

Circular dated October 14, 2021

This Circular is important and requires your immediate attention. Please read it carefully.

If you are in doubt about its contents or the action that you should take, you should consult your stockbroker, bank manager, solicitor, accountant, financial adviser, tax adviser or other professional adviser immediately.

If you have sold or transferred all your ordinary shares in the share capital of Koda Ltd (the “**Company**”), you should forward this Circular together with the Notice of Extraordinary General Meeting and the attached Proxy Form immediately to the purchaser or the transferee or to the stockbroker, bank or agent through whom the sale or transfer was effected for onward transmission to the purchaser or the transferee.

This Circular has been prepared by the Company for compliance with the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) Listing Manual Section A: Mainboard Rules.

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

K O D ATM LTD

(Incorporated in the Republic of Singapore)
(Company Registration Number 198001299R)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

- (1) THE PROPOSED RENEWAL OF THE SHARE BUY-BACK MANDATE**
- (2) THE PROPOSED GRANT OF SHARE AWARD TO MR KOH ZHU XIAN JOSHUA, AN ASSOCIATE OF A CONTROLLING SHAREHOLDER OF THE COMPANY, UNDER THE KODA PERFORMANCE SHARE PLAN 2018**
- (3) THE PROPOSED GRANT OF SHARE AWARD TO MR KOH ZHU LIAN JULIAN, AN ASSOCIATE OF A CONTROLLING SHAREHOLDER OF THE COMPANY, UNDER THE KODA PERFORMANCE SHARE PLAN 2018**

Important Dates and Times:

Last date and time for lodgement of Proxy Form : October 26, 2021 at 11.00 a.m. (Singapore Time)

Date and time of Extraordinary General Meeting : October 29, 2021 at 11.00 a.m. (Singapore Time) (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.)

TABLE OF CONTENTS

	PAGE
CORPORATE INFORMATION	1
DEFINITIONS	2
LETTER TO SHAREHOLDERS	
1. INTRODUCTION	8
2. THE PROPOSED RENEWAL OF THE SHARE BUY-BACK MANDATE	9
3. THE PROPOSED GRANT OF SHARE AWARD TO MR KOH ZHU XIAN JOSHUA AND THE PROPOSED GRANT OF SHARE AWARD TO MR KOH ZHU LIAN JULIAN	25
4. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS	29
5. DIRECTORS' RECOMMENDATIONS	30
6. DIRECTORS' RESPONSIBILITY STATEMENT	30
7. EXTRAORDINARY GENERAL MEETING	30
8. ACTION TO BE TAKEN BY SHAREHOLDERS	31
9. DOCUMENTS AVAILABLE FOR INSPECTION	33
APPENDIX A – ALTERNATIVE ARRANGEMENTS	A-1
NOTICE OF EXTRAORDINARY GENERAL MEETING	N-1
PROXY FORM	

CORPORATE INFORMATION

Board of Directors	:	James Koh Jyh Gang (Executive Chairman and Chief Executive Officer) Koh Jyh Eng (Executive Director) Koh Shwu Lee (Executive Director) Tan Choon Seng (Lead Independent Non-Executive Director) Chan Wah Tiong (Independent Non-Executive Director) Sim Cheng Huat (Independent Non-Executive Director) Ying Siew Hon, Francis (Independent Non-Executive Director)
Company Secretary	:	Gn Jong Yuh Gwendolyn
Registered Office	:	28 Defu Lane 4 Singapore 539424
Share Registrar and Share Transfer Office	:	In.Corp Corporate Services Pte. Ltd. (Formerly known as RHT Corporate Advisory Pte. Ltd.) 30 Cecil Street #19-08 Prudential Tower Singapore 049712
Auditors	:	Deloitte & Touche LLP 6 Shenton Way #33-00 OUE Downtown Singapore 068809
Legal Adviser to the Company on Singapore Law for (a) The Proposed Renewal of the Share Buy-back Mandate; (b) The Proposed Grant of Share Award to Mr Koh Zhu Xian Joshua; and (c) The Proposed Grant of Share Award to Mr Koh Zhu Lian Julian	:	Shook Lin & Bok LLP 1 Robinson Road #18-00 AIA Tower Singapore 048542

DEFINITIONS

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

“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; and

(b) In relation to a substantial shareholder or a controlling shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more

“Average Closing Market Price” : The average of the closing market prices of the Shares over the last 5 Market Days, on which transactions in the Shares on the SGX-ST were recorded, before:

(a) the day on which the On-Market Purchases were made by the Company; or

(b) the day on which an offer for the purchase or acquisition of Shares from Shareholders stating the relevant terms of the equal access scheme for effecting the Off-Market Purchases was made by the Company,

as the case may be, and deemed to be adjusted for any corporate action that occurs during the relevant 5-day period and the day on which the On-Market Purchases were made by the Company or the day on which an offer for the purchase or acquisition of Shares from Shareholders stating the relevant terms of the equal access scheme for effecting the Off-Market Purchases was made by the Company, as the case may be

DEFINITIONS

“Board”	:	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
“Circular”	:	This circular to Shareholders dated October 14, 2021 in relation to the Proposed Renewal of the Share Buy-back Mandate, the Proposed Grant of Share Award to Mr Koh Zhu Xian Joshua and the Proposed Grant of Share Award to Mr Koh Zhu Lian Julian
“Companies Act”	:	The Companies Act, Cap. 50 of Singapore, as may be amended, supplemented or modified from time to time
“Company”	:	Koda Ltd
“Constitution”	:	The constitution of the Company, as may be amended, supplemented or modified from time to time
“controlling shareholder”	:	A person who: (a) holds directly or indirectly 15% or more of the total voting shares in a 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 a company
“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 convened and held, notice of which is set out on page N-1 of this Circular
“EPS”	:	Earnings per Share
“FY”	:	Financial year ended or ending June 30, as the case may be
“Group”	:	The Company and its subsidiaries collectively
“Koda Performance Share Plan 2018”	:	The performance share plan which was adopted at an extraordinary general meeting of the Company held on October 31, 2018, as may be amended, supplemented or modified from time to time
“Latest Practicable Date”	:	October 8, 2021, being the latest practicable date prior to the issue of this Circular

DEFINITIONS

“Mainboard Rules”	:	The SGX-ST Listing Manual Section A: Mainboard Rules, as may be amended, supplemented or modified from time to time
“Market Day”	:	A day on which the SGX-ST is open for securities trading
“Maximum Price”	:	The maximum price (excluding brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses) to be paid by the Company for the purchase or acquisition of Shares from Shareholders, as determined by the Board, which shall not exceed: (a) in the case of On-Market Purchases, 105% of the Average Closing Market Price of the Shares; and (b) in the case of Off-Market Purchases, 115% of the Average Closing market Price of the Shares
“New Shares”	:	New ordinary shares in the capital of the Company allotted and issued pursuant to the vesting of Share Awards granted under the Koda Performance Share Plan 2018
“Notice of EGM”	:	The notice of EGM which is set out on page N-1 of this Circular
“NTA”	:	Net tangible assets
“Off-Market Purchase”	:	The purchase or acquisition of Shares from Shareholders by the Company effected otherwise than on the SGX-ST in accordance with an equal access scheme which is authorised in advance by the Company in general meeting and which satisfies all the conditions set out in the Companies Act
“On-Market Purchase”	:	The purchase or acquisition of Shares from Shareholders by the Company effected on the SGX-ST
“Ordinary Resolution”	:	The ordinary resolution as set out in the Notice of EGM
“Proposed Grant of Share Award to Mr Koh Zhu Lian Julian”	:	The proposed grant of Share Award to Mr Koh Zhu Lian Julian Further details on the Proposed Grant of Share Award to Mr Koh Zhu Lian Julian are set out in Section 3 of this Circular

DEFINITIONS

“Proposed Grant of Share Award to Mr Koh Zhu Xian Joshua”	:	The proposed grant of Share Award to Mr Koh Zhu Xian Joshua Further details on the Proposed Grant of Share Award to Mr Koh Zhu Xian Joshua are set out in Section 3 of this Circular
“Proposed Renewal of the Share Buy-back Mandate”	:	The proposed renewal of the Share Buy-back Mandate Further details on the Proposed Renewal of the Share Buy-back Mandate are set out in Section 2 of this Circular
“Proxy Form”	:	The proxy form in respect of the EGM which is attached to this Circular
“Purchased Shares”	:	Shares purchased or otherwise acquired by the Company from Shareholders under the Share Buy-back Mandate
“Relevant Period”	:	Unless revoked or varied by the Company in general meeting, the period commencing from the date of the passing of the Ordinary Resolution 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 day on which purchases or acquisitions of Shares from Shareholders by the Company are carried out to the full extent mandated under the Share Buy-Back Mandate
“S\$” and “S\$ cents”	:	Singapore dollars and cents respectively, the lawful currency of Singapore
“Securities Accounts”	:	The securities accounts maintained by Depositors with CDP, but not including the securities accounts maintained with a Depository Agent
“SFA”	:	The Securities and Futures Act, Cap. 289 of Singapore, as may be amended, supplemented or modified from time to time
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Share Award”	:	An award of new ordinary shares in the capital of the Company under the Koda Performance Share Plan 2018
“Share Buy-back Guidance Note”	:	The share buy-back guidance note as set out in Appendix 2 to the Take-over Code

DEFINITIONS

“Share Buy-back Mandate”	:	The share buy-back mandate to authorise the Company to purchase or otherwise acquire Shares from Shareholders
“Share Purchase”	:	The purchase or acquisition of Shares from Shareholders by the Company under the Share Buy-back Mandate
“Shareholders”	:	The registered holders of Shares, except that where the registered holder is CDP, the term “Shareholders” 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
“Shares”	:	Ordinary shares in the share capital of the Company
“SIC”	:	The Securities Industry Council of Singapore
“substantial shareholder”	:	A person who has an interest or interests in one or more voting shares in a company and the total votes attached to that share, or those shares, is not less than 5% of the total votes attached to all the voting shares in the company
“Take-over Code”	:	The Singapore Code on Take-overs and Mergers, as may be amended, supplemented or modified from time to time
“US\$” and “US\$ cents”	:	United States of America dollars and cents respectively, the lawful currency of the United States of America
“%”	:	Per centum or percentage

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”, “subsidiary holdings” and “treasury shares” shall have the same meanings ascribed to them 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 Mainboard Rules 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 Mainboard Rules 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.

