11.1**, the Remuneration Committee may at any time by resolution (and without other formality, save for the prior approval of the SGX-ST, if necessary) amend, modify and/or alter this Plan in any way to the extent necessary to cause this Plan to comply with any statutory provision or the provisions or the regulations of any regulatory or other relevant authority or body (including the SGX-ST).
- 11.3 Written notice of any amendment, modification and/or alteration made in accordance with **Rule 11** shall be given to all Participants (but accidental omission to give notice to any Participant(s) shall not invalidate any such amendment, modification or alteration).

### 12. ADMINISTRATION OF THIS PLAN

- 12.1 This Plan shall be administered by the Remuneration Committee in its absolute discretion with such powers and duties as are conferred on it by the Board PROVIDED THAT a Participant who is a member of the Remuneration Committee shall not be involved in its deliberation or decision in respect of Awards granted or to be granted to him or held by him, and PROVIDED FURTHER THAT where Awards are proposed to be granted to Directors, Controlling Shareholders or their Associates, all members of the Board (and not just members of the Remuneration Committee), except for those Directors, Controlling Shareholders or their Associates, will be involved in the deliberation or decision on the same.
- 12.2 The Remuneration Committee shall have the power, from time to time, to make and vary such arrangements, guidelines and/or regulations (not being inconsistent with this Plan) for the implementation and administration of this Plan, and to give effect to the provisions of this Plan, as it may, in its absolute discretion, think fit.



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## **APPENDIX A – RULES OF THE KODA PERFORMANCE SHARE PLAN 2018**

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12.3 Any decision of the Remuneration Committee, made pursuant to any provision of this Plan (other than a matter to be certified by the Auditors), shall be final and binding (including any decisions pertaining to disputes as to interpretation of this Plan or any Rule, regulation or procedure thereunder or as to any rights under this Plan).

12.4 The Company shall bear the costs of establishing and administering this Plan.

12.5 Shareholders who are eligible to participate in this Plan shall abstain from voting on any resolution relating to this Plan.

### **13. NOTICES**

13.1 Any notice required to be given by a Participant 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 Participant in writing.

13.2 Any notices or documents required to be given by the Company to a Participant or any correspondences to be made between the Company and the Participant shall be given or made by the Remuneration Committee (or such person(s) as it may from time to time direct) on behalf of the Company and shall be sent to him by post or delivered to his home address stated in the records of the Company or his last known address, and if sent by post, shall be deemed to have been given on the day following the date of posting.

### **14. TERMS OF EMPLOYMENT UNAFFECTED**

14.1 Notwithstanding the provisions of this Plan:

(a) this Plan or any Award shall not form part of any contract of employment between the Company or any of the Company's subsidiaries (as the case may be) and any Participant, and the rights and obligations of any individual under the terms of the office or employment with such company within the Group shall not be affected by his participation in this Plan or any right which he may have to participate in it or any Award which he may be granted, and this Plan or any Award 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 (whether lawful or not); and

(b) this Plan shall not confer on any person any legal or equitable rights (other than those constituting the Awards themselves) against the Company or any of the Company's subsidiaries (as the case may be) directly or indirectly, or give rise to any cause of action at law or in equity against any such company within the Group, its directors or employees.

### **15. TAXES, COSTS AND EXPENSES OF THIS PLAN**

15.1 Notwithstanding the provisions of this Plan, each Participant shall be responsible for all fees of CDP (if any) relating to or in connection with the allotment and issue of any New Shares in CDP's name or the transfer of treasury shares (if any) pursuant to the vesting of any Award, the deposit of share certificate(s) with CDP, the Participant's Securities Account maintained with CDP or the Participant's securities sub-account maintained with a Depository Agent or the Participant's CPF investment account maintained with a CPF agent bank.

