

CIRCULAR DATED 12 OCTOBER 2017

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 (as defined herein), 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 Bonus 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 Bonus Issue (as defined herein) or the Bonus Shares (as defined herein).

K O D A TM LTD

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

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

- (I) THE PROPOSED BONUS ISSUE OF UP TO 41,101,216 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY (“BONUS SHARES”) TO SHAREHOLDERS OF THE COMPANY (“SHAREHOLDERS”), ON THE BASIS OF ONE (1) BONUS SHARE FOR EVERY ONE (1) EXISTING SHARE IN THE CAPITAL OF THE COMPANY HELD BY SHAREHOLDERS AS AT THE BOOKS CLOSURE DATE (AS DEFINED HEREIN), FRACTIONAL ENTITLEMENTS TO BE DISREGARDED (THE “PROPOSED BONUS ISSUE”); AND**

- (II) THE PROPOSED RENEWAL OF THE SHARE BUY-BACK MANDATE**

IMPORTANT DATES AND TIMES:

Last date and time for lodgement of Proxy Form	:	24 October 2017 at 11:00 a.m.
Date and time of Extraordinary General Meeting	:	27 October 2017 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)
Place of Extraordinary General Meeting	:	28 Defu Lane 4, Singapore 539424

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DEFINITIONS

In this Circular, the following definitions apply throughout unless the context requires otherwise or unless otherwise stated:

- “ACRA” or the “Registrar of Companies”* : The Accounting and Corporate Regulatory Authority of Singapore
- “Act”* : The Companies Act, Cap. 50 of Singapore, as may be amended or modified from time to time
- “AGM”* : The annual general meeting of the Company
- “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
- “Bonus Shares”* : The 41,101,216 new Shares to be allotted and issued by the Company to Shareholders, on the basis of 1 Bonus Share for every 1 existing Share held by Shareholders as at the Books Closure Date pursuant to the Proposed Bonus Issue
- “Books Closure Date”* : Subject to Shareholders’ approval for the Proposed Bonus Issue being obtained at the EGM, 5.00 p.m. on 2 November 2017, being the time and date, at and on which the Share Transfer Books and the Register of Members of the Company will be closed for the purpose of determining entitlements of Shareholders under the Proposed Bonus Issue
- “CDP”* : The Central Depository (Pte) Limited
- “Circular”* : This circular to Shareholders dated 12 October 2017 in respect of the Proposed Bonus Issue and the proposed renewal of the Share Buy-Back Mandate
- “Company”* : Koda Ltd
- “control”* : The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of the Company
- “Controlling Shareholder”* : A person who:–
- (a) holds directly or indirectly 15.0% or more of the total number of issued Shares excluding treasury shares 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

DEFINITIONS

<i>“Director”</i>	:	A director of the Company as at the date of this Circular or from time to time, as the case may be
<i>“EGM”</i>	:	The extraordinary general meeting of the Company to be held on 27 October 2017 at 28 Defu Lane 4, Singapore 539424 at 11:00 a.m. (or as soon as practicable immediately following the conclusion or adjournment of the AGM of the Company to be held on the same day and at the same place), notice of which is set out on page N-1 of this Circular
<i>“EPS”</i>	:	Earnings per Share
<i>“FY”</i>	:	Financial year ended or ending 30 June, as the case may be
<i>“Group”</i>	:	The Company and its subsidiaries collectively
<i>“Latest Practicable Date”</i>	:	28 September 2017, 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>	:	Has the meaning ascribed to it in Section 3.3(iv) of this Circular
<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>	:	Has the meaning ascribed to it in Section 3.3(iii)(b) of this Circular
<i>“On-Market Purchase”</i>	:	Has the meaning ascribed to it in Section 3.3(iii)(a) of this Circular
<i>“Proposed Bonus Issue”</i>	:	Has the meaning ascribed to it in Section 2.1 of this Circular
<i>“Proxy Form”</i>	:	The proxy form in respect of the EGM accompanying this Circular
<i>“Purchased Shares”</i>	:	Shares purchased by the Company pursuant to a Share Purchase in accordance with the Share Buy-Back Mandate
<i>“Relevant Period”</i>	:	Has the meaning ascribed to it in Section 2.1 of this Circular

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<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 amended from time to time
<i>“SGX-ST”</i>	:	Singapore Exchange Securities Trading Limited
<i>“Share Buy-Back Guidance Note”</i>	:	The share buy-back guidance note as set out in Appendix 2 of the Take-over Code
<i>“Share Buy-Back Mandate”</i>	:	The general and unconditional mandate to authorise the Directors to exercise all the powers of the Company to purchase, on behalf of the Company, Shares in accordance with the terms set out in this Circular and the rules and regulations set forth in the Act and the Listing Manual
<i>“Share Performance Plan”</i>	:	The share performance plan of the Company
<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
<i>“SIC”</i>	:	The Securities Industry Council of Singapore
<i>“Substantial Shareholder”</i>	:	A person who has an interest or interests in voting Shares in the Company representing not less than 5.0% of all the voting Shares
<i>“Take-over Code”</i>	:	The Singapore Code on Take-overs and Mergers, as amended or modified from time to time
<i>“treasury shares”</i>	:	Shares that were or are treated as having been acquired and held by the Company and have been held continuously by the Company since they were so acquired and have not been cancelled
 <u>Currencies</u>		
<i>“S\$” and “cents”</i>	:	Singapore dollars and cents respectively, the lawful currency of the Republic of Singapore
<i>“US\$” and “US cents”</i>	:	United States of America dollars and cents respectively, the lawful currency of the United States of America

DEFINITIONS

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

The term “*associate*”, “*associated company*” and “*subsidiary*” shall have the same meanings ascribed to them respectively in the Listing Manual and the 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 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 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.

LETTER TO SHAREHOLDERS

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)
Chan Wah Tiong	(Lead Independent Director)
Sim Cheng Huat	(Independent Director)
Ying Siew Hon, Francis	(Independent Director)
Tan Choon Seng	(Independent Director)

Registered Office:-

28 Defu Lane 4
Singapore 539424

12 October 2017

To: The Shareholders of Koda Ltd

Dear Sir/Madam

(I) THE PROPOSED BONUS ISSUE

(II) THE PROPOSED RENEWAL OF THE SHARE BUY-BACK MANDATE

1. INTRODUCTION

1.1 EGM

The Directors are convening an EGM to be held on 27 October 2017 to seek Shareholders' approval for (a) the Proposed Bonus Issue; and (b) the proposed renewal of the Share Buy-Back Mandate (the "**Proposed Resolutions**").

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 held on 27 October 2017 at 28 Defu Lane 4, Singapore 539424 at 11:00 a.m. (or as soon as practicable immediately following the conclusion or adjournment of the AGM of the Company to be held on the same day and at the same place), notice of which is set out on page N-1 of this Circular.

1.3 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.

LETTER TO SHAREHOLDERS

2. THE PROPOSED BONUS ISSUE

2.1 Introduction

On 15 March 2017, the Company announced that the Company proposed to undertake a bonus issue of up to 13,700,408 Shares to Shareholders, on the basis of one (1) bonus Share for every two (2) existing Shares held by Shareholders (the “**First Bonus Issue**”). On 9 June 2017, the Company announced that 13,700,400 bonus shares were allotted and issued to Shareholders in respect of the First Bonus Issue, and trading of the bonus shares in respect of the First Bonus Issue commenced on 12 June 2017.

On 8 September 2017, the Company further announced that the Company is proposing to undertake a bonus issue of up to 41,101,216 Shares to Shareholders, on the basis of one (1) bonus Share for every one (1) existing Shares held by Shareholders (the “**Proposed Bonus Issue**”).