DEFINITIONS

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

Exchange Rate

For the purpose of this Circular, unless otherwise stated, the exchange rate US\$1.00 : S\$1.3584 obtained from the Monetary Authority of Singapore on the Latest Practicable Date shall be applied throughout this Circular.

LETTER TO SHAREHOLDERS

Koda Ltd

(Incorporated in the Republic of Singapore)
(Company Registration Number 198001299R)

Board of Directors:

James Koh Jyh Gang (Executive Chairman and Chief Executive Officer)
Koh Jyh Eng (Executive Director)
Koh Shwu Lee (Executive Director)
Tan Choon Seng (Lead Independent Non-Executive Director)
Chan Wah Tiong (Independent Non-Executive Director)
Sim Cheng Huat (Independent Non-Executive Director)
Ying Siew Hon, Francis (Independent Non-Executive Director)

Registered Office:

28 Defu Lane 4
Singapore 539424

October 14, 2021

To: The Shareholders of Koda Ltd

Dear Sir/Madam,

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

II. THE PROPOSED GRANT OF SHARE AWARD TO MR KOH ZHU XIAN JOSHUA, AN ASSOCIATE OF A CONTROLLING SHAREHOLDER OF THE COMPANY, IN THE KODA PERFORMANCE SHARE PLAN 2018

III. THE PROPOSED GRANT OF SHARE AWARD TO MR KOH ZHU LIAN JULIAN, AN ASSOCIATE OF A CONTROLLING SHAREHOLDER OF THE COMPANY, IN THE KODA PERFORMANCE SHARE PLAN 2018

1. INTRODUCTION

1.1 Extraordinary General Meeting

The Board is convening an EGM to seek Shareholders' approval for the Proposed Renewal of the Share Buy-back Mandate, the Proposed Grant of Share Award to Mr Koh Zhu Xian Joshua and the Proposed Grant of Share Award to Mr Koh Zhu Lian Julian as Ordinary Resolutions.

1.2 Circular

1.2.1 The purpose of this Circular is to provide Shareholders with relevant information relating to, and to seek Shareholders' approval for, the Proposed Renewal of the Share Buy-back Mandate, the Proposed Grant of Share Award to Mr Koh Zhu Xian Joshua and the Proposed Grant of Share Award to Mr Koh Zhu Lian Julian. Shareholders' approval will be sought at the EGM to be convened and held, notice of which is set out on page N-1 of this Circular.

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

LETTER TO SHAREHOLDERS

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

2.1 Introduction

2.1.1 The Share Buy-back Mandate was first approved by Shareholders at an extraordinary general meeting of the Company held on October 30, 2015. The Share Buy-back Mandate was renewed at the extraordinary general meeting of the Company held on October 30, 2020, and will expire on the date on which the next annual general meeting of the Company is to be held (i.e. October 29, 2021).

2.1.2 Pursuant to the Companies Act:

- (a) a company shall not make a purchase or acquisition of its own shares on a securities exchange unless the purchase or acquisition has been authorised in advance by the company in general meeting; and
- (b) a company may make a purchase or acquisition of its own shares otherwise than on an approved exchange in Singapore if the purchase or acquisition is made in accordance with an equal access scheme authorised in advance by the company in general meeting.

2.1.3 Pursuant to Listing Rule 881, an issuer may purchase its own shares if it has obtained the prior specific approval of shareholders in general meeting.

2.1.4 Accordingly, Shareholders' approval is being sought at the EGM to be convened and held for the Proposed Renewal of the Share Buy-back Mandate.

2.1.5 If the Proposed Renewal of the Share Buy-back Mandate is approved by Shareholders at the EGM, the Company shall be authorised to purchase or otherwise acquire Shares from Shareholders under the Share Buy-back Mandate at any time and from time to time during the Relevant Period.

2.2 Rationale for the Share Buy-back Mandate

2.2.1 The Share Buy-back Mandate would give the Company the flexibility to undertake Share Purchases at any time and from time to time during the Relevant Period up to the limit as set out in **Section 2.3.2** of this Circular. The rationale for the Company to have in place the Share Buy-back Mandate to undertake such Share Purchases is as follows:

- (a) The Share Buy-back Mandate gives the Company 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 will also allow the Board 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.

LETTER TO SHAREHOLDERS

- (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.

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

2.2.3 The Share Purchases will only be undertaken as and when the Board considers it to be in the best interests of the Company and its Shareholders. The Board does not propose to carry out Share Purchases to such extent that would, or in the circumstances that might, result in a material adverse effect on the financial condition of the Group, or cause illiquidity or affect orderly trading of the Shares.

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

2.3 Details on the Authority and Limits of the Share Buy-back Mandate

2.3.1 The details on the authority and limits of the Share Buy-back Mandate are summarised below.

2.3.2 Maximum Number of Shares

Only Shares that are issued and fully paid-up may be purchased or otherwise acquired by the Company under the Share Buy-back Mandate. The maximum number of Shares which may be purchased or otherwise acquired by the Company under 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 the Ordinary Resolution 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 shall be disregarded.

Purely for illustration purposes only, based on the total number of issued Shares as at the Latest Practicable Date, comprising 82,790,921 Shares (excluding 178,081 treasury shares and nil subsidiary holdings), and assuming no additional Shares are allotted and issued, no Shares are purchased or otherwise acquired and held as treasury shares or cancelled, and no Shares are held as subsidiary holdings on or prior to the EGM, not more than 8,279,092 Shares, representing not more than 10% of the total number of issued Shares (excluding 178,081 treasury shares and nil subsidiary holdings) as at that date, may be purchased or otherwise acquired by the Company under the Share Buy-back Mandate.

LETTER TO SHAREHOLDERS

2.3.3 Duration

If the Proposed Renewal of the Share Buy-back Mandate is approved by Shareholders at the EGM, the Company shall be authorised to purchase or otherwise acquire Shares from Shareholders under the Share Buy-back Mandate at any time and from time to time during the Relevant Period (i.e. the period commencing from the date of the passing of the Ordinary Resolution 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 day on which purchases or acquisitions of Shares from Shareholders by the Company are carried out to the full extent mandated under the Share Buy-Back Mandate,

unless the Share Buy-back Mandate is revoked or varied by the Company in general meeting).

The Share Buy-back Mandate may be renewed at a general meeting of the Company. Pursuant to Listing Rule 883, the Company is required to provide the following information to Shareholders:

- (a) the information required under the Companies Act;
- (b) the reasons for the Share Buy-back Mandate;
- (c) the consequences, if any, of Share Purchases by the Company that will arise under the Take-over Code;
- (d) whether Share Purchases, if made, could affect the listing of the Company's equity securities on the SGX-ST;
- (e) details of any Share Purchases made by the Company in the previous 12 months (whether by On-Market Purchases or Off-Market Purchases in accordance with an equal access scheme), giving the total number of Shares purchased or otherwise acquired, the purchase price per Share or the highest and lowest prices paid for the purchases or acquisitions, where relevant, and the total consideration paid for the purchases or acquisitions; and
- (f) whether the Shares purchased or otherwise acquired by the Company will be cancelled or kept as treasury shares.

2.3.4 Manner of Share Purchases

Share Purchases may be made via:

- (a) On-Market Purchases – The purchase or acquisition of Shares from Shareholders by the Company effected on the SGX-ST; and/or

LETTER TO SHAREHOLDERS

- (b) Off-Market Purchases – The purchase or acquisition of Shares from Shareholders by the Company effected otherwise than on the SGX-ST in accordance with an equal access scheme which is authorised in advance by the Company in general meeting and which satisfies all the conditions set out in the Companies Act.

The Board may impose such terms and conditions as it deems fit in the interests of the Company in connection with, or in relation to, an equal access scheme provided that such terms and conditions are consistent with the Companies Act, the Mainboard Rules and the Share Buy-back Mandate.

Pursuant to the Companies Act, Off-Market Purchases in accordance with an equal access scheme must satisfy all the following conditions:

- (a) the offers under the equal access scheme are to be made to every person who holds shares to purchase or acquire the same percentage of their shares;
- (b) all of those persons have a reasonable opportunity to accept the offers made to them; and
- (c) the terms of all the offers are the same except that there shall be disregarded (i) differences in consideration attributable to the fact that the offers relate to shares with different accrued dividend entitlements; (ii) differences in consideration attributable to the fact that the offers relate to shares with different amounts remaining unpaid; and (iii) differences in the offers introduced solely to ensure that each member is left with a whole number of shares.

