

CIRCULAR DATED 14 OCTOBER 2019

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

This Circular is issued by Koda Ltd (the “Company”). If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all your shares in the capital of the Company, you should forward this Circular, the Notice of Extraordinary General Meeting and the attached Proxy Form immediately to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

This Circular has been prepared by the Company for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). The SGX-ST assumes no responsibility for the correctness of any of the statements or opinions made or reports contained in this Circular.

K O D ATM LTD

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

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

THE PROPOSED RENEWAL OF THE SHARE BUY-BACK MANDATE

IMPORTANT DATES AND TIMES:

- | | |
|--|---|
| Last date and time for lodgement of Proxy Form | : 26 October 2019 at 11.00 a.m. |
| Date and time of Extraordinary General Meeting | : 29 October 2019 at 11.00 a.m. (or as soon as practicable immediately following the conclusion or adjournment of the Annual General Meeting of the Company to be held on the same day and at the same place at 10.00 a.m.) |
| Place of Extraordinary General Meeting | : 28 Defu Lane 4, Singapore 539424 |

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DEFINITIONS

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

- “ACRA”* : The Accounting and Corporate Regulatory Authority of Singapore
- “Act” or “Companies Act”* : The Companies Act (Chapter 50) of Singapore, as may be amended or modified from time to time
- “Associate”* : (a) in relation to any Director, chief executive officer, Substantial Shareholder or Controlling Shareholder (being an individual) means:
- (i) his immediate family;
 - (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
 - (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more;
- (b) in relation to a Substantial Shareholder or a Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more
- “Average Closing Price”* : The average of the closing market prices of a Share over the last five (5) Market Days on which transactions in the Shares were recorded before the day on which the Share Purchases were transacted on the SGX-ST or, as the case may be, such Other Exchange, immediately preceding the date of the On-Market Purchase by the Company, or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted, in accordance with the rules of the SGX-ST, for any corporate action that occurs after the relevant five-day period
- “Board” or “Board of Directors”* : The board of directors of the Company as at the date of this Circular or from time to time, as the case may be
- “CDP”* : The Central Depository (Pte) Limited
- “Circular”* : This circular to Shareholders dated 14 October 2019 in respect of the Proposed Resolution

DEFINITIONS

<i>“Company”</i>	:	Koda Ltd
<i>“control”</i>	:	The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of a company
<i>“Controlling Shareholder”</i>	:	A person who: (a) holds directly or indirectly 15% or more of the total voting rights in the Company. The SGX-ST may determine that a person who satisfies this paragraph is not a Controlling Shareholder; or (b) in fact exercises control over the Company
<i>“date of the making of the offer”</i>	:	The date on which the Company makes an offer for the purchase or acquisition of the Shares from holders of the Shares, stating therein the relevant terms of the equal access scheme for effecting the Off-Market Purchase
<i>“Director”</i>	:	A director of the Company as at the date of this Circular or from time to time, as the case may be
<i>“EGM”</i>	:	The extraordinary general meeting of the Company to be held on 29 October 2019 at 11.00 a.m. (or as soon as practicable immediately following the conclusion or adjournment of the Annual General Meeting of the Company to be held on the same day and at the same place at 10.00 a.m.), notice of which is set out on page N-1 of this Circular
<i>“EPS”</i>	:	Earnings per Share
<i>“FY”</i>	:	Financial year ended or ending 30 June, as the case may be
<i>“Group”</i>	:	The Company and its subsidiaries collectively
<i>“Koda Performance Share Plan 2018”</i>	:	The Company’s performance share plan that was adopted at an extraordinary general meeting of the Company held on 31 October 2018
<i>“Latest Practicable Date”</i>	:	3 October 2019, being the latest practicable date prior to the printing of this Circular
<i>“Listing Manual”</i>	:	The listing manual of the SGX-ST and its relevant rule(s), as may be amended or modified from time to time
<i>“Market Day”</i>	:	A day on which the SGX-ST is open for trading of securities