2.2 Rationale for the Proposed Bonus Issue

Following the First Bonus Issue, the Company has increased its issued share capital base from 27,363,816 Shares (excluding 37,000 treasury shares) to 41,045,716 Shares (excluding 55,500 treasury shares), and has seen an increase in the trading liquidity of its Shares.

The Company is considering the Proposed Bonus Issue to further increase the issued share capital base of the Company to reflect the growth and expansion of the Group’s business. At the same time, the Proposed Bonus Issue will give further recognition to its Shareholders for their continuing support of and loyalty to the Company.

The Proposed Bonus Issue, if carried out, will also further increase the accessibility of an investment in the Company to more investors, thereby encouraging trading liquidity and greater participation by investors and broadening the shareholder base of the Company.

2.3 Terms of the Proposed Bonus Issue

The actual number of Bonus Shares to be allotted and issued by the Company will depend on the total issued share capital of the Company including treasury shares as at the Books Closure Date. Purely for illustration purposes, based on the existing issued share capital of the Company comprising 41,045,716 Shares and 55,500 treasury shares as at the Latest Practicable Date and assuming that there is no change in the issued share capital of the Company from the Latest Practicable Date to the Books Closure Date, 41,101,216 Bonus Shares will be allotted and issued pursuant to the Proposed Bonus Issue. Fractional entitlements will be disregarded and disposed of in such manner as the Directors may in their absolute discretion deem fit for the benefit of the Company.

The Bonus Shares will be allotted and issued as fully paid at nil consideration without capitalisation of the Company’s reserves. The Bonus Shares when allotted and issued, will rank *pari passu* in all respects with the then existing issued Shares, except that the Bonus Shares will not be entitled to any dividends, rights, allotments or other distributions, the record date of which falls before the date of allotment and issue of the Bonus Shares. For the avoidance of doubt, the Bonus Shares when allotted and issued, shall not be entitled to the (i) proposed final dividend of S\$0.01 per Share and (ii) proposed one-time special dividend of S\$0.02 per Share, as announced by the Company on 29 August 2017.

LETTER TO SHAREHOLDERS

The Bonus Shares will be allotted and issued to Shareholders whose names appear in the Register of Members of the Company or who have Shares entered against their names in the Depository Register as at the Books Closure Date on the basis of the number of such Shares registered in their names or standing to the credit of their Securities Accounts as at the Books Closure Date.

2.4 Financial Effects

For illustrative purposes only, the financial effects on the Company and the Group arising from the Proposed Bonus Issue, prepared based on the audited consolidated financial statements of the Company for the financial year ended 30 June 2017, are based on the assumptions set out below:–

- (i) there is no change in the issued share capital of the Company from the Latest Practicable Date to the Books Closure Date;
- (ii) 41,101,216 Bonus Shares are allotted and issued pursuant to the Proposed Bonus Issue;
- (iii) the Proposed Bonus Issue had been completed on 30 June 2017 for the purposes of illustrating the financial effects on the share capital, NTA per Share and Shareholders' funds; and
- (iv) the Proposed Bonus Issue had been completed on 1 July 2016 for the purposes of illustrating the financial effects on the EPS.

(a) Share capital

The effect of the Proposed Bonus Issue on the share capital of the Company is illustrated as follows:

	Number of shares	US\$'000
Issued share capital of the Company as at 30 June 2017	41,101,216	4,362
Treasury shares	(55,500)	(13)
Share capital	41,045,716	4,349
Bonus Shares	41,101,216	Nil
Enlarged issued share capital of the Company as at 30 June 2017	82,202,432	4,362
Enlarged treasury shares	(111,000)	(13)
Enlarged share capital	82,091,432	4,349

LETTER TO SHAREHOLDERS

(b) Shareholders' funds

The effect of the Proposed Bonus Issue on the Shareholders' funds of the Company is illustrated as follows:

	As at 30 June 2017	Immediately following the Proposed Bonus Issue
	US\$'000	US\$'000
Issued share capital of the Company	4,362	4,362
Treasury shares	(13)	(13)
	4,349	4,349
Reserves	23,977	23,977
	28,326	28,326
Shareholders' funds	28,326	28,326

(c) NTA

The effect of the Proposed Bonus Issue on the NTA of the Group is illustrated as follows:

	As at 30 June 2017	Immediately following the Proposed Bonus Issue
NTA (US\$'000)	28,339	28,339
Weighted average number of shares, excluding treasury shares (Number of Shares)	28,141,458	69,187,174
NTA per Share (US\$ cents)	100.7	40.96

(d) EPS

The effect of the Proposed Bonus Issue on the EPS of the Group is illustrated as follows:

	As at 30 June 2017	Immediately following the Proposed Bonus Issue
Profit attributable to Shareholders (US\$'000)	4,050	4,050
Weighted average number of shares, excluding treasury shares (Number of shares)	28,141,458	69,187,174
EPS (US\$ cents)	14.39	5.85

LETTER TO SHAREHOLDERS

(e) Gearing

Gearing refers to the ratio of net borrowings to Shareholders' funds.

As the Bonus Shares will be allotted and issued as fully paid at nil consideration without capitalisation of the Company's reserves, the Proposed Bonus Issue will have no effect on the gearing of the Company.

2.5 Dividends

The Company's dividend record for the latest two financial years were as follows:

	Gross dividend amount		
	Interim (S\$'000)	Final (S\$'000)	Special (S\$'000)
Financial Year Ended 30 June 2016	–	545	–
Financial Year Ended 30 June 2017	137	411	822

Barring any unforeseen circumstances, after assessing the internal working capital and cash flow requirements of the Group, the Directors are of the opinion that following the Proposed Bonus Issue, there will not be any significant difference in the total quantum of dividend paid. The Company expects to be able to maintain the quantum of dividend paid in FY2017. However, any recommendation for future dividends will be subject to various factors such as the level of cash flow and retained earnings, actual and projected financial performance, projected levels of capital expenditure and investment plans and other operational conditions of the Company's businesses at the time of declaration of the proposed dividend, if any.

Shareholders should note that the financial effects set out above, based on the respective aforementioned assumptions, are for illustration purposes only. In particular, it is important to note that the above analysis is based on the audited consolidated financial statements of the Company for the financial year ended 30 June 2017, and is not necessarily representative of the future financial performance of the Company and the Group.

2.6 Moratorium For Certain Bonus Shares

The table below sets out information on Shares which are subject to a moratorium ("Moratorised Shares"). Accordingly, the Bonus Shares which will be allotted and issued to the holders of Moratorised Shares will also be subject to a moratorium for the same period.

LETTER TO SHAREHOLDERS

Nature of transaction	Name of holder of Moratorised Shares	Total number of Moratorised Shares before the Proposed Bonus Issue	Bonus Shares to be allotted and issued under the Proposed Bonus Issue which will be subject to the moratorium	Total number of Moratorised Shares immediately following the Proposed Bonus Issue	Moratorium period
Grant of awards under the Share Performance Plan	Joshua Koh Zhu Xian	19,500	19,500	39,000	2 years from 28 December 2016
Grant of awards under the Share Performance Plan	Julian Koh Zhu Lian	28,500	28,500	57,000	2 years from 28 December 2016
Grant of awards under the Share Performance Plan	Gan Shee Wen	28,251	28,251	56,502	2 years from 28 December 2016
Grant of awards under the Share Performance Plan	Wong Se Sun	71,319	71,319	142,638	2 years from 28 December 2016

2.7 Adjustments to Share Awards Under the Share Performance Plan

The Company will make necessary adjustments to outstanding share awards granted under the Share Performance Plan in accordance with the rules of the Share Performance Plan, after the completion of the Proposed Bonus Issue.