Pursuant to Listing Rule 885, an issuer making an Off-Market Purchase in accordance with an equal access scheme must issue an offer document to all shareholders containing at least the following information:

- (a) terms and conditions of the offer;
- (b) period and procedures for acceptances;
- (c) the reasons for the Off-Market Purchase in accordance with the equal access scheme;
- (d) the consequences, if any, of Share Purchases by the Company that will arise under the Take-over Code;
- (e) whether Share Purchases, if made, could affect the listing of the Company's equity securities on the SGX-ST;
- (f) details of any Share Purchases made by the Company in the previous 12 months (whether by On-Market Purchases or Off-Market Purchases in accordance with an equal access scheme), giving the total number of Shares purchased or otherwise acquired, the purchase price per Share or the highest and lowest prices paid for the purchases or acquisitions, where relevant, and the total consideration paid for the purchases or acquisitions; and
- (g) whether the Shares purchased or otherwise acquired by the Company will be cancelled or kept as treasury shares.

LETTER TO SHAREHOLDERS

2.3.5 Maximum Price

The maximum price (excluding brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses) to be paid by the Company for the purchase or acquisition of Shares from Shareholders, as determined by the Board, shall not exceed:

- (a) in the case of On-Market Purchases, 105% of the Average Closing Market Price of the Shares; and
- (b) in the case of Off-Market Purchases, 115% of the Average Closing market Price of the Shares

“Average Closing Market Price” means the average of the closing market prices of the Shares over the last 5 Market Days, on which transactions in the Shares on the SGX-ST were recorded, before:

- (a) the day on which the On-Market Purchases were made by the Company; or
- (b) the day on which an offer for the purchase or acquisition of Shares from Shareholders stating the relevant terms of the equal access scheme for effecting the Off-Market Purchases was made by the Company,

as the case may be, and deemed to be adjusted for any corporate action that occurs during the relevant 5-day period and the day on which the On-Market Purchases were made by the Company or the day on which an offer for the purchase or acquisition of Shares from Shareholders stating the relevant terms of the equal access scheme for effecting the Off-Market Purchases was made by the Company, as the case may be.

2.4 **Status of Purchased Shares**

2.4.1 Purchased Shares (i.e. Shares purchased or otherwise acquired by the Company from Shareholders under the Share Buy-back Mandate) 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.

2.5 **Treasury Shares**

2.5.1 Certain provisions of the Companies Act relating to treasury shares are summarised below.

2.5.2 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. Where the aggregate number of Shares held as treasury shares exceeds 10% of the total number of issued Shares, the Company shall dispose of or cancel the excess treasury shares before the end of the period of 6 months beginning with the day on which the aggregate number of Shares held as treasury shares exceeds 10% of the total number of issued Shares, or such further period as ACRA may allow.

LETTER TO SHAREHOLDERS

2.5.3 Voting and Other Rights

The Company shall not exercise any right in respect of the treasury shares and any purported exercise of such a right is voted. In particular, the Company shall 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 (whether in cash or otherwise) of the Company's assets may be made, to the Company in respect of treasury shares. However, an allotment and issue of Shares as fully paid bonus Shares in respect of treasury shares is allowed and the subdivision or consolidation of any treasury shares into treasury shares of a smaller or larger number is also allowed if the total value of the treasury shares after the subdivision or consolidation is the same as the total value of the treasury share before the subdivision or consolidation, as the case may be.

2.5.4 Disposal and Cancellation

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

- (a) sell the treasury shares (or any of them) for cash;
- (b) transfer the treasury shares (or any of them) for the purposes of or pursuant to the Koda Performance Share Plan 2018 and any other share scheme, whether for its employees, Directors or other persons;
- (c) transfer the treasury shares (or any of them) as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (d) cancel the treasury shares (or any of them); or
- (e) sell, transfer or otherwise use the treasury shares for such other purposes as the Minister of Finance may by order prescribe.

2.6 **Source of Funds**

2.6.1 The Company may only apply funds legally available for Share Purchases under the Share Buy-back Mandate in accordance with the Constitution of the Company and the applicable laws in Singapore. The Company may not purchase or otherwise acquire its own Shares for a consideration other than cash or, in the case of On-Market Purchases, for settlement other than in accordance with the SGX-ST's trading rules.

2.6.2 Pursuant to the Companies Act, the Company may purchase or otherwise acquire its own Shares out of the Company's capital or profits so long as the Company is solvent. It is an offence for a Director or chief executive officer of the Company to approve or authorise the purchase or acquisition of the Company's own Shares, knowing that the Company is not solvent. Pursuant to Section 76F(4) of the Companies Act, the Company is solvent if at the date of the payment the following conditions are satisfied:

- (a) there is no ground on which the Company could be found to be unable to pay its debts;

LETTER TO SHAREHOLDERS

- (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 its own Shares, become less than the value of its liabilities (including contingent liabilities).

2.6.3 The Company intends to use its 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 Shares from Shareholders by the Company will only be undertaken if such purchase or acquisition can benefit the Company and its Shareholders. The Company will only make purchases or acquisitions of Shares from Shareholders in circumstances that the Board believes will not result in any material adverse effect on the financial condition of the Group, or cause illiquidity or affect orderly trading of the Shares.

2.7 Financial Effects

2.7.1 The financial effects on the Company and on the Group arising from the purchase or acquisition of Shares from Shareholders by the Company under 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 the Company's capital or profits, the number of Shares purchased or otherwise acquired by the Company under the Share Buy-back Mandate, the consideration paid for such Shares and whether the Shares purchased or otherwise acquired are held as treasury shares or cancelled immediately on purchase or acquisition.

2.7.2 **For illustrative purposes only**, the financial effects on the Company and on the Group arising from the purchase or acquisition of Shares from Shareholders by the Company under the Share Buy-back Mandate have been prepared based on the audited consolidated financial statements of the Group for FY2021 and subject to, *inter alia*, the following assumptions:

- (a) the aggregate number of Shares purchased or otherwise acquired by the Company under the Share Buy-back Mandate comprised 8,279,092 Shares, representing 10% of the total number of issued Shares (excluding 178,081 treasury shares and nil subsidiary holdings) as at the Latest Practicable Date, and assuming no additional Shares are allotted and issued, no Shares are purchased or otherwise acquired and held as treasury shares or cancelled, and no Shares are held as subsidiary holdings on or prior to the EGM;

LETTER TO SHAREHOLDERS

- (b) in the case of On-Market Purchases, the Maximum Price was S\$0.84 per Share (being 105% of the Average Closing Market Price of the Shares 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\$6.95 million (equivalent to approximately US\$5.12 million);
- (c) in the case of Off-Market Purchases, the Maximum Price was S\$0.92 per Share (being 115% of the Average Closing Price of the Shares 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\$7.62 million (equivalent to approximately US\$5.61 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 under the Share Buy-back Mandate were completed on July 1, 2020;
- (f) the 178,081 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 US\$1.00 : S\$1.3584 obtained from the Monetary Authority of Singapore on the Latest Practicable Date.

2.7.3 Pursuant to Section 76G of the Companies Act:

- (a) where Shares of the Company 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 Shares were purchased or acquired out of the capital of the Company;
 - (ii) reduce the amount of its profits where the Shares were purchased or acquired out of the profits of the Company; or
 - (iii) 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; and

LETTER TO SHAREHOLDERS

- (b) the total amount of the purchase price paid by the Company for the Shares cancelled shall include any expenses (including brokerage or commission) incurred directly in the purchase or acquisition of the Shares of the Company which is paid out of the Company's capital or profits under Section 76F(1) of the Companies Act.
- 2.7.4 Where Shares of the Company are purchased or acquired, and not cancelled under Section 76B(5) of the Companies Act, but held by the Company as treasury shares, there shall be no change in the amount of the Company's share capital.
- 2.7.5 Whether Shares of the Company are purchase or acquired, and cancelled under Section 76B(5) of the Companies Act or held by the Company as treasury shares, the Shareholders' equity is reduced by the total amount of the purchase price paid by the Company for the Shares purchased or acquired.
- 2.7.6 **Shareholders should note that the financial effects set out below are for illustration purposes only and based on the aforementioned assumptions. In particular, Shareholders should note that the financial effects set out below are based on the audited consolidated financial statements of the Group for FY2021 and are not necessarily representative of the future financial performance of the Company and of the Group. Although the Share Buy-back Mandate authorises the Company to purchase or otherwise acquire not more than 10% of the total number of issued Shares (excluding any treasury shares and subsidiary holdings), the Company may not necessarily purchase or otherwise acquire Shares, or be able to carry out purchases or acquisitions of Shares to the full extent mandated under the Share Buy-back Mandate.**
- 2.7.7 **The Share Purchases will only be undertaken as and when the Board considers it to be in the best interests of the Company and its Shareholders. The Board does not propose to carry out Share Purchases to such extent that would, or in the circumstances that might, result in a material adverse effect on the financial condition of the Group, or cause illiquidity or affect orderly trading of the Shares. In particular, the Board will only carry out the Share Purchases after taking into consideration relevant factors such as the amount of surplus cash available, working capital requirements and prevailing market conditions.**

LETTER TO SHAREHOLDERS

Scenario 1 – Assuming Shares were Purchased or otherwise Acquired and Cancelled immediately on Purchase or Acquisition