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<i>“Maximum Price”</i>	:	The maximum purchase price (excluding brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses) to be paid by the Company for Shares as determined by the directors which must not exceed: (a) in the case of an On-Market Purchase, 105% of the Average Closing Price of the Shares; and (b) in the case of an Off-Market Purchase, 115% of the Average Closing Price of the Shares
<i>“Notice of EGM”</i>	:	The notice of EGM which is set out on page N-1 of this Circular
<i>“NTA”</i>	:	Net tangible assets
<i>“Off-Market Purchase”</i>	:	Off-market purchases (if effected otherwise than on the SGX-ST or, as the case may be, Other Exchange) in accordance with any equal access scheme(s) as may be determined or formulated by the Directors of the Company as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act
<i>“On-Market Purchase”</i>	:	On-market purchases on the SGX-ST, or as the case may be, Other Exchange
<i>“Ordinary Resolution”</i>	:	The ordinary resolution as set out in the Notice of EGM
<i>“Other Exchange”</i>	:	Any stock exchange (other than the SGX-ST) on which the Shares may for the time being be listed and quoted
<i>“Proposed Resolution”</i>	:	The proposed renewal of the Share Buy-back Mandate
<i>“Proxy Form”</i>	:	The proxy form in respect of the EGM as set out in this Circular
<i>“Purchased Shares”</i>	:	Any Shares purchased or otherwise acquired by the Company under the Share Buy-back Mandate
<i>“Relevant Period”</i>	:	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 date on which the purchases or acquisitions of issued Shares pursuant to the Share Buy-back Mandate are carried out to the full extent mandated, unless varied or revoked by the Company in general meeting

DEFINITIONS

<i>“Securities Accounts”</i>	:	The securities accounts maintained by Depositors with CDP, but not including the securities accounts maintained with a Depository Agent
<i>“SFA”</i>	:	The Securities and Futures Act, (Chapter 289), of Singapore, as may be amended or modified from time to time
<i>“SGX-ST”</i>	:	Singapore Exchange Securities Trading Limited
<i>“Shareholders”</i>	:	The registered holders of Shares, except that where the registered holder is CDP, the term <i>“Shareholders”</i> in relation to Shares held by CDP shall mean the persons named as Depositors in the Depository Register maintained by CDP and to whose Securities Accounts such Shares are credited
<i>“Share Buy-back Guidance Note”</i>	:	The share buy-back guidance note as set out in Appendix 2 to the Take-over Code
<i>“Share Buy-back Mandate”</i>	:	The share buy-back mandate to enable the Company to purchase or otherwise acquire issued Shares
<i>“Share Purchase”</i>	:	The purchase of Shares pursuant to the Share Buy-back Mandate
<i>“Shares”</i>	:	Ordinary shares in the capital of the Company
<i>“SIC”</i>	:	The Securities Industry Council of Singapore
<i>“subsidiary holdings”</i>	:	Shares referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Companies Act
<i>“Substantial Shareholder”</i>	:	A person who has an interest or interests in voting Shares in the Company representing not less than 5% of all the voting Shares
<i>“Take-over Code”</i>	:	The Singapore Code on Take-overs and Mergers, as may be amended or modified from time to time
<i>“%”</i>	:	Per centum or percentage
<u><i>Currencies</i></u>		
<i>“S\$” and “S\$ cents”</i>	:	Singapore dollars and cents respectively, the lawful currency of Singapore
<i>“US\$” and “US\$ cents”</i>	:	United States of America dollars and cents respectively, the lawful currency of the United States of America

DEFINITIONS

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

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

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

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

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

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

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

Exchange rate

For the purpose of this Circular, unless otherwise stated, the exchange rate of US\$1 : S\$1.3826 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 on 17 April 1980)
(Company Registration Number 198001299R)

Board of Directors:

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

Registered Office:

28 Defu Lane 4
Singapore 539424

14 October 2019

To: The Shareholders of Koda Ltd

Dear Sir/Madam,

1. INTRODUCTION

1.1 EGM

The Directors are convening an extraordinary general meeting to be held on 29 October 2019 (the “**EGM**”) to seek Shareholders’ approval in relation to the proposed renewal of the Share Buy-back Mandate (the “**Proposed Resolution**”).