2.8 Approval In-Principle

On 27 September 2017, the Company received the approval in-principle from the SGX-ST for the dealing in, listing of and quotation for the 41,101,216 Bonus Shares on the Official List of the Main Board of the SGX-ST, subject to the following conditions:

- (a) compliance with the SGX-ST's listing requirements;
- (b) Shareholders' approval for the Proposed Bonus Issue; and
- (c) submission of a written confirmation that the Proposed Bonus Issue is in compliance with the relevant Companies Act.

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 Bonus Issue or the Bonus Shares.

LETTER TO SHAREHOLDERS

2.9 Notice of Books Closure Date

NOTICE IS HEREBY GIVEN that, subject to Shareholders' approval for the Proposed Bonus Issue being obtained at the EGM, the Share Transfer Books and the Register of Members of the Company will be closed at 5.00 p.m. on 2 November 2017, being the Books Closure Date for the purpose of determining entitlements of Shareholders under the Proposed Bonus Issue.

Shareholders (whose Shares are deposited with CDP) whose Securities Accounts maintained with CDP are credited with Shares as at the Books Closure Date will, subject to the aforesaid Shareholders' approval being obtained at the EGM, be allotted and issued Bonus Shares on the basis of the number of Shares standing to the credit of their Securities Accounts with CDP as at 5.00 p.m. on 2 November 2017, being the Books Closure Date.

Duly completed and stamped transfers in respect of Shares not registered in the name of CDP together with all relevant documents of title thereto received by the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd, at 50 Raffles Place, #32-00 Singapore Land Tower, Singapore 048623, up to the close of business at 5.00 p.m. on 2 November 2017, being the Books Closure Date will, subject to the aforesaid Shareholders' approval being obtained at the EGM, be registered to determine entitlements of Shareholders under the Proposed Bonus Issue.

Subject to the aforesaid Shareholders' approval being obtained at the EGM, crediting of the Bonus Shares is expected to be made on 6 November 2017.

3. THE PROPOSED RENEWAL OF THE SHARE BUY-BACK MANDATE

3.1 Introduction

It is a requirement under the Act that a company which wishes to purchase or otherwise acquire its own shares has to obtain the approval of its shareholders to do so at a general meeting of shareholders. It is also a requirement under the Listing Manual that an issuer which wishes to purchase its own shares should obtain prior approval of its shareholders in a general meeting.

The adoption of the Share Buy-Back Mandate was first approved by Shareholders at an extraordinary general meeting on 30 October 2015 to enable the Company to purchase or otherwise acquire Shares and to hold such Shares as treasury shares. The Share Buy-Back Mandate was renewed at the extraordinary general meeting on 28 October 2016 and will expire on the date of the forthcoming AGM. The approval of Shareholders is being sought at the EGM for the proposed renewal of the Share Buy-Back Mandate to allow the Company to continue the buyback of its Shares, as set out in the Notice of EGM on page N-1 of this Circular.

If the proposed renewal of the Share Buy-Back Mandate is approved by Shareholders at the EGM, the authority conferred will remain in force until the date on which the next AGM is held or required by law to be held (when it will lapse unless it is renewed) or the date on which the Share Purchases are carried out to the full extent mandated, whichever is earlier, unless prior to that, the Share Buy-Back Mandate is varied or revoked by resolution of the Shareholders in general meeting (the "**Relevant Period**").

LETTER TO SHAREHOLDERS

Any purchase or acquisition of Shares by the Company would have to be made in accordance with, and in the manner prescribed by, the Act and the rules of the Listing Manual and such other laws and regulations as may, for the time being, be applicable.

In the event that subsequent to the EGM, there are new rules, regulations, directives or laws enacted or promulgated by the relevant competent authorities including but not limited to the SGX-ST and the SIC (hereinafter, collectively referred to as the “**Further Rules**”) that augment, supplement or vary the existing governing provisions set out in the Act and/or the Listing Manual, the Company shall, to the extent that the Further Rules impact on the Share Buy-Back Mandate, disseminate to the public by announcement(s), a memorandum setting out such Further Rules and the extent to which the Share Buy-Back Mandate is affected by such Further Rules. In such an event, the Company shall not undertake any Share Purchase until such a memorandum has been publicly disseminated.

3.2 Rationale for the Share Buy-Back Mandate

The approval of the proposed renewal of the Share Buy-Back Mandate authorising the Company to purchase or acquire its own Shares would give the Company the flexibility to undertake Share Purchases up to the limit described in Section 3.3(i) below at any time, during the period when the Share Buy-Back Mandate is in force. The rationale for the Company to undertake such Share Purchases are as follows:

- (i) The Share Buy-Back Mandate gives Directors the flexibility to purchase the Shares if and when circumstances permit, with the objective of increasing 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 the return on equity of the Group may be enhanced.
- (ii) 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 and, depending on market conditions, may lead to an enhancement of the EPS and/or NTA per Share.
- (iii) 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 share price speculation.

If and when circumstances permit, the Directors will decide whether to effect the Share Purchases via On-Market Purchases or Off-Market Purchases, after taking into account the amount of surplus cash available, the then 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/or 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 purchases or acquisitions of Shares pursuant to the Share Buy-Back Mandate may not be carried out to the full limit as authorised. The Share Purchases will not cause illiquidity or affect orderly trading of the Shares.

LETTER TO SHAREHOLDERS

3.3 Authority and Limits on the Share Buy-Back Mandate

The authority and limitations placed on the Share Purchases by the Company under the Share Buy-Back Mandate, if approved at the EGM, are summarised below:–

(i) Maximum number of Shares

Only Shares that are issued and fully paid-up may be purchased or acquired by the Company pursuant to the Share Buy-Back Mandate.

The total number of Shares which can be purchased or acquired by the Company pursuant to the Share Buy-Back Mandate during the Relevant Period or within any one financial year of the Company, whichever is earlier, is limited to that number of Shares representing not more than 10.0% of the total issued ordinary share capital of the Company (disregarding treasury shares and subsidiary holdings) as at the date of the EGM at which the proposed renewal of the Share Buy-Back Mandate is approved by Shareholders (the “**Approval Date**”). If the Company has, at any time during the Relevant Period or within any one financial year of the Company, whichever is earlier, effected a reduction of its share capital, the total number of Shares which can be purchased or acquired by the Company during the Relevant Period or within any one financial year of the Company, whichever is earlier, shall be calculated based on such number of Shares as at the Approval Date after adjusting for (a) such reduction in share capital; and (b) the number of Shares that the Company has acquired under the Share Buy-Back Mandate (if any) prior to such reduction in share capital. For the purposes of calculating the percentage of issued Shares above, any of the Shares which are held as treasury shares or subsidiary holdings will be disregarded.

Purely for illustrative purposes only, based on the existing issued and paid-up share capital of the Company as at the Latest Practicable Date, comprising 41,045,716 Shares (excluding 55,500 treasury shares), and assuming that no further Shares are issued on or prior to the EGM, not more than 4,104,571 Shares (representing 10.0% of the issued share capital of the Company as at the Approval Date disregarding treasury shares and subsidiary holdings) may be purchased or acquired by the Company pursuant to the Share Buy-Back Mandate during the duration referred to in Section 3.3(ii) below.

(ii) Duration of Authority

Under the Share Buy-Back Mandate, Share Purchases may be made, at any time and from time to time, on and from the date of the EGM, at which the proposed renewal of the Share Buy-Back Mandate is approved, up to the earlier of:–

- (a) the date of the next AGM or the date by which such AGM is required by law to be held;
- (b) the date on which the Share Purchases are carried out to the full extent mandated; or
- (c) the date on which the authority conferred by the Share Buy-Back Mandate is varied or revoked by Shareholders in a general meeting.