	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
As at June 30, 2021						
Share Capital (excluding treasury shares)	4,786	4,786	4,786	4,786	4,786	4,786
Share Capital of existing treasury shares	(75)	(75)	(75)	(75)	(75)	(75)
Reserves	44,595	39,475	38,988	30,912	25,792	25,305
Non-controlling interest	(65)	(65)	(65)	–	–	–
Shareholders' Equity	49,241	44,121	43,634	35,623	30,503	30,016
NTA	49,241	44,121	43,634	35,623	30,503	30,016
Current Assets	45,872	40,752	40,265	18,496	13,376	12,889
Current Liabilities	21,091	21,091	21,091	12,055	12,055	12,055
Total Borrowings	2,912	2,912	2,912	2,912	2,912	2,912
Net Profit for FY2021	9,098	9,098	9,098	5,881	5,881	5,881
Number of Shares ('000)	82,791	74,512	74,512	82,791	74,512	74,512
Weighted Average Number of Shares (excluding treasury shares) ('000)	82,713	74,434	74,434	82,713	74,434	74,434
Financial Ratios						
NTA per Share (US\$ cents) ⁽¹⁾	59.5	59.2	58.6	43.0	40.9	40.3
NTA per Share (S\$ cents) ⁽¹⁾⁽²⁾	80.8	80.4	79.5	58.4	55.6	54.7
Gearing (times) ⁽³⁾	0.06	0.07	0.07	0.08	0.10	0.10
Current Ratio (times) ⁽⁴⁾	2.17	1.93	1.91	1.53	1.11	1.07
EPS (US\$ cents) ⁽⁵⁾	11.00	12.22	12.22	7.11	7.90	7.90
EPS (S\$ cents) ⁽²⁾⁽⁵⁾	14.94	16.60	16.60	9.66	10.73	10.73

Notes:

- (1) "NTA per Share" represents NTA divided by the number of Shares at year end (excluding treasury shares).
- (2) Equivalent amount in S\$ cents has been provided for comparative purposes based on the exchange rate US\$1.00 : S\$1.3584 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 FY2021 divided by the weighted average number of Shares (excluding treasury shares).

LETTER TO SHAREHOLDERS

Scenario 2 – Assuming Shares were Purchased or otherwise Acquired 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
<u>As at June 30, 2021</u>						
Share Capital (excluding treasury shares)	4,786	4,786	4,786	4,786	4,786	4,786
Share Capital of existing treasury shares	(75)	(75)	(75)	(75)	(75)	(75)
Share Capital of new treasury shares	–	(5,120)	(5,607)	–	(5,120)	(5,607)
Reserves	44,595	44,595	44,595	30,912	30,912	30,912
Non-controlling interest	(65)	(65)	(65)	–	–	–
Shareholders' Equity	49,241	44,121	43,634	35,623	30,503	30,016
NTA	49,241	44,121	43,634	35,623	30,503	30,016
Current Assets	45,872	40,752	40,265	18,496	13,376	12,889
Current Liabilities	21,091	21,091	21,091	12,055	12,055	12,055
Total Borrowings	2,912	2,912	2,912	2,912	2,912	2,912
Net Profit for FY2021	9,098	9,098	9,098	5,881	5,881	5,881
Number of Shares ('000)	82,791	74,512	74,512	82,791	74,512	74,512
Weighted Average Number of Shares (excluding treasury shares) ('000)	82,713	74,434	74,434	82,713	74,434	74,434
Financial Ratios						
NTA per Share (US\$ cents) ⁽¹⁾	59.5	59.2	58.6	43.0	40.9	40.3
NTA per Share (S\$ cents) ⁽¹⁾⁽²⁾	80.8	80.4	79.5	58.4	55.6	54.7
Gearing (times) ⁽³⁾	0.06	0.07	0.07	0.08	0.10	0.10
Current Ratio (times) ⁽⁴⁾	2.17	1.93	1.91	1.53	1.11	1.07
EPS (US\$ cents) ⁽⁵⁾	11.00	12.22	12.22	7.11	7.90	7.90
EPS (S\$ cents) ⁽²⁾⁽⁵⁾	14.94	16.60	16.60	9.66	10.73	10.73

Notes:

- (1) "NTA per Share" represents NTA divided by the number of Shares at year end (excluding treasury shares).
- (2) Equivalent amount in S\$ cents has been provided for comparative purposes based on the exchange rate US\$1.00 : S\$1.3584 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 FY2021 divided by the weighted average number of Shares (excluding treasury shares).

LETTER TO SHAREHOLDERS

2.8 Tax Implications

- 2.8.1 **Shareholders who are in doubt as to their respective tax positions or the tax implications of the Share Purchases by the Company under the Share Buy-back Mandate or who may be subject to tax whether in or outside Singapore should consult their tax advisers or other professional advisers.**

2.9 Listing Status

- 2.9.1 Pursuant to Listing Rule 723, 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.
- 2.9.2 The percentage of the total number of issued Shares (excluding 178,081 treasury shares and nil subsidiary holdings) held by the public as at the Latest Practicable Date is approximately 37.46%. Assuming the Company carries out purchases or acquisitions of Shares to the full extent mandated under the Share Buy-back Mandate (i.e. not more than 10% of the total number of issued Shares (excluding any treasury shares and subsidiary holdings)), the percentage of the total number of issued Shares (excluding any treasury shares and subsidiary holdings) held by the public would be approximately 30.51%.
- 2.9.3 The Board shall ensure that at least 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) is at all times held by the public and that Listing Rule 723 is complied with.

2.10 Mainboard Rules

- 2.10.1 Pursuant to Listing Rule 886:

- (a) an issuer must notify the SGX-ST of any share buy-back as follows:
- (i) in the case of an On-Market Purchase, by 9.00 a.m. on the Market Day following the day on which it purchased shares; and
 - (ii) in the case of an Off-Market Purchase in accordance with an equal access scheme, by 9.00 a.m. on the second Market Day after the close of acceptances of the offer; and
- (b) the notification must be in the form of Appendix 8.3.1 of the Mainboard Rules and must include, *inter alia*, the maximum number of shares authorised for purchase, the date of purchase, 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, the total consideration (including stamp duties, clearing charges, etc) paid or payable for the shares, the cumulative number of shares purchased to date by way of On-Market Purchase and by way of Off-Market Purchase in accordance with an equal access scheme, the number of issued shares excluding treasury shares and subsidiary holdings after purchase, the number of treasury shares held after purchase and the number of subsidiary holdings after purchase.

LETTER TO SHAREHOLDERS

2.10.2 The Company will not purchase or otherwise acquire Shares under 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 accordance with Listing Rule 1207(19)(c), the Company shall not purchase or otherwise acquire Shares under the Share Buy-back Mandate or deal in its securities during the period commencing one month before the announcement of the Company's half year and full year financial statements.

2.11 Take-over Code

2.11.1 Certain take-over implications arising from the purchase or acquisition of Shares by the Company under the Share Buy-back Mandate are summarised below.

2.11.2 Obligation to make a Take-over Offer

Pursuant to paragraph 1 of the Share Buy-back Guidance Note, 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. The SIC should be consulted at the earliest opportunity as to whether an obligation to make an offer would arise.

2.11.3 Persons Acting in Concert

Pursuant to the Take-over Code, persons acting in concert 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.

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:

- (a) the following companies:
 - (i) a company;
 - (ii) the parent company of (i);
 - (iii) the subsidiaries of (i);
 - (iv) the fellow subsidiaries of (i);
 - (v) the associated companies of any of (i), (ii), (iii) or (iv);
 - (vi) companies whose associated companies include any of (i), (ii), (iii), (iv) or (v);
and

LETTER TO SHAREHOLDERS

- (vii) 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;
- (b) 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);
- (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 whose investment such person manages on a discretionary basis, but only in respect of the investment account which such person manages;
- (e) 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;
- (f) 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;
- (g) partners; and
- (h) the following persons and entities:
 - (i) an individual;
 - (ii) the close relatives of (i);
 - (iii) the related trusts of (i);
 - (iv) any person who is accustomed to act in accordance with the instructions of (i); and
 - (v) companies controlled by any of (i), (ii), (iii) or (iv); and
 - (vi) 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.

For the purposes of **Section 2.11.3** of this Circular:

- (a) “associated company” means 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
- (b) “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).

LETTER TO SHAREHOLDERS

2.11.4 Rule 14 of the Take-over Code and the Share Buy-back Guidance Note

Pursuant to Rule 14.1 of the Take-over Code, except with the SIC's consent, where:

- (a) 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
- (b) 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 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.

Pursuant to the Share Buy-back Guidance Note:

- (a) 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. The SIC should be consulted at the earliest opportunity as to whether an obligation to make an offer would arise; and
- (b) 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 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.

2.11.5 Mr Koh Teng Kwee, Mr James Koh Jyh Gang, Mr Koh Jyh Eng, Mdm Koh Shwu Lee, Mr Koh Zhu Xian Joshua and Mr Koh Zhu Lian Julian and persons acting in concert with them under the Take-over Code (the "**Koh Concert Group**") collectively hold Shares which carry more than 50% of the voting rights of the Company. Accordingly, when the Company purchases or otherwise acquires Shares under the Share Buy-back Mandate, any resulting increase in the percentage of voting rights of the Company held by the Koh Concert Group will not require an offer to be made under Rule 14 of the Take-over Code.

2.11.6 Save as disclosed above, the Board confirms that it is not aware of any facts or factors which suggest or imply that any particular persons and/or Shareholders are, or may be regarded as, persons acting in concert such that their respective interests in Shares which carry voting rights of the Company should or ought to be consolidated, and consequences under the Take-over Code would ensue as a result of Share Purchases by the Company under the Share Buy-back Mandate.

LETTER TO SHAREHOLDERS

2.11.7 **The take-over implications set out in Section 2.11 of this Circular do not purport to be comprehensive or exhaustive description of all implications that may arise under the Take-over Code. Shareholders are advised to consult their professional advisers and/or the SIC and/or other relevant authorities at the earliest opportunity as to whether an obligation to make an offer under Rule 14 of the Take-over Code would arise as a result of the Share Purchases by the Company under the Share Buy-back Mandate.**

2.12 Share Purchases in the previous 12 months

2.12.1 The Company has not purchased or otherwise acquired any shares under the Share Buy-back Mandate granted by Shareholders at the extraordinary general meeting of the Company held on October 30, 2020.