1.2 Circular

The purpose of this Circular is to provide Shareholders with information relating to, and to seek Shareholders’ approval for, the Proposed Resolution. Shareholders’ approval will be sought at the EGM to be held on 29 October 2019 at 11.00 a.m. (or as soon as practicable immediately following the conclusion or adjournment of the Annual General Meeting of the Company to be held on the same day and at the same place at 10.00 a.m.), notice of which is set out on page N-1 of this Circular.

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

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

2.1 Introduction

The Share Buy-back Mandate was first approved by Shareholders at an extraordinary general meeting of the Company held on 30 October 2015. The Share Buy-back Mandate was renewed at the extraordinary general meeting of the Company held on 31 October 2018, and will expire on 29 October 2019 being the date on which the next Annual General Meeting of the Company is to be held.

LETTER TO SHAREHOLDERS

It is a requirement under the Companies Act that a company which wishes to purchase or otherwise acquire its own shares should obtain shareholders' approval to do so at a general meeting. In addition, Rule 881 of the Listing Manual states that an issuer may purchase its own shares if it has obtained the prior specific approval of shareholders in general meeting. Accordingly, Shareholders' approval is being sought at the EGM to be held on 29 October 2019 at 11.00 a.m. (or as soon as practicable immediately following the conclusion or adjournment of the Annual General Meeting of the Company to be held on the same day and at the same place at 10.00 a.m.) for the proposed renewal of the Share Buy-back Mandate.

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

2.2 Rationale for the Share Buy-back Mandate

The Share Buy-back Mandate would give the Company the flexibility to undertake Share Purchases up to the limit as set out in Section 2.3(a) of this Circular at any time and from time to time during the Relevant Period. The rationale for the Company to undertake such Share Purchases are as follows:

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

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

LETTER TO SHAREHOLDERS

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

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

2.3 Authority and limits on the Share Buy-back Mandate

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

(a) Maximum number of Shares

Only Shares that are issued and fully paid-up may be purchased or otherwise acquired by the Company pursuant to the Share Buy-back Mandate. The maximum number of Shares which can be purchased or otherwise acquired by the Company pursuant to the Share Buy-back Mandate during the Relevant Period is limited to that number of issued Shares representing not more than 10% of the total number of issued Shares as at the 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 will be disregarded.

Purely for illustration purposes only, based on the total number of issued Shares as at the Latest Practicable Date, comprising 82,513,620 Shares (excluding 230,000 treasury shares and nil subsidiary holdings), and assuming no further Shares are issued, or purchased or otherwise acquired and held as treasury shares, and no Share is held as subsidiary holdings on or prior to the EGM, not more than 8,251,362 Shares (representing not more than 10% of the total number of issued Shares excluding 230,000 treasury shares and nil subsidiary holdings as at that date) may be purchased or otherwise acquired by the Company pursuant to the Share Buy-back Mandate.

(b) Duration of authority

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

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

unless varied or revoked by the Company in general meeting.

LETTER TO SHAREHOLDERS

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

(c) Manner of Share Purchases

Share Purchases may be made by way of:

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

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

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

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

LETTER TO SHAREHOLDERS

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

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

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

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

In this Section 2.3(d) of this Circular:

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

LETTER TO SHAREHOLDERS

2.4 Status of Purchased Shares

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

2.5 Treasury shares

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

(a) Maximum holdings

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

(b) Voting and other rights

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

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

(c) Disposal and cancellation

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

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

LETTER TO SHAREHOLDERS

2.6 Source of funds

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

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

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

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

2.7 Financial effects

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

LETTER TO SHAREHOLDERS

For illustrative purposes only, the financial effects on the Company and the Group arising from its purchase or acquisition of issued Shares pursuant to the Share Buy-back Mandate have been prepared based on the audited consolidated financial statements of the Company for FY2019, and are subject to, *inter alia*, the following assumptions:

- (a) the Share Purchases comprised 8,251,362 Shares (representing 10% of 82,513,620 issued Shares being the total number of issued Shares excluding 230,000 treasury shares and nil subsidiary holdings as at the Latest Practicable Date, and assuming no further Shares are issued, or purchased or otherwise acquired and held as treasury shares, and no Share is held as subsidiary holdings on or prior to the EGM);
- (b) in the case of On-Market Purchases, the Maximum Price was S\$0.648 per Share (being 105% of the Average Closing Price of the Shares over the last five (5) Market Days on which the Shares are transacted on the SGX-ST immediately preceding the Latest Practicable Date, and accordingly the maximum amount of funds required for effecting such On-Market Purchases (excluding brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses), would amount to approximately S\$5.35 million (equivalent to approximately US\$3.87 million);
- (c) in the case of Off-Market Purchases, the Maximum Price was S\$0.710 per Share (being 115% of the Average Closing Price of the Shares over the last five (5) Market Days on which the Shares are transacted on the SGX-ST immediately preceding the Latest Practicable Date) and accordingly the maximum amount of funds required for effecting such Off-Market Purchases (excluding brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses), would amount to approximately S\$5.86 million (equivalent to approximately US\$4.24 million);
- (d) there were no expenses (including brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses) incurred in relation to the Share Purchases;
- (e) the Share Purchases pursuant to the Share Buy-back Mandate were completed on 1 July 2018;
- (f) the 230,000 treasury shares as at the Latest Practicable Date are not cancelled and continues to be held by the Company as treasury shares;
- (g) the Share Purchases were made entirely out of the Company's profits and financed entirely by the Company's internal resources; and
- (h) the exchange rate of US\$1 : S\$1.3826 obtained from the Monetary Authority of Singapore on the Latest Practicable Date.

LETTER TO SHAREHOLDERS

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

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

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

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

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

LETTER TO SHAREHOLDERS

Scenario 1 – Assuming Shares were purchased and cancelled

	Group			Company		
	Before Share Purchases US\$'000	After Share Purchases		Before Share Purchases US\$'000	After Share Purchases	
		On-Market Purchase US\$'000	Off-Market Purchase US\$'000		On-Market Purchase US\$'000	Off-Market Purchase US\$'000
As at 30 June 2019						
Share capital (including treasury shares)	4,688	4,688	4,688	4,688	4,688	4,688
Share capital of existing treasury shares	(71)	(71)	(71)	(71)	(71)	(71)
Reserves	33,621	29,755	29,386	12,658	8,792	8,423
Shareholders' equity	38,238	34,372	34,003	17,275	13,409	13,040
NTA	38,238	34,372	34,003	17,275	13,409	13,040
Current assets	30,059	26,193	25,824	17,104	13,238	12,869
Current liabilities	7,799	7,799	7,799	8,103	8,103	8,103
Total borrowings	424	424	424	403	403	403
Net profit for FY2019	5,309	5,309	5,309	1,523	1,523	1,523
Number of Shares ('000)	82,514	74,262	74,262	82,514	74,262	74,262
Weighted average number of Shares (excluding treasury shares) ('000)	82,383	74,132	74,132	82,383	74,132	74,132
Financial ratios						
NTA per Share (US\$ cents) ⁽¹⁾	46.4	46.4	45.9	21.0	18.1	17.6
NTA per Share (S\$ cents) ⁽¹⁾⁽²⁾	64.2	64.1	63.4	29.0	25.0	24.3
Gearing (times) ⁽³⁾	0.01	0.01	0.01	0.02	0.03	0.03
Current ratio (times) ⁽⁴⁾	3.85	3.36	3.31	2.11	1.63	1.56
EPS (US\$ cents) ⁽⁵⁾	6.44	7.16	7.16	1.85	2.05	2.05
EPS (S\$ cents) ⁽²⁾⁽⁵⁾	8.91	9.90	9.90	2.56	2.84	2.84

Notes:

- (1) "NTA per Share" represents NTA divided by the weighted average number of Shares.
- (2) Equivalent amount in S\$ cents have been provided for comparative purposes based on the exchange rate of US\$1 : S\$1.3826 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 FY2019 divided by the weighted average number of Shares.