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The authority conferred on the Directors by the Share Buy-Back Mandate to purchase or acquire Shares may be renewed at each AGM or other general meeting of the Company. When seeking the approval of the Shareholders 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, including 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.

(iii) Manner of Share Purchases

Share Purchases may be made by way of:-

- (a) on-market purchases through the SGX-ST's ready market, or as the case may be, any other stock exchange on which the Shares may for the time being be listed and quoted, through one or more duly licensed stockbrokers appointed by the Company for the purpose ("**On-Market Purchases**"); and/or
- (b) off-market purchases (if effected otherwise than on the SGX-ST) in accordance with any equal access scheme(s) as defined in Section 76C of the Act ("**Off-Market Purchases**").

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

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

- (a) offers for Share Purchases shall be made to every person who holds Shares, to purchase or acquire the same percentage of their Shares;
- (b) all of those 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 may relate to Shares with different accrued dividend entitlements;
 - (bb) (if applicable) differences in consideration attributable to the fact that the offers relate to Shares with different amounts remaining unpaid; 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:–

- (A) the terms and conditions of the offer;
- (B) the period and procedures for acceptances;
- (C) the reasons for the proposed Share Purchases;
- (D) the consequences, if any, of Share Purchases by the Company that will arise under the Take-over Code or other applicable take-over rules;
- (E) whether the Share Purchases, if made, would have any effect on the listing of the Shares on the Official List;
- (F) 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
- (G) whether the Shares purchased or acquired by the Company will be cancelled or kept as treasury shares.

(iv) Maximum Purchase Price

The purchase price (excluding brokerage, commissions, stamp duties, applicable goods and services tax and other related expenses) to be paid by the Company for the Shares will be determined by the Directors and must not exceed:–

- (a) in the case of an On-Market Purchase, 105.0% of the Average Closing Price (as defined hereinafter); and
- (b) in the case of an Off-Market Purchase, 115.0% of the Average Closing Price (as defined hereinafter),

in either case, excluding related expenses of the Share Purchase (the “**Maximum Price**”).

For the above purposes:–

“**Average Closing Price**” means (aa) the average of the closing market prices of a Share over the last five (5) Market Days, on which transactions in the Shares were recorded, preceding the date of the On-Market Purchase or, as the case may be, preceding the date of the making an offer for an Off-Market Purchase; and (bb) deemed to be adjusted for any corporate action that occurs after the relevant five-day period; and

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“**day of the making of the offer**” means the day on which the Company announces its intention to make an offer for the Share Purchases from Shareholders, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

3.4 Status of Purchased Shares

A Share purchased or acquired by the Company under the Share Buy-Back Mandate (“**Purchase Share**”), unless held as treasury shares by the Company in accordance with the Act, is deemed cancelled immediately on purchase or acquisition (and all rights and privileges attached to the Share will expire on such cancellation).

3.5 Treasury Shares

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

(i) Maximum Holdings

The number of Shares held as treasury shares cannot at any time exceed 10.0% of the total number of issued Shares.

(ii) 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 Act, the Company shall be treated as having no rights 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 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.

(iii) Disposal and Cancellation

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

- (a) sell the treasury shares for cash;
- (b) transfer the treasury shares for the purpose of or pursuant to any employees’ share scheme;
- (c) transfer the treasury shares as consideration for the acquisition of shares in or assets of another company or assets of a person;

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- (d) cancel the treasury shares; or
- (e) sell, transfer or otherwise use the treasury shares for such other purposes as may be prescribed by the Minister of Finance.

As at the Latest Practicable Date, the Company holds 55,500 treasury shares.

3.6 Source of Funds

In undertaking Share Purchases, the Company may only apply funds legally available for such purchase 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 Act, the Company may purchase or 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 Act, a company is solvent if:–

- (i) there is no ground on which the Company could be found to be unable to pay its debts;
- (ii) if:–
 - (a) 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
 - (b) 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
- (iii) 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 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 expenses (including brokerage or commission) incurred directly in the Share Purchases). The purchase or acquisition of Shares will only be undertaken if it can benefit the Company and Shareholders. The Directors will only make purchases or acquisitions of the Shares in circumstances that they believe will not result in any material adverse effect on the financial condition of the Group.

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3.7 Financial Effects

It is not possible for the Company to realistically calculate or quantify the financial effects on the Group and the Company arising from its purchase or acquisition of Shares which may be made pursuant to the Share Buy-Back Mandate, which will depend on, *inter alia*, whether the Shares purchased or acquired is an On-Market Purchase or an Off-Market Purchase, whether the Shares purchased or acquired out of capital and/or profits of the Company, the number of Shares purchased or acquired, the consideration paid for such Shares and the expenses (including brokerage or commission) incurred directly in the purchase or acquisition by the Company in its purchase or acquisition of Shares.

As at the Latest Practicable Date, the issued and paid-up share capital of the Company is US\$4,362,445 comprising 41,045,716 Shares (excluding 55,500 treasury shares).

For illustrative purposes only, the financial effects on the Company and the Group arising from the Share Purchases, prepared based on the audited consolidated financial statements of the Company for FY2017, are based on the assumptions set out below:–

- (i) the Share Purchases comprised 4,104,571 Shares (representing 10.0% of the 41,045,716 issued Shares excluding treasury shares and subsidiary holdings as at the Latest Practicable Date and assuming no further Shares are issued and no Shares are held by the Company as treasury shares on or prior to the EGM);
- (ii) in the case of On-Market Purchases, the Maximum Price was S\$1.35 per Share (being the price equivalent to 5.0% above the Average Closing Prices of the Shares for the five Market Days on which the Shares were traded 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, stamp duties, commission, applicable goods and services tax and other related expenses), would amount to approximately S\$5.54 million (equivalent to approximately US\$4.07 million);
- (iii) in the case of Off-Market Purchases, the Maximum Price was S\$1.48 per Share (being the price equivalent to 15.0% above the Average Closing Prices of the Shares for the five Market Days on which the Shares were traded 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, stamp duties, commission, applicable goods and services tax and other related expenses), would amount to approximately S\$6.08 million (equivalent to approximately US\$4.47 million);
- (iv) there were no expenses incurred directly in the Share Purchases;
- (v) the Share Purchases pursuant to the Share Buy-Back Mandate took place on 1 July 2016;
- (vi) 55,500 treasury shares as at the Latest Practicable Date is not cancelled and remains held as treasury shares;

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(vii) the Share Purchases were made entirely out of the Company's profits and financed entirely by the Group's internal resources. As at 30 June 2017, the Group and the Company had cash and bank balances of approximately US\$8.35 million and US\$1.69 million respectively. In order to effect the purchase of up to 4,104,571 Shares at the Maximum Price computed at the Latest Practicable Date, cash reserves from the Group of approximately S\$6.08 million (equivalent to approximately US\$4.47 million) will be required; and

(viii) the closing rate of US\$1:S\$1.36 as at the Latest Practicable Date.

Pursuant to Section 76G of the Act, the total amount of the purchase price paid by the Company for the Shares purchased or acquired by the Company shall include any expenses (including brokerage or commission) incurred directly in the purchase or acquisition of Shares. If the purchased or acquired Shares are cancelled, the Company shall:–

- (a) reduce the amount of its share capital where the Shares were purchased or acquired out of the capital of the Company;
- (b) reduce the amount of its profits where the Shares were purchased or acquired out of the profits of the Company; or
- (c) reduce the amount of its share capital and profits proportionately where the 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 Shares cancelled.

If, on the other hand, the purchased or acquired Shares are not cancelled but held in treasury, then there is no change in the Company's issued capital.