2.13 Reporting Requirements

2.13.1 Pursuant to the Companies Act:

- (a) within 30 days after the passing of the Ordinary Resolution relating to the Proposed Renewal of the Share Buy-back Mandate, the Directors shall lodge with ACRA a copy of the Ordinary Resolution relating to the Proposed Renewal of the Share Buy-back Mandate;
- (b) within 30 days after the purchase or acquisition of the Shares, the Directors shall lodge a notice of purchase or acquisition in the prescribed form with the following particulars:
 - (i) the date of the purchase or acquisition;
 - (ii) the number of Shares purchased or acquired;
 - (iii) the number of Shares cancelled;
 - (iv) the number of Shares held as treasury shares;
 - (v) the Company's issued share capital before the purchase or acquisition;
 - (vi) the Company's issued share capital after the purchase or acquisition;
 - (vii) the amount of consideration paid by the Company for the purchase or acquisition of the shares;
 - (viii) whether the Shares were purchased or acquired out of the profits or the capital of the Company; and
 - (ix) such other particulars as may be required in the prescribed form; and
- (c) where the Company cancels or disposes treasury shares in accordance with Section 76K(1C) of the Companies Act, the Directors shall lodge with ACRA a prescribed notice of the cancellation or disposal of treasury shares together with the prescribed fee within 30 days after the cancellation or disposal of treasury shares.

LETTER TO SHAREHOLDERS

3. THE PROPOSED GRANT OF SHARE AWARD TO MR KOH ZHU XIAN JOSHUA AND THE PROPOSED GRANT OF SHARE AWARD TO MR KOH ZHU LIAN JULIAN

3.1 Introduction

3.1.1 The Koda Performance Share Plan 2018 was adopted at an extraordinary general meeting of the Company held on October 31, 2018. The duration of the Koda Performance Share Plan 2018 is subject to a maximum period of 10 years from October 31, 2018, being the date which Shareholders' approval at a general meeting was obtained for the adoption the Koda Performance Share Plan 2018 by the Company. The Koda Performance Share Plan 2018 serves 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, enabling 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.

3.1.2 Pursuant to the Listing Rule 853 and the rules of the Koda Performance Share Plan 2018, participation in a scheme by controlling shareholders and their associates must be approved by independent shareholders of the issuer and 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. For the purposes of obtaining approval from independent Shareholders, the rationale and justification for the Proposed Grant of Share Award to Mr Koh Zhu Xian Joshua and the Proposed Grant of Share Award to Mr Koh Zhu Lian Julian are set out in **Section 3.3** and **Section 3.5** of this Circular, respectively.

3.2 Proposed Grant of Share Award to Mr Koh Zhu Xian Joshua

3.2.1 For the reasons set out in **Section 3.3** below, it is proposed that independent Shareholders approval be sought by way of Ordinary Resolution 2 as set out in the Notice of EGM, for authority to be given to the Remuneration Committee to grant the Share Award to Mr Joshua on the following terms:

Date of grant of Share Award : Within 1 month from the date of this EGM

Maximum number of Shares granted under the Share Award : Up to 55,000 shares

Vesting period of the Award : 100% of the shares vest on the date of the grant

3.3 Rationale and Justification for the Proposed Grant of Share Award to Mr Koh Zhu Xian Joshua

3.3.1 Mr Koh Zhu Xian Joshua ("**Mr Joshua**") is the Chief Executive Officer of Commune Lifestyle Pte. Ltd. and 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.

3.3.2 Mr 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. Therefore, the grant of Share Award to Mr Joshua (including the actual number and terms of the Share Award granted to Mr Joshua under the Koda Performance Share Plan 2018) must be approved by independent Shareholders by a separate resolution. As at the Latest

LETTER TO SHAREHOLDERS

Practicable Date, Mr Joshua is interested in 2,235,943 Shares held by him, presenting approximately 2.70% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company.

- 3.3.3 The Proposed Grant of Share Award to Mr Koh Zhu Xian Joshua would enable the Company to recognise his valuable contributions and services, and provide an opportunity for the Company to remunerate Mr Joshua not just through cash bonuses but also through an equity stake in the Company. In this way, Mr 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. In view of the above reasons, the Company proposes to grant Mr Joshua up to 55,000 Shares, subject to the approval by independent Shareholders for the grant of the Share Award.
- 3.3.4 In determining the Share Award to be granted to Mr Joshua, the Remuneration Committee has taken into consideration, *inter alia*, the following:
- (a) Mr Joshua's prevailing remuneration package; and
 - (b) Mr Joshua's position, responsibilities and potential contributions to the Group.
- 3.3.5 The Remuneration Committee believes that the Proposed Grant of Share Award to Mr Joshua under the Koda Performance Share Plan 2018 is fair and not excessive, and is in line with share awards granted by other issuers to individuals with comparable seniority.
- 3.3.6 For the above reasons, the Company proposes to grant Mr Joshua up to 55,000 Shares, subject to the approval by independent Shareholders.

3.4 Proposed Grant of Share Award to Mr Koh Zhu Lian Julian

- 3.4.1 For the reasons set out in **Section 3.5** below, it is proposed that independent Shareholders approval be sought by way of Ordinary Resolution 3 as set out in the Notice of EGM, for authority to be given to the Remuneration Committee to grant the Share Award to Mr Julian on the following terms:

Date of grant of Share Award	: Within 1 month from the date of this EGM
Maximum number of Shares granted under the Share Award	: Up to 55,000 shares
Vesting period of the Award	: 100% of the shares vest on the date of the grant

3.5 Rationale and Justification for the Proposed Grant of Share Award to Mr Koh Zhu Lian Julian

- 3.5.1 Mr Koh Zhu Lian Julian ("**Mr Julian**") is the Head of Design of the Group. He is responsible for the Group's design and innovation, leads the design team and oversees the Group's designing and branding, as well as sample and product development. Mr Julian is also the creative mind behind the Group's local and overseas exhibitions, and 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.

LETTER TO SHAREHOLDERS

- 3.5.2 Mr 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. Therefore, the grant of Share Award to Mr Julian (including the actual number and terms of the Share Award granted to Mr Julian under the Koda Performance Share Plan 2018) must be approved by independent Shareholders by a separate resolution. As at the Latest Practicable Date, Mr Julian is interested in 2,253,743 Shares held by him, representing approximately 2.72% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company.
- 3.5.3 The Remuneration Committee is of the view that the Proposed Grant of Share Award to Mr Koh Zhu Lian Julian 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. In view of the above reasons, the Company proposes to grant Mr Julian up to 55,000 Shares, subject to the approval by independent Shareholders for the grant of the Share Award.
- 3.5.4 In determining the Share Award to be granted to Mr Julian, the Remuneration Committee has taken into consideration, *inter alia*, the following:
- (a) Mr Julian's prevailing remuneration package; and
 - (b) Mr Julian's position, responsibilities and potential contributions to the Group.
- 3.5.5 The Remuneration Committee believes that the Proposed Grant of Share Award to Mr Julian under the Koda Performance Share Plan 2018 is fair and not excessive, and is in line with share awards granted by other issuers to individuals with comparable seniority.
- 3.5.6 For the above reasons, the Company proposes to grant Mr Julian up to 55,000 Shares, subject to the approval by independent Shareholders.

3.6 Potential Cost of Share Awards

According to the circular to Shareholders dated October 15, 2018 containing relevant information relating to, *inter alia*, the proposed adoption of the Koda Performance Share Plan 2018:

- (a) The grant of Share Awards under the Koda Performance Share Plan 2018 is considered a share-based payment that falls under the scope of Financial Reporting Standard 102. The Share 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.
- (b) The grant of Share 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 Share 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 Share Award granted

LETTER TO SHAREHOLDERS

as at the date of grant and the number of New Shares delivered as at the vesting date, with a corresponding credit to the reserve account.

- (c) The charge to the Company's and Group's income statement also depends on whether or not the performance target(s) prescribed in a Share Award is measured by reference to the market price of the New Shares. This is known as a market condition. At each reporting date, the number of New Shares that are expected to be delivered pursuant to the vesting of Share 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 Share Awards that do not ultimately vest, except for Share 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.

3.7 Abstention from Voting

- 3.7.1 Listing Rule 859 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).
- 3.7.2 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 Resolutions 2 and 3 relating to the Proposed Grant of Share Award to Mr Koh Zhu Xian Joshua and the Proposed Grant of Share Award to Mr Koh Zhu Lian Julian at the EGM, and shall also refrain from accepting nominations as proxy or otherwise vote at the EGM in respect of Ordinary Resolutions 2 and 3 relating to the Proposed Grant of Share Award to Mr Koh Zhu Xian Joshua and the Proposed Grant of Share Award to Mr Koh Zhu Lian Julian 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.

3.8 Mainboard Rules and the Rules of the Koda Performance Share Plan 2018

- 3.8.1 Announcement relating to the Grant of Share Award to Mr Joshua and Mr Julian

Pursuant to the Mainboard Rules, the Company will make an announcement in relation to each Share Award to Mr Joshua and Mr Julian, if approved by independent Shareholders, on the date of grant of the Share Award and provide details, including (i) the date of grant; (ii) the number of New Shares granted; (iii) the market price of its New Shares on the date of grant; and (iv) the number of New Shares granted to each Director and controlling shareholder (and each of their associates).