LETTER TO SHAREHOLDERS

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

	Group			Company		
	Before Share Purchases US\$'000	After Share Purchases		Before Share Purchases US\$'000	After Share Purchases	
		On-Market Purchase US\$'000	Off-Market Purchase US\$'000		On-Market Purchase US\$'000	Off-Market Purchase US\$'000
As at 30 June 2019						
Share capital (including treasury shares)	4,688	4,688	4,688	4,688	4,688	4,688
Share capital of existing treasury shares	(71)	(71)	(71)	(71)	(71)	(71)
Share capital of new treasury shares	–	(3,866)	(4,235)	–	(3,866)	(4,235)
Reserves	33,621	33,621	33,621	12,658	12,658	12,658
Shareholders' equity	38,238	34,372	34,003	17,275	13,409	13,040
NTA	38,238	34,372	34,003	17,275	13,409	13,040
Current assets	30,059	26,193	25,824	17,104	13,238	12,869
Current liabilities	7,799	7,799	7,799	8,103	8,103	8,103
Total borrowings	424	424	424	403	403	403
Net profit for FY2019	5,309	5,309	5,309	1,523	1,523	1,523
Number of Shares ('000)	82,514	74,262	74,262	82,514	74,262	74,262
Weighted average number of Shares (excluding treasury shares) ('000)	82,383	74,132	74,132	82,383	74,132	74,132
Financial ratios						
NTA per Share (US\$ cents) ⁽¹⁾	46.4	46.4	45.9	21.0	18.1	17.6
NTA per Share (S\$ cents) ⁽¹⁾⁽²⁾	64.2	64.1	63.4	29.0	25.0	24.3
Gearing (times) ⁽³⁾	0.01	0.01	0.01	0.02	0.03	0.03
Current ratio (times) ⁽⁴⁾	3.85	3.36	3.31	2.11	1.63	1.59
EPS (US\$ cents) ⁽⁵⁾	6.44	7.16	7.16	1.85	2.05	2.05
EPS (S\$ cents) ⁽²⁾⁽⁵⁾	8.91	9.90	9.90	2.56	2.84	2.84

Notes:

- (1) "NTA per Share" represents NTA divided by the weighted average number of Shares.
- (2) Equivalent amount in S\$ cents have been provided for comparative purposes based on the exchange rate of US\$1 : S\$1.3826 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 FY2019 divided by the weighted average number of Shares.

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Shareholders should note that the financial effects set out above are based on the respective aforementioned assumptions, and are for illustration purposes only. In particular, Shareholders should note that the financial effects set out above are based on the audited consolidated financial statements of the Company for FY2019, and are not necessarily representative of the future financial performance of the Company and the Group. Although the Share Buy-back Mandate authorises the Company to purchase or acquire up to 10% of the total number of issued Shares (excluding any treasury shares and subsidiary holdings), the Company may not necessarily purchase or acquire issued Shares, or be able to carry out purchases or acquisitions of issued Shares to the full extent mandated.

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

2.8 Tax implications

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

2.9 Listing status

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

As at the Latest Practicable Date, approximately 39.36% of issued Shares (excluding 230,000 treasury shares and nil subsidiary holdings) are held in the hands of the public. Assuming that the Company carries out purchases or acquisitions of issued Shares to the full extent mandated i.e. up to 10% of the total number of issued Shares (excluding 230,000 treasury shares and nil subsidiary holdings) as at the Latest Practicable Date from members of the public, the percentage of issued Shares (excluding any treasury shares and subsidiary holdings) held in the hands of the public would be approximately 32.63%.

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

2.10 Listing Manual

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

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

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

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

2.11 Application of the Take-over Code

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

(a) Obligations to make a take-over offer

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

(b) Persons acting in concert

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

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

- (i) the following companies:
 - (A) a company;
 - (B) the parent company of (A);
 - (C) the subsidiaries of (A);
 - (D) the fellow subsidiaries of (A);

LETTER TO SHAREHOLDERS

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

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In this Section 2.11(b) of this Circular:

- (I) “**associated company**” means a company is an associated company of another company if the second company owns or controls at least 20% but not more than 50% of the voting rights of the first-mentioned company; and
 - (II) “**close relatives**” include immediate family (i.e. parents, siblings, spouse and children), siblings of parents (i.e. uncles and aunts) as well as their children (i.e. cousins), and children of siblings (i.e. nephews and nieces).
- (c) Effect of Rule 14 of the Take-over Code and the Share Buy-back Guidance Note

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

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

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

In addition:

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

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

Save as disclosed above, the Directors have confirmed that they are not aware of any facts or factors which suggest or imply that any particular person(s) and/or Shareholders are, or may be regarded as parties acting in concert such that their respective interests in voting shares in the capital of the Company should or ought to be consolidated, and consequences under the Take-over Code would ensue as a result of a Share Purchase.