In both cases, the Shareholders' funds are reduced by the total amount of the purchase price of the Shares purchased or acquired by the Company.

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Scenario 1 – Assuming Shares were purchased and cancelled

	Group			Company		
	Before Share Purchases	After Share Purchases		Before Share Purchases	After Share Purchases	
	US\$'000	On-Market Purchase US\$'000	Off-Market Purchase US\$'000	US\$'000	On-Market Purchase US\$'000	Off-Market Purchase US\$'000
As at 30 June 2017						
Share capital	4,362	4,362	4,362	4,362	4,362	4,362
55,500 shares held in treasury	(13)	(13)	(13)	(13)	(13)	(13)
Reserves	23,990	19,916	19,523	12,507	8,433	8,040
Shareholders' equity	28,339	24,265	23,872	16,856	12,782	12,389
NTA	28,339	24,265	23,872	16,856	12,782	12,389
Current assets	22,153	18,079	17,686	16,454	12,380	11,987
Current liabilities	7,936	7,936	7,936	8,037	8,037	8,037
Total borrowings	868	868	868	682	682	682
Net profit for FY2017	4,050	4,050	4,050	6,233	6,233	6,233
Number of Shares as at 30 June 2017 ('000)	41,046	36,941	36,941	41,046	36,941	36,941
Weighted average number of Shares excluding treasury shares as at 30 June 2017 ('000)	28,141	24,036	24,036	28,141	24,036	24,036
Financial ratios						
NTA per Share (US cents) ⁽¹⁾	100.7	101.0	99.3	59.9	53.2	51.5
NTA per Share (S cents) ⁽¹⁾⁽²⁾	137.0	137.3	135.1	81.5	72.3	70.1
Gearing (times) ⁽³⁾	0.03	0.04	0.04	0.04	0.05	0.06
Current ratio (times) ⁽⁴⁾	2.79	2.26	2.21	2.07	1.55	1.50
Earnings per Share (US cents) ⁽⁵⁾	14.39	16.85	16.85	22.15	25.93	25.93
Earnings per Share (S cents) ⁽²⁾⁽⁵⁾	19.57	22.92	22.92	30.12	35.27	35.27

Notes:–

- (1) "NTA per Share" represents NTA divided by the weighted average number of Shares as at 30 June 2017.
- (2) Equivalent amount in cents have been provided for comparative purposes, based on a closing rate of US\$1:S\$1.36 as at the Latest Practicable Date.
- (3) "Gearing" represents total borrowings divided by total equity.
- (4) "Current ratio" represents current assets divided by current liabilities.
- (5) "Earnings per Share" represents net profit for FY2017 respectively divided by the weighted average number of Shares for FY2017.

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

	Group			Company		
	Before Share Purchases	After Share Purchases		Before Share Purchases	After Share Purchases	
	US\$'000	On-Market Purchase US\$'000	Off-Market Purchase US\$'000	US\$'000	On-Market Purchase US\$'000	Off-Market Purchase US\$'000
As at 30 June 2017						
Share capital	4,362	4,362	4,362	4,362	4,362	4,362
55,500 shares held in treasury	(13)	(13)	(13)	(13)	(13)	(13)
Shares held in treasury	–	(4,074)	(4,467)	–	(4,074)	(4,467)
Reserves	23,990	23,990	23,990	12,507	12,507	12,507
Shareholders' equity	28,339	24,265	23,872	16,856	12,782	12,389
NTA	28,339	24,265	23,872	16,856	12,782	12,389
Current assets	22,153	18,079	17,686	16,454	12,380	11,987
Current liabilities	7,936	7,936	7,936	8,037	8,037	8,037
Total borrowings	868	868	868	682	682	682
Net profit for FY2017	4,050	4,050	4,050	6,233	6,233	6,233
Number of Shares as at 30 June 2017 ('000)	41,046	36,941	36,941	41,046	36,941	36,941
Weighted average number of Shares excluding treasury shares as at 30 June 2017 ('000)	28,141	24,036	24,036	28,141	24,036	24,036
Financial ratios						
NTA per Share (US cents) ⁽¹⁾	100.7	101.0	99.3	59.9	53.2	51.5
NTA per Share (S cents) ⁽¹⁾⁽²⁾	137.0	137.3	135.1	81.5	72.3	70.1
Gearing (times) ⁽³⁾	0.03	0.04	0.04	0.04	0.05	0.06
Current ratio (times) ⁽⁴⁾	2.79	2.28	2.23	2.05	1.54	1.49
Earnings per Share (US cents) ⁽⁵⁾	14.39	16.85	16.85	22.15	25.93	25.93
Earnings per Share (S cents) ⁽²⁾⁽⁵⁾	19.57	22.92	22.92	30.12	35.27	35.27

Notes:–

- (1) "NTA per Share" represents NTA divided by the weighted average number of Shares as at 30 June 2017.
- (2) Equivalent amount in cents have been provided for comparative purposes, based on a closing rate of US\$1:S\$1.36 as at the Latest Practicable Date.
- (3) "Gearing" represents total borrowings divided by total equity.
- (4) "Current ratio" represents current assets divided by current liabilities.
- (5) "Earnings per Share" represents net profit for FY2017 respectively divided by the weighted average number of Shares for FY2017.

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The Directors do not propose to exercise the Share Buy-Back Mandate to such an extent that it would have a material adverse effect on the working capital requirements of the Company and the Group. The Share Purchases will only be effected after taking into consideration both financial factors (such as cash surplus, debt position and working capital requirements of the Group) and non-financial factors (such as market conditions and performance of the Shares).

Shareholders should note that the financial effects set out above, based on the respective aforementioned assumptions, are for illustration purposes only. In particular, it is important to note that the above analysis is based on the latest audited consolidated financial statements of the Company for FY2017, and is not necessarily representative of the future financial performance of the Company and the Group. Although the Share Buy-Back Mandate would authorise the Company to purchase up to 10.0% of the Company's issued Shares as at the Approval Date, the Company may not necessarily purchase or be able to purchase 10.0% of the issued Shares (excluding treasury shares and subsidiary holdings) in full.

3.8 Tax Implications

Section 10J of the Income Tax Act (Cap. 134) of Singapore stipulates that when a company buys back its own shares from a shareholder using funds other than contributed capital of the company, the payment by the company shall be deemed to be a dividend paid by the company to the shareholder.

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.

3.9 Listing Status

As at the Latest Practicable Date, approximately 37.09% of the issued share capital of the Company is held in the hands of the public. Assuming that the Company repurchased the maximum of 10.0% of its issued share capital (excluding treasury shares and subsidiary holdings) as at the Latest Practicable Date from members of the public by way of an On-Market Purchase, the percentage of Shares held by the public would be approximately 30.00% and accordingly, the Company will be able to undertake the Share Purchase up to the full 10.0% limit pursuant to the Share Buy-Back Mandate without affecting the listing status of the Shares on the Mainboard of the SGX-ST.

The Directors will ensure that the Share Purchases will not have any effect on the listing of the Company's securities including the Shares listed on the SGX-ST. Rule 723 of the Listing Manual requires at least 10.0% of any class of a company's listed securities to be held by the public at all times.

3.10 SGX-ST Listing Manual

Under the Listing Manual, a listed company may only purchase shares by way of a market acquisition at a price which is not more than 5.0% above the average closing market price. The term "**average closing market price**" is defined in the Listing Manual as (i) the average of the closing market prices of shares over the last five Market Days, on which transactions in the shares were recorded, before the day on which purchases are made; and (ii) deemed

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to be adjusted for any corporate action that occurs after the relevant five-day period. The Maximum Price for a Share in relation to market purchases by the Company, referred to in Section 3.3(iv) of this Circular, conforms to this restriction.