LETTER TO SHAREHOLDERS

3.8.2 Rights of New Shares

The New Shares allotted, issued and/or treasury shares (if any) transferred, upon the vesting of a Share Award shall (a) be subject to all provisions of the Constitution; and (b) rank *pari passu* in all respects with the then existing issued Shares in the capital of the Company except for any dividends, rights, allotments or other distributions, the record date of which is prior to the vesting date of the Share Award.

4. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

The interests of the Directors and the substantial shareholders of the Company in the Shares as at the Latest Practicable Date are set out below:

	Direct Interest		Deemed interest		Total interest	
	Number of Shares	% ⁽¹⁾	Number of Shares	% ⁽¹⁾	Number of Shares	% ⁽¹⁾
Directors						
James Koh Jyh Gang ⁽²⁾	11,023,094	13.3%	2,500,000	3.0%	13,523,094	16.3%
Koh Jyh Eng ⁽³⁾	8,933,388	10.8%	21,600	0.03%	8,954,988	10.8%
Koh Shwu Lee ⁽⁴⁾	8,285,226	10.0%	259,200	0.3%	8,544,426	10.3%
Tan Choon Seng	100,000	0.1%	–	–	100,000	0.1%
Chan Wah Tiong	–	–	–	–	–	–
Sim Cheng Huat	–	–	–	–	–	–
Ying Siew Hon, Francis	–	–	–	–	–	–
Substantial Shareholders (other than Directors)						
Koh Teng Kwee	9,427,872	11.39%	–	–	9,427,872	11.39%

Notes:

- (1) Based on 82,790,921 Shares in the issued and paid-up share capital of the Company (excluding 178,081 treasury shares and nil subsidiary holdings) as at the Latest Practicable Date.
- (2) Mr James Koh Jyh Gang is deemed to have an interest in 2,500,000 Shares which are held in the name of DBS Nominees (Private) Limited.
- (3) Mr Koh Jyh Eng is deemed to have an interest in 21,600 Shares which are held by his spouse, Mdm Wong Sau Wai.
- (4) Mdm Koh Shwu Lee is deemed to have an interest in 259,200 Shares which are held by her spouse, Mr Kavin Seow Soo Yeow.

Save as disclosed in this Circular, none of the Directors and/or the substantial shareholders of the Company have any interest, direct or indirect, in the Proposed Renewal of the Share Buy-back Mandate, the Proposed Grant of Share Award to Mr Koh Zhu Xian Joshua and the Proposed Grant of Share Award to Mr Koh Zhu Lian Julian, other than through their respective shareholdings in the Company, if any.

LETTER TO SHAREHOLDERS

5. DIRECTORS' RECOMMENDATIONS

5.1 The Proposed Renewal of the Share Buy-Back Mandate

Having considered, *inter alia*, the rationale and information relating to the Proposed Renewal of the Share Buy-back Mandate as set out in **Section 2** of this Circular, the Board is of the opinion that the Proposed Renewal of the Share Buy-back Mandate is in the best interests of the Company. Accordingly, the Board recommends that Shareholders vote in favour of the Ordinary Resolution relating to the Proposed Renewal of the Share Buy-back Mandate at the EGM.

5.2 The Proposed Grant of Share Award to Mr Koh Zhu Xian Joshua and the Proposed Grant of Share Award Mr Koh Zhu Lian Julian

The Executive Chairman and Chief Executive Officer, Mr James Koh Jyh Gang, and the Executive Directors, Mr Koh Jyh Eng and Ms Koh Shwu Lee are eligible to participate in, and are therefore interested in, the Koda Performance Share Plan 2018. Accordingly, Mr James Koh Jyh Gang, Mr Koh Jyh Eng and Ms Koh Shwu Lee have abstained from making any recommendation.

The Directors (other than Mr James Koh Jyh Gang, Mr Koh Jyh Eng and Ms Koh Shwu Lee) having carefully considered, *inter alia*, the rationale and information relating to the Proposed Grant of Share Award to Mr Koh Zhu Xian Joshua and the Proposed Grant of Share Award to Mr Koh Zhu Lian Julian as set out in **Section 3** of this Circular, are of the opinion that it is in the best interests of the Company. Accordingly, they recommend that independent Shareholders vote in favour of Ordinary Resolutions 2 and 3 set out in the Notice of EGM 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 Renewal of the Share Buy-back Mandate, the Proposed Grant of Share Award to Mr Koh Zhu Xian Joshua and the Proposed Grant of Share Award to Mr Koh Zhu Lian Julian, 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 this 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 this Circular in its proper form and context.

7. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on page N-1 of this Circular, will be held by way of electronic means on the date and at the time as set out in the Notice of EGM for the purpose of considering and if thought fit, passing, with or without any modification, the Ordinary Resolutions relating to the Proposed Renewal of the Share Buy-back Mandate, the Proposed Grant of Share Award to Mr Koh Zhu Xian Joshua and the Proposed Grant of Share Award to Mr Koh Zhu Lian Julian as set out in the Notice of EGM.

LETTER TO SHAREHOLDERS

8. ACTION TO BE TAKEN BY SHAREHOLDERS

8.1 Date, Time and Conduct of EGM

Pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020, the EGM will be held by way of electronic means on October 29, 2021 at 11.00 a.m. (Singapore Time) (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 Ordinary Resolutions relating to the Proposed Renewal of the Share Buy-back Mandate, the Proposed Grant of Share Award to Mr Koh Zhu Xian Joshua and the Proposed Grant of Share Award to Mr Koh Zhu Lian Julian.

8.2 Notice of EGM, Circular and Proxy Form

There are no printed copies of the Notice of EGM, this Circular and the Proxy Form to be sent to Shareholders. Instead, the Notice of EGM, this Circular and the Proxy Form may be accessed at the Company's website at the URL <http://www.kodaonline.com/> by clicking on the tab titled "Investor Relation" and selecting the hyperlink titled "Announcements". The Notice of EGM, this Circular and the Proxy Form are also available on SGXNET at the URL <https://www.sgx.com/securities/company-announcements>.

8.3 Attendance at the EGM

Due to the current COVID-19 advisories issued by the relevant authorities in Singapore and the related safe distancing measures in Singapore, **the EGM will be held by way of electronic means and Shareholders will not be able to attend the EGM in person.**

8.4 Participation at the EGM

8.4.1 Alternative arrangements have been made by the Company to allow Shareholders to participate at the EGM via electronic means. Such alternative arrangements include:

- (a) arrangements by which Shareholders may electronically access the EGM proceedings and observe and/or listen to the live audio-visual webcast or live audio-only stream;
- (b) arrangements by which Shareholders may submit comments, queries and/or questions to the chairman of the EGM (the "**Chairman of the Meeting**") in advance of the EGM;
- (c) arrangements by which the Board and the management may address substantial and relevant comments, queries and/or questions before the EGM; and
- (d) arrangements by which Shareholders may appoint the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM.

8.4.2 Details of the steps for pre-registration for the live audio-visual webcast or live audio-only stream, submission of comments, queries and/or questions in advance of the EGM and submission of Proxy Forms to appoint the Chairman of the Meeting to attend, speak and vote at the EGM are set out in the **Appendix A** to this Circular.

LETTER TO SHAREHOLDERS

8.5 Key Dates and Times

Key Dates and Times	Actions to be taken by Shareholders
6.00 p.m. on Friday, October 22, 2021	Deadline for Shareholders to submit comments, queries and/or questions in advance of the EGM.
11.00 a.m. on Tuesday, October 26, 2021	Deadline for Shareholders to: <ul style="list-style-type: none"> (a) pre-register for the live audio-visual webcast or live audio-only stream; and (b) submit Proxy Forms to appoint the Chairman of the Meeting to attend, speak and vote at the EGM.
12.00 p.m. on Thursday, October 28, 2021	<p>Shareholders, who have pre-registered for the live audio-visual webcast or live audio-only stream and who have been verified by the Company's Share Registrar, will receive an email which will contain the user ID and password details as well as the URL to access the live audio-visual webcast or the toll-free telephone number to access the live audio-only stream (the "Confirmation Email").</p> <p>Shareholders, who have pre-registered for the live audio-visual webcast or live audio-only stream but who have not received the Confirmation Email by 12.00 p.m. on Thursday, October 28, 2021, should contact the Company's Share Registrar, In.Corp Corporate Services Pte. Ltd. at shareregistry@incorp.asia.</p>
11.00 a.m. on Friday, October 29, 2021	<p>Shareholders may participate at the EGM via electronic means by:</p> <ul style="list-style-type: none"> (a) accessing the URL in the Confirmation Email and entering the user ID and password to access the live audio-visual webcast; or (b) calling the telephone number to access the live audio-only stream.

8.6 Important Reminder

Due to the constantly evolving COVID-19 situation in Singapore, the Company may be required to change the arrangements for the EGM at short notice. For the latest updates on the arrangements for the EGM, Shareholders should check the Company's website at the URL <http://www.kodaonline.com/>. Such updates will also be made available on SGXNET at the URL <https://www.sgx.com/securities/company-announcements>.

LETTER TO SHAREHOLDERS

9. DOCUMENTS AVAILABLE FOR INSPECTION

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

- (a) the Constitution of the Company;
- (b) the annual report of the Company for FY2021;
- (c) the circular to Shareholders dated October 15, 2018 containing relevant information relating to, inter alia, the proposed adoption of the Koda Performance Share Plan 2018; and
- (d) the Rules of the Koda Performance Share Plan 2018.