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## APPENDIX A – RULES OF THE KODA PERFORMANCE SHARE PLAN 2018

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15.2 The Participants shall be responsible for obtaining consent from any governmental regulatory or other relevant authority or body that may be required by any country or jurisdiction in order to permit the grant or vesting of the relevant Award. All taxes (including income tax) arising from the grant or vesting of any Award under this Plan shall be borne by that Participant. The Company shall not be responsible for any failure by the Participant to obtain any such consent or for any tax or other liability to which the Participant may become subject as a result of his participation in this Plan.

### 16. DISCLAIMER OF LIABILITY

16.1 Notwithstanding the provisions of this Plan, the Company, the Board, the Remuneration Committee or its employees shall not under any circumstances be held liable for any costs, losses, expenses, liabilities or damages (including interest arising thereof) whatsoever and howsoever arising in respect of any matter under or in connection with this Plan, including but not limited to any delay or failure in allotting and issuing the Shares or procuring the transfer of the treasury shares or to apply for or procure the listing and quotation of the New Shares on the SGX-ST in accordance with **Rule 9.5**.

### 17. DISCLOSURES IN ANNUAL REPORT

17.1 The Company shall make the following disclosures in its annual report for the duration of this Plan:

- (a) the names of the members of the Remuneration Committee administering this Plan;
- (b) the information required in the table below for the following Participants:
  - (i) Participants who are Directors of the Company;
  - (ii) Participants who are Controlling Shareholders or Associates of Controlling Shareholders; and
  - (iii) Participants, other than those in **paragraphs (i) and (ii)** above, who receive 5% or more of the total number of Shares available under this Plan.

Name of Participant	Awards granted during financial year under review (including terms)	Aggregate Awards granted since commencement of this Plan to end of financial year under review	Aggregate Awards vested since commencement of this Plan to end of financial year under review	Aggregate Awards not yet vested as at end of financial year under review

17.2 If any of the requirements in **Rule 17.1** above is not applicable, an appropriate negative statement will be included in the annual report.

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## **APPENDIX A – RULES OF THE KODA PERFORMANCE SHARE PLAN 2018**

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### **18. DISPUTES**

- 18.1 Any disputes or differences of any nature arising hereunder (other than matters to be certified by the Auditors) shall be referred to the Remuneration Committee and its decision shall be final and binding in all respects (including any decisions pertaining to disputes as to interpretation of this Plan or any Rule, regulation, procedure thereunder or as to any rights under this Plan).

### **19. GOVERNING LAW**

- 19.1 The Rules are subject to the Companies Act and such other laws and regulations as may from time to time be applicable.
- 19.2 This Plan shall be governed by, and construed in accordance with, the laws of Singapore. The Participants, by accepting Awards in accordance with this Plan, and the Company irrevocably submit to the exclusive jurisdiction of the Singapore courts.

### **20. COLLECTION, USE AND DISCLOSURE OF PERSONAL DATA**

- 20.1 For the purposes of implementing and administering this Plan, and in order to comply with any applicable laws, listing rules, regulations and/or guidelines, the Company will collect, use and disclose the personal data of the Participants, as contained in each Award Letter and/or any other notice or communication given or received pursuant to this Plan, and/or which is otherwise collected from the Participants (or their authorised representative(s)). By participating in this Plan, each Participant consents to the collection, use and disclosure of his personal data for all such purposes, including disclosure of data to related corporations of the Company and/or third parties who provide services to the Company (whether within or outside Singapore), and to the collection, use and further disclosure by such parties for such purposes. Each Participant also warrants that where he discloses the personal data of third parties to the Company in connection with this Plan, he has obtained the prior consent of such third parties for the Company to collect, use and disclose their personal data for the abovementioned purposes, in accordance with any applicable laws, regulations and/or guidelines. Each Participant shall indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Participant's breach of this warranty.

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### KODA LTD

(Incorporated in the Republic of Singapore on 17 April 1980)  
(Company Registration Number 198001299R)

**NOTICE IS HEREBY GIVEN** that an Extraordinary General Meeting (the “**EGM**”) of Koda Ltd (the “**Company**”) will be held at 28 Defu Lane 4 Singapore 539424 on 31 October 2018 at 11.00 a.m. (or as soon as practicable immediately following the conclusion or adjournment of the Annual General Meeting of the Company to be held on the same day and at the same place at 10.00 a.m.) for the purpose of considering and, if thought fit, passing with or without any modifications, the ordinary resolutions set out below.