Additionally, the Listing Manual also specifies that a listed company shall notify all purchases or acquisitions of its shares to the SGX-ST not later than 9.00 a.m.:–

- (a) in the case of an On-Market Purchase, on the Market Day following the day of purchase or acquisition of any of its shares; and
- (b) in the case of an Off-Market Purchase under an equal access scheme, on the second Market Day after the close of acceptances of the offer.

Such notification should be made in compliance with Appendix 8.3.1 of the Listing Manual and must include details of the total number of Shares purchased and the purchase price per Share or the highest and lowest prices paid for such Shares, as applicable.

While the Listing Manual does not expressly prohibit any purchase of shares by a listed company of its own shares during any particular time(s), because the listed company would be regarded as an “insider” in relation to any proposed purchase or acquisition of its issued shares, the Company will not undertake any purchase of 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 any Shares during the period commencing two weeks immediately preceding the announcement of the Company’s quarterly financial statements or one month immediately preceding the announcement of the Company’s annual financial statements and ending on the date of the announcement of the relevant results.

3.11 Application of the Take-over Code

Appendix 2 of 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 by the Company of its Shares are set out below.

(i) Obligations to make a take-over offer

If, as a result of any purchase or acquisition by the Company of its Shares, the proportionate interest in the voting capital of the Company of a Shareholder and persons acting in concert with him increases, such increase will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code. If such increase results in a change of effective control, or, as a result of such increase, a Shareholder or group of Shareholders acting in concert obtains or consolidates effective control of the Company, such Shareholder or group of Shareholders acting in concert could become obliged to make a take-over offer for the Company under Rule 14 of the Take-over Code.

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(ii) Persons acting in concert

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

Unless the contrary is established, the following persons, *inter alia*, will be presumed to be acting in concert under the Take-over Code:–

- (a) 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);
- (b) a company with its parent company, subsidiaries, its fellow subsidiaries, any associated companies of the above companies, and any company whose associated companies include any of the above companies. For this purpose, a company is an associated company of another company if the second company owns or controls at least 20.0% but not more than 50.0% of the voting rights of the first-mentioned company;
- (c) a company with any of its pension funds and employee share schemes;
- (d) a person with any investment company, unit trust or other fund in respect of the investment account which such person manages on a discretionary basis;
- (e) a financial or other professional adviser, including a stockbroker, with its clients in respect of the shareholdings of the adviser and the persons controlling, controlled by or under the same control as the adviser and all the funds which the adviser manages on a discretionary basis, where the shareholding of the adviser and any of those funds in the client total 10.0% or more of the client’s equity share capital;
- (f) directors of a company, together with their close relatives, related trusts and companies controlled by any of them, which is subject to an offer where they have reason to believe a *bona fide* offer for their company may be imminent;
- (g) partners; and
- (h) an individual, his close relatives, his related trusts, and any person who is accustomed to act according to his instructions and companies controlled by any of the above.

The circumstances under which Shareholders (including Directors) and their Concert Parties respectively will incur an obligation to make a take-over offer under Rule 14 of the Take-over Code after a Share Purchase by the Company are set out in Appendix 2 of the Take-over Code.

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(iii) Effect of Rule 14 and Appendix 2 of the Take-over Code

In general terms, the effect of Rule 14 and Appendix 2 of the Take-over Code is that, unless exempted, Directors and their Concert Parties will incur an obligation to make a take-over offer for the Company under Rule 14 of the Take-over Code if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Directors and their concert parties would increase to 30.0% or more, or if the voting rights of such Directors and their Concert Parties fall between 30.0% and 50.0% of the Company's voting rights, the voting rights of such Directors and their Concert Parties would increase by more than 1.0% in any period of six months.

Under Appendix 2 of the Take-over Code, a Shareholder not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 of the Take-over Code if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder in the Company would increase to 30.0% or more, or, if such Shareholder holds between 30.0% and 50.0% of the Company's voting rights, the voting rights of such Shareholder would increase by more than 1.0% in any period of six months. Such Shareholder need not abstain from voting in respect of the resolution authorising the proposed renewal of the Share Buy-Back Mandate.

With regard to Directors and their Concert Parties, if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Directors and their Concert Parties would increase to 30.0% or more, or if the voting rights of such Directors and their Concert Parties fall between 30.0% and 50.0% of the Company's voting rights, the voting rights of such Directors and their Concert Parties would increase by more than 1.0% in any period of six months, such Directors and persons acting in concert with them will be exempted from the requirement to make a take-over offer under Rule 14 of the Take-over Code, subject to the following conditions:–

- (aa) this Circular to contain advice to the effect that by voting for the proposed renewal of the Share Buy-Back Mandate, Shareholders are waiving their right to a take-over offer at the required price from Directors and their Concert Parties who, as a result of the Company buying back its shares, would increase their voting rights to 30.0% or more, or, if they together hold between 30.0% and 50.0% of the Company's voting rights, would increase their voting rights by more than 1.0% in any period of six months; and the names of such Directors and their Concert Parties, their voting rights at the time of the resolution and after the proposed buy-back to be disclosed in this same Circular;
- (bb) the resolution to authorise the Share Buy-Back Mandate to be approved by a majority of those Shareholders present and voting at the meeting on a poll who could not become obliged to make an offer as a result of the Share Buy-Back Mandate;
- (cc) Directors and/or their Concert Parties to abstain from voting for and/or recommending Shareholders to vote in favour of the resolution to authorise the proposed renewal of the Share Buy-Back Mandate;
- (dd) within seven days after the passing of the resolution to authorise the proposed renewal of the Share Buy-Back Mandate, each of the Directors to submit to the SIC a duly signed form as prescribed by the SIC;

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(ee) Directors and/or their Concert Parties not to have acquired and not to acquire any Shares between the date on which they know that the announcement of any Share Purchase proposal is imminent and the earlier of:–

(aa) the date on which the authority of the Share Buy-Back Mandate expires;

(bb) the date on which the Company announces it has bought back such number of Shares as authorised by Shareholders at the latest general meeting or it has decided to cease buying back its Shares, as the case may be,

if such acquisitions, taken together with the Share Purchase, would cause their aggregate voting rights to increase to 30.0% or more; and

(ff) Directors and/or their Concert Parties, together holding between 30.0% and 50.0% of the Company's voting rights, not to have acquired and not to acquire any Shares between the date on which they know that the announcement of the Share Purchase proposal is imminent and the earlier of:–

(aa) the date on which the authority of the Share Buy-Back Mandate expires;

(bb) the date on which the Company announces it has bought back such number of Shares as authorised by Shareholders at the latest general meeting or it has decided to cease buying back its Shares, as the case may be,

if such acquisitions, taken together with the Share Purchase, would cause their aggregate voting rights to increase by more than 1.0% in the preceding six months.

It follows that where the aggregate voting rights held by a Director and their Concert Parties increase by more than 1.0% solely as a result of the Share Purchase and none of them has acquired any Shares during the relevant period defined above, then such Director and/or their Concert Parties would be eligible for the SIC's exemption from the requirement to make a take-over offer under Rule 14 of the Take-over Code, or where such exemption had been granted, would continue to enjoy the exemption.