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

James Koh Jyh Gang
Executive Chairman and Chief Executive Officer

APPENDIX A ALTERNATIVE ARRANGEMENTS

Shareholders may electronically access the EGM proceedings and observe and/or listen to the live audio-visual webcast or live audio-only stream via their mobile phones, tablets or computers, submit comments, queries and/or questions to the Chairman of the Meeting in advance of the EGM and submit Proxy Forms to appoint the Chairman of the Meeting to attend, speak and vote on his/her/its behalf at the EGM.

To do so, Shareholders will need to complete the relevant steps below.

Steps	Details
<p>Pre-registration for the live audio-visual webcast or live audio-only stream</p>	<p>Shareholders must pre-register at the URL https://globalmeeting.bigbangdesign.co/koda/ from the date hereof until 11.00 a.m. on Tuesday, October 26, 2021 to enable the Company's Share Registrar, In.Corp Corporate Services Pte. Ltd., to verify their status as Shareholders of the Company.</p> <p>Following the verification, authenticated Shareholders will receive an email by 12.00 p.m. on Thursday, October 28, 2021 which will contain the user ID and password details as well as the URL to access the live audio-visual webcast or the telephone number to access the live audio-only stream (the "Confirmation Email").</p> <p>Shareholders, who have pre-registered for the live audio-visual webcast or live audio-only stream but who have not received the Confirmation Email by 12.00 p.m. on Thursday, October 28, 2021, should contact the Company's Share Registrar, In.Corp Corporate Services Pte. Ltd. at shareregistry@incorp.asia.</p>
<p>Submission of comments, queries and/or questions in advance of the EGM</p>	<p>Shareholders will not be able to comment, raise queries and/or ask questions at the EGM during the live audio-visual webcast or live audio-only stream. It is therefore important for Shareholders to submit comments, queries and/or questions to the Chairman of the Meeting in advance of the EGM.</p> <p>Submission of comments, queries and/or questions. Shareholders may submit comments, queries and/or questions related to the resolutions in the Notice of EGM to the Chairman of the Meeting in advance of the EGM in the following manner:</p> <p>(a) By post – Shareholders may submit their comments, queries and/or questions by post to the Company's registered office at 28 Defu Lane 4, Singapore 539424. Comments, queries and/or questions submitted by Shareholders by post must be accompanied by the Shareholders' full name, address and the manner in which the Shareholder holds Shares in the Company.</p>

**APPENDIX A
ALTERNATIVE ARRANGEMENTS**

Steps	Details
	<p>(b) By electronic means – Shareholders, who have pre-registered for the live audio-visual webcast or live audio-only stream, may submit their comments, queries and/or questions by electronic means at the URL https://globalmeeting.bigbangdesign.co/koda/.</p> <p>Deadline to submit comments, queries and/or questions. Shareholders must submit all comments, queries and/or questions by 6.00 p.m. on Friday, October 22, 2021.</p> <p>Addressing comments, queries and/or questions. The Company will endeavour to address all substantial and relevant comments, queries and/or questions received from Shareholders before the EGM. The Company will publish its responses to comments, queries and/or questions on the Company’s website at the URL http://www.kodaonline.com/ and on SGXNET at the URL https://www.sgx.com/securities/company-announcements on Monday, October 25, 2021.</p> <p>Minutes of EGM. The Company will publish the minutes of EGM on the Company’s website at the URL http://www.kodaonline.com/ and on SGXNET at the URL https://www.sgx.com/securities/company-announcements within one month after the EGM. The minutes of EGM will include responses from the Board and the management to substantial and relevant comments, queries and/or questions received from Shareholders addressed at the EGM during the live audio-visual webcast or live audio-only stream.</p>
Submission of Proxy Forms to appoint the Chairman of the Meeting to attend, speak and vote at the EGM	<p>Appointment of Chairman of the Meeting as proxy. A Shareholder (whether individual or corporate) must appoint the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM in accordance with the instructions on the Proxy Form if such Shareholder wishes to exercise his/her/its voting rights at the EGM.</p> <p>Specific instructions as to voting must be given. Where a Shareholder (whether individual or corporate) appoints the Chairman of the Meeting as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the Proxy Form, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.</p>

**APPENDIX A
ALTERNATIVE ARRANGEMENTS**

Steps	Details
	<p>Submission of Proxy Forms. The Proxy Form must be submitted to the Company in the following manner:</p> <ul style="list-style-type: none">(a) if submitted by post, be lodged with the Company at its registered office at 28 Defu Lane 4, Singapore 539424; or(b) if submitted by way of electronic means, be submitted via email to the Company at proxyforms@kodaltd.com, <p>in either case, by 11.00 a.m. on Tuesday, October 26, 2021. A Shareholder who wishes to submit the Proxy Form must first download, complete and sign the Proxy Form, before submitting it by post to the address provided above, or by scanning and submitting it by way of electronic means via email to the email address.</p> <p>In view of the current COVID-19 advisories issued by the relevant authorities in Singapore and the related safe distancing measures in Singapore, Shareholders are strongly encouraged to submit the completed Proxy Forms by way of electronic means via email.</p>

NOTICE OF EXTRAORDINARY GENERAL MEETING

K O D ATM LTD

(Incorporated in the Republic of Singapore)
(Company Registration Number 198001299R)

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (the “**EGM**”) of **Koda Ltd** (the “**Company**”) will be held by way of electronic means on October 29, 2021 at 11.00 a.m. (Singapore Time) (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 following Ordinary Resolutions:

*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 October 14, 2021 (the “**Circular**”) in relation to the Proposed Renewal of the Share Buy-back Mandate, the Proposed Grant of Share Award to Mr Koh Zhu Xian Joshua and the Proposed Grant of Share Award to Mr Koh Zhu Lian Julian.*

Ordinary Resolution 1: The Proposed Renewal of the Share Buy-back Mandate

That:

- (a) for the purposes of Section 76C and Section 76E of the Companies Act, the Board be and is hereby authorised and empowered to generally and unconditionally exercise of all powers of the Company to purchase or otherwise acquire Shares representing not more than 10% of the total number of issued Shares as at date of the passing of this Ordinary Resolution (excluding any treasury shares and subsidiary holdings as at that date) at such price or prices as may be determined by the Board from time to time not exceeding the Maximum Price (as defined below) via:
- (i) “On-Market Purchases” – The purchase or acquisition of Shares from Shareholders by the Company effected on the SGX-ST; and/or
 - (ii) “Off-Market Purchases” – The purchase or acquisition of Shares from Shareholders by the Company effected otherwise than on the SGX-ST in accordance with an equal access scheme which is authorised in advance by the Company in general meeting and which satisfies all the conditions set out in the Companies Act,
- in accordance with applicable laws and regulations and the Mainboard Rules as may for the time being be applicable (the “**Share Buy-back Mandate**”);
- (b) the Company shall be authorised to purchase or otherwise acquire Shares from Shareholders under the Share Buy-back Mandate at any time and from time to time during the period commencing from the date of the passing of this Ordinary Resolution 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 day on which purchases or acquisitions of Shares from Shareholders by the Company are carried out to the full extent mandated under the Share Buy-Back Mandate,

NOTICE OF EXTRAORDINARY GENERAL MEETING

unless the Share Buy-back Mandate is revoked or varied by the Company in general meeting;

(c) in this Ordinary Resolution:

(i) "Maximum Price" means maximum price (excluding brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses) to be paid by the Company for the purchase or acquisition of Shares from Shareholders, as determined by the Board, which shall not exceed:

(aa) in the case of On-Market Purchases, 105% of the Average Closing Market Price of the Shares; and

(bb) in the case of Off-Market Purchases, 115% of the Average Closing market Price of the Shares;

(ii) "Average Closing Market Price" means the average of the closing market prices of the Shares over the last 5 Market Days, on which transactions in the Shares on the SGX-ST were recorded, before:

(aa) the day on which the On-Market Purchases were made by the Company; or

(bb) the day on which an offer for the purchase or acquisition of Shares from Shareholders stating the relevant terms of the equal access scheme for effecting the Off-Market Purchases was made by the Company,

as the case may be, and deemed to be adjusted for any corporate action that occurs during the relevant 5-day period and the day on which the On-Market Purchases were made by the Company or the day on which an offer for the purchase or acquisition of Shares from Shareholders stating the relevant terms of the equal access scheme for effecting the Off-Market Purchases was made by the Company, as the case may be; and

(iii) "Market Day" means a day on which the SGX-ST is open for securities trading; and

(d) the Directors and/or any of them be and are hereby authorised and empowered to approve, complete and do all such acts and things (including approving, modifying, ratifying, signing, sealing, executing and delivering all such agreements, contracts, documents, notices, deeds or instruments as may be required) as they and/or he may consider expedient, desirable or necessary or in the interests of the Company to give effect to the matters considered in this Ordinary Resolution.