The statements in this Section 2.11 of this Circular do not purport to be a comprehensive or exhaustive description of Take-over Code. Shareholders are advised to consult their own professional advisers and/or the SIC and/or other relevant authorities at the earliest opportunity as to whether an obligation to make an offer would arise as a result of the Company purchasing or acquiring issued Shares pursuant to the Share Buy-back Mandate.

2.12 Share Purchases in the previous 12 months

No purchase of Shares have been made by the Company in the 12 months preceding the Latest Practicable Date.

2.13 Reporting requirements

Within 30 days of passing the Shareholder’s resolution to renew the Share Buy-back Mandate, the Directors shall lodge with ACRA a copy of the relevant Shareholders’ resolution.

The Directors shall lodge with ACRA a notice of the purchase or acquisition of Shares in the prescribed form within 30 days after any Share Purchase(s). Such notification shall include the date of the Share Purchase(s), the number of Shares purchased by the Company, the number of Shares cancelled, the number of Shares held as treasury shares, the Company’s issued share capital before and after the Share Purchase(s), the amount of consideration paid by the Company for the Share Purchase(s), whether the shares were purchased out of the profits or the capital of the Company, and such other particulars as may be required in the prescribed form.

Where treasury shares are cancelled or disposed in accordance with provisions of the Companies Act, the Directors shall lodge with ACRA a notice of cancellation or disposal of treasury shares in the prescribed form within 30 days after the cancellation or disposal of treasury shares.

LETTER TO SHAREHOLDERS

3. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

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

	Direct Interest	Deemed interest	Total interest	
	Number of Shares	Number of Shares	Number of Shares	% ⁽¹⁾
Directors				
Koh Teng Kwee	9,427,872	–	9,427,872	11.43
James Koh Jyh Gang	11,023,094	2,500,000 ⁽²⁾	13,523,094	16.39
Ernie Koh Jyh Eng	8,933,388	21,600 ⁽³⁾	8,954,988	10.86
Koh Shwu Lee	8,285,226	259,200 ⁽⁴⁾	8,544,426	10.35
Tan Choon Seng	–	–	–	–
Chan Wah Tiong	–	–	–	–
Sim Cheng Huat	–	–	–	–
Ying Siew Hon, Francis	–	–	–	–
Substantial Shareholders (other than Directors)				
	–	–	–	–

Notes:

- (1) Based on 82,513,620 issued Shares (excluding 230,000 treasury shares and nil subsidiary holdings) of the Company as at the Latest Practicable Date.
- (2) Mr James Koh Jyh Gang is deemed interested in 2,500,000 Shares which are owned by him and held in the name of DBS Nominees (Private) Limited by virtue of Section 7 of the Companies Act.
- (3) Mr Ernie Koh Jyh Eng is deemed interested in 21,600 Shares held by his spouse, Mdm Wong Sau Wai.
- (4) Mdm Koh Shwu Lee is deemed interested in 259,200 Shares held by her spouse, Mr Kavin Seow Soo Yeow.

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

4. DIRECTORS' RECOMMENDATIONS

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

LETTER TO SHAREHOLDERS

5. 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 Resolution, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in the Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the Circular in its proper form and context.

6. EGM

The EGM, notice of which is set out on page N-1 of this Circular, will be held at 28 Defu Lane 4, Singapore 539424 on 29 October 2019 at 11.00 a.m. (or as soon as practicable immediately following the conclusion or adjournment of the Annual General Meeting of the Company to be held on the same day and at the same place at 10.00 a.m.) for the purpose of considering and, if thought fit, passing, with or without any modification, the Proposed Resolution set out in the Notice of EGM.

7. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM and wish to appoint a proxy to attend and vote at the EGM on their behalf will find attached to this Circular a Proxy Form which they are requested to complete, sign and return in accordance with the instructions printed thereon as soon as possible and, in any event, so as to arrive at the registered office of the Company at 28 Defu Lane 4 Singapore 539424, not later than 72 hours before the time fixed for holding the EGM.

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

8. DOCUMENTS AVAILABLE FOR INSPECTION

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

- (a) the constitution of the Company; and
- (b) the annual report of the Company for the financial year ended 30 June 2019.

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

James Koh Jyh Gang
Deputy Chairman and Managing Director

NOTICE OF EXTRAORDINARY GENERAL MEETING

KODA LTD

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

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (the “**EGM**”) of Koda Ltd (the “**Company**”) will be held at 28 Defu Lane 4, Singapore 539424 on 29 October 2019 at 11.00 a.m. (or as soon as practicable immediately following the conclusion or adjournment of the Annual General Meeting of the Company to be held on the same day and at the same place at 10.00 a.m.) for the purpose of considering and, if thought fit, passing with or without any modifications, the ordinary resolution set out below (the “**Ordinary Resolution**”).

*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 14 October 2019 (the “**Circular**”) in relation to the proposed renewal of the Share Buy-back Mandate.*

THE PROPOSED RENEWAL OF THE SHARE BUY-BACK MANDATE (ORDINARY RESOLUTION)

That:

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

NOTICE OF EXTRAORDINARY GENERAL MEETING

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

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

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

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

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

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

By Order of the Board

Gn Jong Yuh Gwendolyn
Company Secretary
Singapore

14 October 2019

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

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

Personal data privacy:

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

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PROXY FORM

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

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

and/or*

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

or failing him/her*, the Chairman of the EGM as my/our* proxy/proxies* to attend, speak and vote for me/us* on my/our* behalf at the EGM to be held at 28 Defu Lane 4, Singapore 539424 on 29 October 2019 at 11.00 a.m. (or as soon as practicable immediately following the conclusion or adjournment of the Annual General Meeting of the Company to be held on the same day and at the same place at 10.00 a.m.) and at any adjournment thereof.

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

Ordinary Resolution	Number of Votes For [#]	Number of Votes Against [#]
To approve the proposed renewal of the Share Buy-back Mandate		

* Delete as appropriate.

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

Dated this _____ day of _____ 2019.

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

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

IMPORTANT: PLEASE READ NOTES OVERLEAF BEFORE COMPLETING THIS PROXY FORM

PROXY FORM

Notes:

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the SFA), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, this Proxy Form shall be deemed to relate to all the Shares held by you.
2. (a) A member of the Company who is not a Relevant Intermediary and entitled to attend, speak and vote at the EGM is entitled to appoint not more than two (2) proxies to attend and vote on his behalf. Where a member appoints more than one (1) proxy, the number and class of Shares in relation to which each proxy has been appointed shall be specified in this Proxy Form.

(b) A member of the Company who is a Relevant Intermediary and entitled to attend, speak and vote at the EGM is entitled to appoint more than two (2) proxies to attend and vote on his behalf, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where a member appoints more than one (1) proxy, the number and class of Shares in relation to which each proxy has been appointed shall be specified in this Proxy Form.

(c) "Relevant Intermediary" shall have the same meaning ascribed to it in Section 181 of the Companies Act.
3. A proxy need not be a member of the Company.
4. This Proxy Form must be deposited at the registered office of the Company at **28 Defu Lane 4 Singapore 539424**, not less than **72 hours** before the time fixed for holding the EGM.
5. Where this Proxy Form is executed by an individual, it must be executed under the hand of the individual or his attorney duly authorised. Where this Proxy Form is executed by a corporation, it must be executed either under its common seal or under the hand of any officer or attorney duly authorised.
6. Where this Proxy Form is executed under the hand of an attorney duly authorised, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with this Proxy Form, failing which this Proxy Form may be treated as invalid.
7. A corporation which is a member of the Company may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the EGM, in accordance with Section 179 of the Companies Act.
8. Terms not specifically defined herein shall have the same meanings ascribed to them in the circular to shareholders of the Company dated 14 October 2019.

General:

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

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

Personal data privacy:

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