*All capitalised terms used in this notice of EGM which are not defined herein shall have the meanings ascribed to them in the circular to shareholders of the Company dated 15 October 2018 (the “**Circular**”) in relation to, inter alia, the proposed adoption of the Koda Performance Share Plan 2018.*

### **ORDINARY RESOLUTION 1: THE PROPOSED ADOPTION OF THE KODA PERFORMANCE SHARE PLAN 2018**

That:

- (a) the Koda Performance Share Plan 2008 be and is hereby terminated, provided that such termination shall be without prejudice to the rights of holders of awards outstanding under the Koda Performance Share Plan 2008 as at the date of such termination;
- (b) a new performance share plan to be known as the “Koda Performance Share Plan 2018”, the rules of which are set out in Appendix A to this Circular, under which awards (“**Awards**”) of fully paid-up ordinary shares in the capital of the Company (“**Shares**”) will be granted, free of charge, to selected employees (including executive directors) of the Company and its subsidiaries, details of which are set out in the Circular, be and is hereby approved;
- (c) the Directors of the Company be and are hereby authorised:
  - (i) to establish and administer the Koda Performance Share Plan 2018;
  - (ii) to modify and/or alter the Koda Performance Share Plan 2018 at any time and from time to time, provided that such modification and/or alteration is effected in accordance with the rules of the Koda Performance Share Plan 2018; and
  - (iii) subject to the same being allowed by law, to apply any Shares purchased under the share buyback mandate of the Company towards the satisfaction of Awards granted under the Koda Performance Share Plan 2018, provided that the aggregate number of Shares to be applied pursuant to the vesting of Awards granted or to be granted under the Koda Performance Share Plan 2018, when added to all Shares, options or awards granted under any other share option scheme, performance share plan or share incentive scheme of the Company then in force, shall not exceed 15% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company from time to time;

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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- (d) pursuant to Section 161 of the Companies Act, the Directors of the Company be and are hereby authorised to grant Awards in accordance with the rules of the Koda Performance Share Plan 2018, and to allot and issue from time to time such number of fully paid-up Shares as may be required to be allotted and issued pursuant to the vesting of Awards under the Koda Performance Share Plan 2018, provided that the aggregate number of Shares to be allotted and issued pursuant to the vesting of Awards granted or to be granted under the Koda Performance Share Plan 2018, when added to all Shares, options or awards granted under any other share option scheme, performance share plan or share incentive scheme of the Company then in force, shall not exceed 15% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company from time to time; and
- (e) the Directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they and/or he may consider expedient or necessary or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution 1.

**ORDINARY RESOLUTION 2: THE PROPOSED PARTICIPATION BY MR JAMES KOH JYH GANG, A CONTROLLING SHAREHOLDER OF THE COMPANY, IN THE KODA PERFORMANCE SHARE PLAN 2018**

That subject to and contingent upon the passing of Ordinary Resolution 1, the participation by Mr James Koh Jyh Gang, a Controlling Shareholder of the Company, in the Koda Performance Share Plan 2018 be and is hereby approved.

**ORDINARY RESOLUTION 3: THE PROPOSED PARTICIPATION BY MR ERNIE KOH JYH ENG, AN ASSOCIATE OF A CONTROLLING SHAREHOLDER OF THE COMPANY, IN THE KODA PERFORMANCE SHARE PLAN 2018**

That subject to and contingent upon the passing of Ordinary Resolution 1, the participation by Mr Ernie Koh Jyh Eng, an Associate of a Controlling Shareholder of the Company, in the Koda Performance Share Plan 2018 be and is hereby approved.

**ORDINARY RESOLUTION 4: THE PROPOSED PARTICIPATION BY MDM KOH SHWU LEE, AN ASSOCIATE OF A CONTROLLING SHAREHOLDER OF THE COMPANY, IN THE KODA PERFORMANCE SHARE PLAN 2018**

That subject to and contingent upon the passing of Ordinary Resolution 1, the participation by Mdm Koh Shwu Lee, an Associate of a Controlling Shareholder of the Company, in the Koda Performance Share Plan 2018 be and is hereby approved.

**ORDINARY RESOLUTION 5: THE PROPOSED PARTICIPATION BY MR KOH ZHUXIAN JOSHUA, AN ASSOCIATE OF A CONTROLLING SHAREHOLDER OF THE COMPANY, IN THE KODA PERFORMANCE SHARE PLAN 2018**

That subject to and contingent upon the passing of Ordinary Resolution 1, the participation by Mr Koh Zhuxian Joshua, an Associate of a Controlling Shareholder of the Company, in the Koda Performance Share Plan 2018 be and is hereby approved.

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### ORDINARY RESOLUTION 6: THE PROPOSED PARTICIPATION BY MR KOH ZHULIAN JULIAN, AN ASSOCIATE OF A CONTROLLING SHAREHOLDER OF THE COMPANY, IN THE KODA PERFORMANCE SHARE PLAN 2018

That subject to and contingent upon the passing of Ordinary Resolution 1, the participation by Mr Koh Zhulian Julian, an Associate of a Controlling Shareholder of the Company, in the Koda Performance Share Plan 2018 be and is hereby approved.

### ORDINARY RESOLUTION 7: THE PROPOSED RENEWAL OF THE SHARE BUY-BACK

That:

- (a) for the purposes of the Companies Act, the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire issued ordinary shares in the capital of the Company ("**Shares**") not exceeding in aggregate the Prescribed Limit (as defined below), at such price(s) as may be determined by the Directors of the Company from time to time up to the Maximum Price (as defined below), whether by way of:
- (i) on-market purchases on the SGX-ST or, as the case may be, any other stock exchange on which the Shares may for the time being be listed and quoted ("**Other Exchange**") ("**On-Market Purchases**"); and/or
  - (ii) off-market purchases (if effected otherwise than on the SGX-ST or, as the case may be, Other Exchange) in accordance with any equal access scheme(s) as may be determined or formulated by the Directors of the Company as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act ("**Off-Market Purchases**"),
- and otherwise in accordance with all other laws, regulations and rules of the SGX-ST or, as the case may be, Other Exchange as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "**Share Buy-back Mandate**");
- (b) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors of the Company pursuant to the Share Buy-back Mandate may be exercised by the Directors of the Company at any time and from time to time during the period commencing from the date of the passing of this Ordinary Resolution 7 and expiring on the earlier of:
- (i) the date on which the next annual general meeting of the Company is held or required by law to be held; or
  - (ii) the date on which the purchases or acquisitions of issued Shares pursuant to the Share Buy-back Mandate are carried out to the full extent mandated;
- (c) in this Ordinary Resolution 7:

"**Prescribed Limit**" means that number of issued Shares representing not more than 10% of the total number of issued Shares as at date of the passing of this Ordinary Resolution 7 (excluding any treasury shares and subsidiary holdings as at that date);

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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**“Maximum Price”** in relation to a Share to be purchased or otherwise acquired, means the purchase price (excluding brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses) not exceeding:

- (i) in the case of an On-Market Purchase, 105% of the Average Closing Price of the Shares; and
- (ii) in the case of an Off-Market Purchase, 115% of the Average Closing Price of the Shares;

**“Average Closing Price”** means the average of the closing market prices of a Share over the last five (5) Market Days (being a day on which the SGX-ST is open for trading of securities) on which the Shares are transacted on the SGX-ST or, as the case may be, such Other Exchange, immediately preceding the date of the On-Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted, in accordance with the rules of the SGX-ST, for any corporate action that occurs after the relevant five-day period; and

**“date of the making of the offer”** means the date on which the Company makes an offer for the purchase or acquisition of the Shares from holders of the Shares, stating therein the relevant terms of the equal access scheme for effecting the Off-Market Purchase; and

- (d) the Directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they and/or he may consider expedient or necessary or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution 7.

By Order of the Board

Gn Jong Yuh Gwendolyn  
Company Secretary  
Singapore, 15 October 2018

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### Notes:

1. (a) A member of the Company who is not a Relevant Intermediary and entitled to attend, speak and vote at the EGM is entitled to appoint not more than two (2) proxies to attend and vote on his behalf. Where a member appoints more than one (1) proxy, the number and class of Shares in relation to which each proxy has been appointed shall be specified in the Proxy Form.  
  
(b) A member of the Company who is a Relevant Intermediary and entitled to attend, speak and vote at the EGM is entitled to appoint more than two (2) proxies to attend and vote on his behalf, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where a member appoints more than one (1) proxy, the number and class of Shares in relation to which each proxy has been appointed shall be specified in the Proxy Form.  
  
(c) "Relevant Intermediary" shall have the same meaning ascribed to it in Section 181 of the Companies Act.
2. A proxy need not be a member of the Company.
3. The Proxy Form must be deposited at the registered office of the Company at **28 Defu Lane 4 Singapore 539424**, not less than **72 hours** before the time fixed for holding the EGM.
4. Where the Proxy Form is executed by an individual, it must be executed under the hand of the individual or his attorney duly authorised. Where the Proxy Form is executed by a corporation, it must be executed either under its common seal or under the hand of any officer or attorney duly authorised.

### Personal data privacy:

By attending the EGM and/or any adjournment thereof and/or submitting the Proxy Form appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (a) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing and administration by the Company (or its agents or service providers) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), and (b) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (c) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.



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## PROXY FORM

<p><b>KODA LTD</b> (Incorporated in the Republic of Singapore) (Company Registration Number 198001299R)</p> <p style="text-align: center; font-weight: bold; font-size: 1.2em;">PROXY FORM</p>	<p><b>IMPORTANT</b></p> <ol style="list-style-type: none"> <li>1. Pursuant to Section 181(1C) of the the Companies Act, Cap. 50, of Singapore (the "<b>Companies Act</b>"), Relevant Intermediaries (as defined in the Companies Act) may appoint more than two (2) proxies to attend, speak and vote at the EGM.</li> <li>2. An investor who holds shares under the Central Provident Fund Investment Scheme ("<b>CPF Investor</b>") and/or the Supplementary Retirement Scheme ("<b>SRS Investor</b>") (as may be applicable) may attend and cast his vote(s) at the EGM in person, provided that he has been appointed as a proxy by his CPF and/or SRS approved agent bank. CPF Investors and SRS Investors who are unable to attend the EGM but would like to vote, may inform their CPF and/or SRS approved agent banks to appoint the Chairman of the EGM to act as their proxy, in which case, the CPF Investors and SRS Investors shall be precluded from attending the EGM.</li> <li>3. This Proxy Form is not valid for use by CPF Investors and SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by CPF Investors and SRS Investors.</li> </ol>
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I/We\* \_\_\_\_\_ (Name) \_\_\_\_\_ (NRIC/Passport/Company Registration Number\*)  
of \_\_\_\_\_ (Address)  
being a member/members\* of **KODA LTD** (the "**Company**"), hereby appoint:

Name	NRIC/Passport Number	Proportion of Shareholdings	
		Number of Shares	%
Address			

and/or\*

Name	NRIC/Passport Number	Proportion of Shareholdings	
		Number of Shares	%
Address			

or failing him/her\*, the Chairman of the EGM as my/our\* proxy/proxies\* to attend, speak and vote for me/us\* on my/our\* behalf at the EGM to be held at 28 Defu Lane 4 Singapore 539424 on 31 October 2018 at 11.00 a.m. (or as soon as practicable immediately following the conclusion or adjournment of the Annual General Meeting of the Company to be held on the same day and at the same place at 10.00 a.m.) and at any adjournment thereof.

I/We\* direct my/our\* proxy/proxies\* to vote for or against the Ordinary Resolutions to be proposed at the EGM as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the EGM and at any adjournment thereof, the proxy/proxies\* may vote or abstain from voting at his/her\* discretion. The Ordinary Resolutions will be put to vote at the EGM by way of poll.

Ordinary Resolution	Number of Votes For#	Number of Votes Against#
1. To approve the Proposed Adoption of the Koda Performance Share Plan 2018		
2. To approve the proposed participation by Mr James Koh Jyh Gang, a Controlling Shareholder of the Company, in the Koda Performance Share Plan 2018		
3. To approve the proposed participation by Mr Ernie Koh Jyh Eng, an Associate of a Controlling Shareholder of the Company, in the Koda Performance Share Plan 2018		
4. To approve the proposed participation by Mdm Koh Shwu Lee, an Associate of a Controlling Shareholder of the Company, in the Koda Performance Share Plan 2018		
5. To approve the proposed participation by Mr Koh Zhuxian Joshua, an Associate of a Controlling Shareholder of the Company, in the Koda Performance Share Plan 2018		
6. To approve the proposed participation by Mr Koh Zhulian Julian, an Associate of a Controlling Shareholder of the Company, in the Koda Performance Share Plan 2018		
7. To approve the proposed renewal of the Share Buy-back Mandate		

\* Delete as appropriate.

# If you wish to exercise all your votes "For" or "Against", please indicate so with a [✓] within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2018.

Total number of Shares in:	Number of Shares
(a) CDP Register	
(b) Register of Members	

\_\_\_\_\_  
*Signature(s) of Shareholder(s) and  
Common Seal of Corporate Shareholder*

**IMPORTANT: PLEASE READ NOTES OVERLEAF BEFORE COMPLETING THIS PROXY FORM**

**Notes:**

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the SFA), you should insert that number of Shares. If you 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 Proxy Form shall be deemed to relate to all the Shares held by you.
2. (a) A member of the Company who is not a Relevant Intermediary and entitled to attend, speak and vote at the EGM is entitled to appoint not more than two (2) proxies to attend and vote on his behalf. Where a member appoints more than one (1) proxy, the number and class of Shares in relation to which each proxy has been appointed shall be specified in this Proxy Form.  
  
(b) A member of the Company who is a Relevant Intermediary and entitled to attend, speak and vote at the EGM is entitled to appoint more than two (2) proxies to attend and vote on his behalf, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where a member appoints more than one (1) proxy, the number and class of Shares in relation to which each proxy has been appointed shall be specified in this Proxy Form.  
  
(c) "Relevant Intermediary" shall have the same meaning ascribed to it in Section 181 of the Companies Act.
3. A proxy need not be a member of the Company.
4. This Proxy Form must be deposited at the registered office of the Company at **28 Defu Lane 4 Singapore 539424**, not less than **72 hours** before the time fixed for holding the EGM.
5. Where this Proxy Form is executed by an individual, it must be executed under the hand of the individual or his attorney duly authorised. Where this Proxy Form is executed by a corporation, it must be executed either under its common seal or under the hand of any officer or attorney duly authorised.
6. Where this Proxy Form is executed under the hand of an attorney duly authorised, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with this Proxy Form, failing which this Proxy Form may be treated as invalid.
7. A corporation which is a member of the Company may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the EGM, in accordance with Section 179 of the Companies Act.
8. Terms not specifically defined herein shall have the same meanings ascribed to them in the circular to shareholders of the Company dated 15 October 2018.

**General:**

The Company shall be entitled to reject a Proxy Form which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the Proxy Form. In addition, in the case of Shares entered in the Depository Register, the Company may reject a Proxy Form if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 72 hours before the time fixed for holding the EGM, as certified by the CDP to the Company.

A Depositor shall not be regarded as a member of the Company entitled to attend the EGM and to speak and vote thereat unless his name appears on the Depository Register 72 hours before the time fixed for holding the EGM.

**Personal data privacy:**

By attending the EGM and/or any adjournment thereof and/or submitting this Proxy Form appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (a) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing and administration by the Company (or its agents or service providers) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), and (b) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (c) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.