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(iv) Take-over implications arising from the Share Buy-Back Mandate

As at the Latest Practicable Date, the aggregate shareholdings and voting rights of the Directors and Substantial Shareholders and in the event of Share Purchases up to the maximum of 10.0% of the issued share capital of the Company (excluding treasury shares and subsidiary holdings) as permitted by the Share Buy-Back Mandate are as follows:–

	Percentage of Shares and voting rights as at the Latest Practicable Date ⁽¹⁾			Percentage of Shares and voting rights after the maximum Share Purchases permitted under the Share Buy-Back Mandate ⁽²⁾		
	Direct interest	Deemed interest	Total interest	Direct interest	Deemed Interest	Total interest
	Number of Shares	Number of Shares	%	Number of Shares	Number of Shares	%
Directors						
Koh Teng Kwee	4,713,936	–	11.47	4,713,936	–	12.76
James Koh Jyh Gang	6,761,547	–	16.45	6,761,547	–	18.30
Koh Jyh Eng	4,466,694	10,800 ⁽³⁾	10.89	4,466,694	10,800 ⁽³⁾	12.12
Koh Shwu Lee	4,142,613	129,600 ⁽⁴⁾	10.39	4,142,613	129,600 ⁽⁴⁾	11.56
Chan Wah Tiong	–	–	–	–	–	–
Sim Cheng Huat	–	–	–	–	–	–
Tan Choon Seng	–	–	–	–	–	–
Ying Siew Hon, Francis	–	–	–	–	–	–
Substantial Shareholders (other than Directors)						
–	–	–	–	–	–	–

Notes:–

- (1) Based on the Company's issued and paid-up share capital of 41,045,716 issued Shares and excluding 55,500 treasury shares as at the Latest Practicable Date.
- (2) Based on the issued and paid-up share capital of 36,941,144 Shares on the assumption that the Purchased Shares by the Company will be cancelled immediately.
- (3) Mr Koh Jyh Eng is deemed interested in 10,800 Shares held by his wife, Mdm Wong Sau Wai.
- (4) Mdm Koh Shwu Lee is deemed interested in 129,600 Shares held by her husband, Mr Kavin Seow Soo Yeow.

As at the Latest Practicable Date, the Company's issued share capital comprised 41,045,716 Shares (excluding treasury shares) of which Koh Teng Kwee, James Koh Jyh Gang, Koh Jyh Eng and Koh Shwu Lee (each of whom are Directors and Substantial Shareholders of the Company), as well as Joshua Koh Zhu Xian and Julian Koh Zhu Lian (the sons of James Koh Jyh Gang) are persons presumed to be acting in concert with each of them (collectively the "**Koh Concert Group**") under the Take-over Code and hold the interests as set out above. As the Koh Concert Group and persons presumed to be acting in concert with them under the Take-over Code have an aggregate shareholding interest of more than 50.0% in the Company, the increase

LETTER TO SHAREHOLDERS

in their shareholding in the event the Company purchases the maximum number of Shares permissible under the Share Buy-Back Mandate will not require any of them to make a take-over offer under Rule 14 of the Take-over Code.

Based on the shareholdings of the Directors and Substantial Shareholders of the Company as at the Latest Practicable Date, the purchase or acquisition by the Company of the maximum limit of 10.0% of its Shares as at the Latest Practicable Date pursuant to the Share Buy-Back Mandate is not expected to result in any Director or Substantial Shareholder incurring an obligation to make a take-over offer for the Shares of the Company under Rule 14 or Appendix 2 of the Take-over Code.

Shareholders who are in any doubt as to whether they would incur any obligations to make a take-over offer under Rule 14 of the Take-over Code as a result of any Share Purchases by the Company pursuant to the Share Buy-Back Mandate are advised to consult their professional advisers and/or the SIC and/or the relevant authorities at the earliest opportunity before they acquire any Shares during the period when the Share Buy-Back Mandate is in force.

3.12 Share Purchases in the previous 12 months

In the 12 months preceding the Latest Practicable Date, as announced by the Company on 16 September 2016, the Company purchased an aggregate of 7,000 Shares by way of Market Purchases pursuant to the previous Share Buy-Back Mandate granted at the extraordinary general meeting held on 28 October 2016. The highest and lowest prices paid were the same, i.e. S\$0.64 per Share. The total consideration paid for all the purchases was S\$4,508.67 (including related expenses).

3.13 Reporting requirements

Within 30 days of the passing of a Shareholders' resolution to approve the proposed renewal of the Share Buy-Back Mandate, the Company shall lodge a copy of such resolution with ACRA. The Company shall also lodge a notice with ACRA within 30 days of a Share Purchase. Such notification is to include details such as the date of the Share Purchase; the number of Shares purchased or acquired by the Company; the number of Shares cancelled; the number of Shares held as treasury shares; the Company's issued share capital before the Share Purchase; the amount of consideration paid by the Company for the Share Purchase, whether the Shares were purchased out of profits or the capital of the Company and such other particulars that might be prescribed.

3.14 Limits on shareholdings

The Company does not have any limits on the shareholdings of the Shareholders.

LETTER TO SHAREHOLDERS

4. 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:–

	Percentage of Shares and voting rights as at the Latest Practicable Date ⁽¹⁾		
	Direct Interest	Deemed interest	Total interest
	Number of Shares	Number of Shares	%
Directors			
Koh Teng Kwee	4,713,936	–	11.47
James Koh Jyh Gang	6,761,547	–	16.45
Koh Jyh Eng	4,466,694	10,800 ⁽²⁾	10.89
Koh Shwu Lee	4,142,613	129,600 ⁽³⁾	10.39
Chan Wah Tiong	–	–	–
Sim Cheng Huat	–	–	–
Ying Siew Hon, Francis	–	–	–
Tan Choon Seng	–	–	–
Substantial Shareholders (other than Directors)			
–	–	–	–

Notes:–

- (1) Based on the Company's issued and paid-up share capital of 41,045,716 issued Shares and excluding 55,500 treasury shares as at the Latest Practicable Date.
- (2) Mr Koh Jyh Eng is deemed interested in 10,800 Shares held by his wife, Mdm Wong Sau Wai.
- (3) Mdm Koh Shwu Lee is deemed interested in 129,600 Shares held by her husband, Mr Kavin Seow Soo Yeow.

Save as disclosed, 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.

5. DIRECTORS' RECOMMENDATION

The Directors having considered, *inter alia*, the rationale and information relating to the Proposed Resolutions set out in this Circular, are of the opinion that the Proposed Resolutions are in the best interests of the Company. Accordingly, the Directors recommend that Shareholders vote in favour of the Proposed Resolutions at the EGM.

6. 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

LETTER TO SHAREHOLDERS

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.

7. 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 27 October 2017 at 11:00 a.m. for the purpose of considering and, if thought fit, passing, with or without any modification, the Proposed Resolutions out in the Notice of EGM.

8. 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 the 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 the 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.

9. 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; and
- (b) the Annual Report of the Company for the financial year ended 30 June 2017.

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

James Koh Jyh Gang
Deputy Chairman and Managing Director

NOTICE OF EXTRAORDINARY GENERAL MEETING

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 27 October 2017 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) for the purpose of considering and, if thought fit, passing with or without any modifications, the following ordinary resolutions:

ORDINARY RESOLUTION 1: THE PROPOSED BONUS ISSUE

That:

- (i) the bonus issue (the “**Proposed Bonus Issue**”) of up to 41,101,216 new ordinary shares in the capital of the Company (“**Bonus Shares**”) to shareholders of the Company (“**Shareholders**”), on the basis of one (1) Bonus Share for every one (1) existing Share held by Shareholders as at a books closure date (“**Books Closure Date**”) to be determined by directors of the Company (“**Directors**”) for the purposes of determining the entitlements of Shareholders under the Proposed Bonus Issue, fractional entitlements to be disregarded, be and is hereby approved; and
- (ii) the Directors 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 Resolution.

ORDINARY RESOLUTION 2: THE PROPOSED RENEWAL OF THE SHARE BUY-BACK MANDATE

That:

- (i) for the purposes of the Companies Act (Cap. 50) of Singapore (the “**Act**”), the exercise by the Directors of the Company (“**Directors**”) of all the powers of the Company to purchase or otherwise acquire the issued ordinary shares in the capital of the Company (“**Shares**”) not exceeding in aggregate the Prescribed Limit (as hereafter defined), at such price or price(s) as may be determined by the Directors from time to time up to the Maximum Price (as hereafter defined), whether by way of:–
 - (a) on-market purchases, transacted on the ready market of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”), or as the case may be, other stock exchange for the time being on which the Shares may be listed or quoted, through one or more duly licensed stockbrokers appointed by the Company for the purpose (the “**On-Market Purchase**”); and/or
 - (b) off-market purchases (if effected otherwise than on the SGX-ST) in accordance with an equal access scheme(s) as may be determined or formulated by the Directors as they may consider fit and in the best interests of the Company, which scheme(s) shall satisfy all the conditions prescribed by the Act and the Listing Manual (the “**Off-Market Purchase**”),

NOTICE OF EXTRAORDINARY GENERAL MEETING

and otherwise in accordance with all other laws and regulations and rules of the SGX-ST as may for the time being as applicable, be and is hereby authorised and approved generally and unconditionally (the “**Share Buy-Back Mandate**”);

- (ii) unless varied or revoked by the Company in general meeting, 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 this resolution 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 purchase of Shares by the Company are carried out to the full extent mandated; or
 - (c) the date on which the authority contained in the Share Buy-Back Mandate is varied or revoked;

- (iii) in this resolution:–

“**Prescribed Limit**” means the number of Shares representing 10.0% of the total issued ordinary share capital of the Company as at the date of the passing of this resolution (excluding treasury shares and subsidiary holdings) unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Act, at any time during the Relevant Period (as defined hereinafter), in which event the issued ordinary share capital of the Company shall be taken to be the amount of the issued ordinary share capital of the Company as altered (excluding any treasury shares that may be held by the Company from time to time);

“**Relevant Period**” means the period commencing from the date on which the last annual general meeting of the Company was held and expiring on the date the next annual general meeting of the Company is held or is required by law to be held, or the date on which the purchases of the Shares are carried out to the full extent mandated, whichever is earlier, unless prior to that, it is varied or revoked by resolution of the shareholders of the Company in general meeting; and

“**Maximum Price**” in relation to a Share to be purchased, means an amount (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) not exceeding:–

- (a) in the case of an On-Market Purchase, 105.0% of the Average Closing Price;
- (b) in the case of an Off-Market Purchase, 115.0% of the Average Closing Price,

where:–

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

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (iv) the Directors be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they/he/she may consider expedient, necessary, desirable, incidental or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this resolution.

By Order of the Board

Gn Jong Yuh Gwendolyn
Company Secretary
Singapore

12 October 2017

Notes:–

1. Except for a member who is a Relevant Intermediary as defined under Section 181(6) of the Act, a member is entitled to appoint not more than two proxies to attend, speak and vote at the EGM. Where a member appoints more than one proxy, the proportion of his concerned shareholding to be represented by each proxy shall be specified in the Proxy Form.
2. Pursuant to Section 181(1C) of the Act, a member who is a Relevant Intermediary is entitled to appoint more than two proxies to attend, speak and vote at the EGM, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where such member appoints more than two proxies, the number and class of Shares in relation to which each proxy has been appointed shall be specified in the Proxy Form.
3. A proxy need not be a member of the Company.
4. The Proxy Form must be deposited at the Company's registered office at **28 Defu Lane 4, Singapore 539424**, not less than **72 hours** before the time appointed for the EGM.
5. 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.
6. Terms not specifically defined herein shall have the meaning ascribed to them in the Company's circular to shareholders dated 12 October 2017.

Personal data privacy:–

By 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) for the purpose of the processing and administration by the Company (or its agents) 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) to comply with any EGM laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (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), 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) 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.

PROXY FORM

<p>KODA LTD (Incorporated in the Republic of Singapore) (Company Registration Number 198001299R)</p> <p>PROXY FORM</p>	<p>IMPORTANT</p> <ol style="list-style-type: none"> 1. Pursuant to Section 181(1C) of the Companies Act, Cap. 50, of Singapore (the “Act”), relevant intermediaries may appoint more than two proxies to attend, speak and vote at the Extraordinary General Meeting. 2. For investors who have used their CPF monies to buy shares in the Company (“CPF Investors”), the Circular to Shareholders is forwarded to them at the request of their CPF Approved Nominees and is sent solely FOR INFORMATION ONLY. 3. This Proxy Form is not valid for use by CPF Investors and shall be ineffective for all intents and purposes if used or purported to be used by them. 4. CPF investors who wish to attend the Extraordinary General Meeting as an observer must submit their requests through their CPF Approved Nominees within the time frame specified. If they also wish to vote, they must submit their voting instructions to the CPF Approved Nominees within the time frame specified to enable them to vote on their behalf.
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I/We* _____ (Name) _____ (NRIC/Passport Number*)

of _____ (Address)

being a member/members* of **KODA LTD** (the “Company”), hereby appoint:

Name	NRIC/Passport Number	Proportion of Shareholdings	
		No. of Shares	%
Address			

and/or*

Name	NRIC/Passport Number	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing him/her*, the Chairman of the Extraordinary General Meeting (“EGM”) as my/our* proxy/proxies* to attend and vote for me/us* on my/our* behalf at the EGM of the Company to be held at 28 Defu Lane 4, Singapore 539424 on 27 October 2017 at 11:00 a.m.(or as soon as practicable immediately following the conclusion or adjournment of the AGM of the Company to be held on the same day and at the same place) and at any adjournment thereof.

I/We* direct my/our* proxy/proxies* to vote for or against the 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 Bonus Issue		
2. 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 _____ 2017.

Total number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

Signature(s) of Shareholder(s) or
Common Seal of Corporate Shareholder

IMPORTANT: PLEASE READ NOTES OVERLEAF BEFORE COMPLETING THIS PROXY FORM

PROXY FORM

Notes:

1. Please insert the total number of shares in the capital of the Company (“**Shares**”) held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Cap. 289, of Singapore), 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. Except for a member who is a Relevant Intermediary as defined under Section 181(6) of the Companies Act, Cap. 50, of Singapore (the “**Act**”), a member is entitled to appoint not more than two proxies to attend, speak and vote at the Extraordinary General Meeting. Where a member appoints more than one proxy, the proportion of his concerned shareholding to be represented by each proxy shall be specified in the Proxy Form.
3. Pursuant to Section 181(1C) of the Act, a member who is a Relevant Intermediary is entitled to appoint more than two proxies to attend, speak and vote at the Extraordinary General Meeting, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where such member appoints more than two proxies, the number and class of Shares in relation to which each proxy has been appointed shall be specified in the Proxy Form.
4. A proxy need not be a member of the Company.
5. This Proxy Form must be deposited at the Company’s registered office at **28 Defu Lane 4, Singapore 539424**, not less than **72 hours** before the time appointed for the EGM.
6. 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.
7. 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.
8. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Extraordinary General Meeting, in accordance with Section 179 of the Act.
9. Terms not specifically defined herein shall have the meaning ascribed to them in the Company’s circular to shareholders dated 12 October 2017.

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 appointed for holding the Extraordinary General Meeting, as certified by The Central Depository (Pte) Limited to the Company.

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

Personal data privacy:

By 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) for the purpose of the processing and administration by the Company (or its agents) 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) to comply with any EGM laws, listing rules, regulations and/or guidelines (collectively, the “**Purposes**”), (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), 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) 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.