NOTICE OF EXTRAORDINARY GENERAL MEETING

Ordinary Resolution 2: The Proposed Grant of Share Award to Mr Koh Zhu Xian Joshua, an Associate of a Controlling Shareholder, under the Koda Performance Share Plan 2018

That the grant of the Share Award comprising up to 55,000 Shares to Mr Koh Zhu Xian Joshua, an associate of a controlling shareholder, under the Koda Performance Share Plan 2018 and on the following terms be and is hereby approved:

Date of grant of Share Award	:	Within 1 month from the date of this EGM
Maximum number of Shares granted under the Share Award	:	Up to 55,000 shares
Vesting period of the Award	:	100% of the shares vest on the date of the grant

Ordinary Resolution 3: The Proposed Grant of Share Award to Mr Koh Zhu Lian Julian, an Associate of a Controlling Shareholder, under the Koda Performance Share Plan 2018

That the grant of the Share Award comprising up to 55,000 Shares to Mr Koh Zhu Lian Julian, an associate of a controlling shareholder, under the Koda Performance Share Plan 2018 and on the following terms be and is hereby approved:

Date of grant of Share Award	:	Within 1 month from the date of this EGM
Maximum number of Shares granted under the Share Award	:	Up to 55,000 shares
Vesting period of the Award	:	100% of the shares vest on the date of the grant

By Order of the Board of Directors of
Koda Ltd

James Koh Jyh Gang
Executive Chairman and Chief Executive Officer

October 14, 2021
Singapore

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

1. Pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020, the EGM will be held by way of electronic means on October 29, 2021 at 11.00 a.m. (Singapore Time) (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 Ordinary Resolutions relating to the Proposed Renewal of the Share Buy-back Mandate, the Proposed Grant of Share Award to Mr Koh Zhu Xian Joshua and the Proposed Grant of Share Award to Mr Koh Zhu Lian Julian.
2. There are no printed copies of this Notice of EGM, the Circular and the Proxy Form to be sent to Shareholders. Instead, this Notice of EGM, the Circular and the Proxy Form may be accessed at the Company's website at the URL <http://www.kodaonline.com/> by clicking on the tab titled "Investor Relation" and selecting the hyperlink titled "Announcements". This Notice of EGM, the Circular and the Proxy Form are also available on SGXNET at the URL <https://www.sgx.com/securities/company-announcements>.
3. Alternative arrangements relating to attendance at the EGM via electronic means (including arrangements by which the EGM proceedings may be electronically accessed via live audio-visual webcast or live audio-only stream), submission of comments, queries and/or questions to the Chairman of the Meeting in advance of the EGM, addressing of substantial and relevant comments, queries and/or questions before the EGM and voting by appointing the Chairman of the Meeting as proxy at the EGM, are set out in **Section 8** of the Circular.
4. **Due to the current COVID-19 advisories issued by the relevant authorities in Singapore and the related safe distancing measures in Singapore, the EGM will be held by way of electronic means and Shareholders will not be able to attend the EGM in person. A Shareholder (whether individual or corporate) must appoint the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM in accordance with the instructions on the Proxy Form if such Shareholder wishes to exercise his/her/its voting rights at the EGM.** The Proxy Form may be accessed at the Company's website at the URL <http://www.kodaonline.com/> by clicking on the tab titled "Investor Relation" and selecting the hyperlink titled "Announcements" and is also available on SGXNET at the URL <https://www.sgx.com/securities/company-announcements>. Where a Shareholder (whether individual or corporate) appoints the Chairman of the Meeting as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the Proxy Form, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid. CPF Investors and SRS Investors who wish to appoint the Chairman of the Meeting as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 5.00 p.m. on Wednesday, October 20, 2021.
5. The Chairman of the Meeting, acting as proxy, need not be a Shareholder of the Company.
6. The Proxy Form must be submitted to the Company in the following manner:
 - (a) if submitted by post, be lodged with the Company at its registered office at 28 Defu Lane 4 Singapore 539424; or
 - (b) if submitted by way of electronic means, be submitted via email to the Company at proxyforms@kodald.com,

in either case, by 11.00 a.m. on Tuesday, October 26, 2021. A Shareholder who wishes to submit the Proxy Form must first download, complete and sign the Proxy Form, before submitting it by post to the address provided above, or by scanning and submitting it by way of electronic means via email to the email address provided above. **In view of the current COVID-19 advisories issued by the relevant authorities and the related safe distancing measures in Singapore, Shareholders are strongly encouraged to submit the completed Proxy Forms by way of electronic means via email.**

Personal Data Privacy:

By submitting the Proxy Form appointing the Chairman of the Meeting as proxy to attend, speak and vote at the EGM and/or any adjournment thereof, a Shareholder consents to the collection, use and disclosure of the Shareholder's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of the appointment of the Chairman of the Meeting as proxy for the EGM and/or any adjournment thereof, and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM and/or any adjournment thereof, and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines.

PROXY FORM

K O D A™ LTD

(Incorporated in the Republic of Singapore)
(Company Registration Number 198001299R)

I/We* _____ (Name) _____ (NRIC/Passport/Company Registration Number*)
of _____ (Address)

being a Shareholder of **Koda Ltd** (the "**Company**"), hereby appoint the Chairman of the Meeting as my/our* proxy to attend, speak and vote for me/us* on my/our* behalf at the EGM to be held by way of electronic means on October 29, 2021 at 11.00 a.m. (Singapore Time) (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 the Chairman of the Meeting to vote for or against, or to abstain from voting on, the Ordinary Resolutions to be proposed at the EGM as indicated hereunder. **If no specific direction as to voting, or abstentions from voting, is given in respect of the Ordinary Resolutions, the appointment of the Chairman of the Meeting as proxy for the Ordinary Resolutions shall be treated as invalid.** 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 [#]	Number of Votes Abstain [#]
1. To approve the Proposed Renewal of the Share Buy-back Mandate			
2. Proposed Grant of Share Award to Mr Koh Zhu Xian Joshua			
3. Proposed Grant of Share Award to Mr Koh Zhu Lian Julian			

* Delete as appropriate.

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

Dated this _____ day of _____ 2021.

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

Signature and/or Common Seal of Shareholder

IMPORTANT:

- Pursuant to Section 181(1C) of the Companies Act, Relevant Intermediaries (as defined in the Companies Act) may appoint more than 2 proxies to attend, speak and vote at the EGM.
- CPF Investors and SRS Investors who wish to appoint the Chairman of the Meeting as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by on 5.00 p.m. on Wednesday, October 20, 2021.
- 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.

IMPORTANT: PLEASE READ NOTES OVERLEAF BEFORE COMPLETING THIS PROXY FORM

PROXY FORM

Notes:

1. Pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020, the EGM will be held by way of electronic means on October 29, 2021 at 11.00 a.m. (Singapore Time) (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 Ordinary Resolutions relating to the Proposed Renewal of the Share Buy-back Mandate, the Proposed Grant of Share Award to Mr Koh Zhu Xian Joshua and the Proposed Grant of Share Award to Mr Koh Zhu Lian Julian.
2. There are no printed copies of the Notice of EGM, the Circular and this Proxy Form to be sent to Shareholders. Instead, the Notice of EGM, the Circular and this Proxy Form may be accessed at the Company's website at the URL <http://www.kodaonline.com/> by clicking on the tab titled "Investor Relation" and selecting the hyperlink titled "Announcements". The Notice of EGM, the Circular and this Proxy Form are also available on SGXNET at the URL <https://www.sgx.com/securities/company-announcements>.
3. Alternative arrangements relating to attendance at the EGM via electronic means (including arrangements by which the EGM proceedings may be electronically accessed via live audio-visual webcast or live audio-only stream), submission of comments, queries and/or questions to the Chairman of the Meeting in advance of the EGM, addressing of substantial and relevant comments, queries and/or questions before the EGM and voting by appointing the Chairman of the Meeting as proxy at the EGM, are set out in **Section 8** of the Circular.
4. **Due to the current COVID-19 advisories issued by the relevant authorities in Singapore and the related safe distancing measures in Singapore, the EGM will be held by way of electronic means and Shareholders will not be able to attend the EGM in person. A Shareholder (whether individual or corporate) must appoint the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM in accordance with the instructions on this Proxy Form if such Shareholder wishes to exercise his/her/its voting rights at the EGM.** This Proxy Form may be accessed at the Company's website at the URL <http://www.kodaonline.com/> by clicking on the tab titled "Investor Relation" and selecting the hyperlink titled "Announcements" and is also available on SGXNET at the URL <https://www.sgx.com/securities/company-announcements>. Where a Shareholder (whether individual or corporate) appoints the Chairman of the Meeting as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in this Proxy Form, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid. CPF Investors and SRS Investors who wish to appoint the Chairman of the Meeting as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 5.00 p.m. on Wednesday, October 20, 2021.
5. 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.
6. The Chairman of the Meeting, acting as proxy, need not be a Shareholder of the Company.
7. This Proxy Form must be submitted to the Company in the following manner:
 - (a) if submitted by post, be lodged with the Company at its registered office at 28 Defu Lane 4 Singapore 539424; or
 - (b) if submitted by way of electronic means, be submitted via email to the Company at proxyforms@kodald.com,
in either case, by 11.00 a.m. on Tuesday, October 26, 2021. A Shareholder who wishes to submit this Proxy Form must first download, complete and sign this Proxy Form, before submitting it by post to the address provided above, or by scanning and submitting it by way of electronic means via email to the email address provided above. **In view of the current COVID-19 advisories issued by the relevant authorities in Singapore and the related safe distancing measures in Singapore, Shareholders are strongly encouraged to submit the completed Proxy Forms by way of electronic means via email.**
8. Where this Proxy Form is executed by an individual, it must be executed under the hand of the individual or his/her 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.

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 Shareholder, 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 Shareholder of the Company entitled to attend, speak and vote at the EGM unless his name appears on the Depository Register 72 hours before the time fixed for holding the EGM.

Personal data privacy:

By submitting the Proxy Form appointing the Chairman of the Meeting as proxy to attend, speak and vote at the EGM and/or any adjournment thereof, a Shareholder consents to the collection, use and disclosure of the Shareholder's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of the appointment of the Chairman of the Meeting as proxy for the EGM and/or any adjournment thereof, and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM and/or any adjournment thereof, and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines.