

Circular dated October 13, 2023

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 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 A

est. 1972

(Incorporated in the Republic of Singapore)
(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 : October 27, 2023 at 11.00 a.m. (Singapore Time)

Date and time of Extraordinary General Meeting : October 30, 2023 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.)

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CORPORATE INFORMATION

Board of Directors	:	James Koh Jyh Gang Koh Jyh Eng Koh Shwu Lee Tan Choon Seng Chan Wah Tiong Ying Siew Hon, Francis Phua Boon Huat	(Executive Chairman and Chief Executive Officer) (Executive Director) (Executive Director) (Lead Independent Non-Executive Director) (Independent Non-Executive Director) (Independent Non-Executive Director) (Independent Non-Executive Director)
Company Secretary	:	Gn Jong Yuh Gwendolyn	
Registered Office	:	18 Tagore Lane Singapore 787477	
Share Registrar and Share Transfer Office	:	In.Corp Corporate Services 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 the Proposed Renewal of the Share Buy-back Mandate	:	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 five (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 13, 2023 in relation to the Proposed Renewal of the Share Buy-back Mandate
“Companies Act”	:	The Companies Act 1967 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 has been provided to the Shareholders in relation to this Circular
“(LPS) EPS”	:	(Loss per Share) Earnings per Share
“FY”	:	Financial year ended or ending 30 June, 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 4, 2023, 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
“Minister of Finance”	:	The Minister of Finance of the Republic of Singapore for the time being in force
“Notice of EGM”	:	The notice of EGM which has been provided to the Shareholders in relation to 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 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
“Purchased Shares”	:	Shares purchased or otherwise acquired by the Company from Shareholders under the Share Buy-back Mandate

DEFINITIONS

“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
“Request Form”	:	The request form in respect of the EGM
“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 2001 of Singapore, as may be amended, supplemented or modified from time to time
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Share Buy-back Guidance Note”	:	The share buy-back guidance note as set out in Appendix 2 to the Take-over Code
“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

DEFINITIONS

“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.

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\$1.3751 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)
Ying Siew Hon, Francis (Independent Non-Executive Director)
Phua Boon Huat (Independent Non-Executive Director)

Registered Office:

18 Tagore Lane
Singapore 787477

October 13, 2023

To: The Shareholders of Koda Ltd

Dear Sir/Madam,

THE PROPOSED RENEWAL OF THE SHARE BUY-BACK MANDATE

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.

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. Shareholders' approval will be sought at the EGM to be convened and held, notice of which has been provided to the Shareholders in relation to 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.

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 28, 2022, and will expire on the date on which the next annual general meeting of the Company is to be held (i.e. October 30, 2023).

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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.
- (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.

LETTER TO SHAREHOLDERS

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 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 shall be disregarded.

Purely for illustration purposes only, based on the total number of issued Shares as at the Latest Practicable Date, comprising 83,178,782 Shares (excluding 59,074 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 8,317,878 Shares, representing not more than 10% of the total number of issued Shares (excluding 59,074 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.

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,

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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
- (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

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- (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 or other applicable take-over rules;
- (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.

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 five (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

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- (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.

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 void. In particular, the Company shall not 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.

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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;
- (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 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).

LETTER TO SHAREHOLDERS

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 FY2023 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 8,317,878 Shares, representing 10% of the total number of issued Shares (excluding 59,074 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;
- (b) in the case of On-Market Purchases, the Maximum Price was S\$0.215 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\$1.79 million (equivalent to approximately US\$1.30 million);
- (c) in the case of Off-Market Purchases, the Maximum Price was S\$0.236 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\$1.96 million (equivalent to approximately US\$1.43 million);

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- (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, 2022;
- (f) the 59,074 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\$1.3751 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
- (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 Where 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.

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- 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 FY2023 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.**

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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, 2023						
Share Capital (including treasury shares)	4,919	4,919	4,919	4,919	4,919	4,919
Share Capital of existing treasury shares	(50)	(50)	(50)	(50)	(50)	(50)
Reserves	44,213	42,912	42,785	40,350	39,049	38,922
Non-controlling interest	(147)	(147)	(147)	–	–	–
Shareholders' Equity	48,935	47,634	47,507	45,219	43,918	43,791
NTA	48,935	47,634	47,507	45,219	43,918	43,791
Current Assets	36,034	34,733	34,606	31,190	29,889	29,762
Current Liabilities	12,141	12,141	12,141	12,063	12,063	12,063
Total Borrowings	11,541	11,541	11,541	11,461	11,461	11,461
Net (Loss) Profit for FY2023	(2,834)	(2,834)	(2,834)	4,776	4,776	4,776
Number of Shares ('000)	83,179	74,861	74,861	83,179	74,861	74,861
Weighted Average Number of Shares (excluding treasury shares) ('000)	83,147	74,829	74,829	83,147	74,829	74,829
Financial Ratios						
NTA per Share (US\$ cents) ⁽¹⁾	58.8	63.6	63.5	54.4	58.7	58.5
NTA per Share (S\$ cents) ⁽¹⁾⁽²⁾	80.9	87.5	87.3	74.8	80.7	80.4
Gearing (times) ⁽³⁾	0.24	0.24	0.24	0.25	0.26	0.26
Current Ratio (times) ⁽⁴⁾	2.97	2.86	2.85	2.59	2.48	2.47
(LPS) EPS (US\$ cents) ⁽⁵⁾	(3.41)	(3.79)	(3.79)	5.74	6.38	6.38
(LPS) EPS (S\$ cents) ⁽²⁾⁽⁵⁾	(4.69)	(5.21)	(5.21)	7.90	8.78	8.78

Notes:

- (1) "NTA per Share" represents NTA divided by number of Shares (excluding treasury shares) as at June 30, 2023.
- (2) Equivalent amount in S\$ cents has been provided for comparative purposes based on the exchange rate US\$1.00 : S\$1.3751 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) "(LPS) EPS" represents net (loss) profit for FY2023 divided by the weighted average number of Shares (excluding treasury shares).

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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
As at June 30, 2023						
Share Capital (including treasury shares)	4,919	4,919	4,919	4,919	4,919	4,919
Share Capital of existing treasury shares	(50)	(50)	(50)	(50)	(50)	(50)
Share Capital of new treasury shares	–	(1,301)	(1,428)	–	(1,301)	(1,428)
Reserves	44,213	44,213	44,213	40,350	40,350	40,350
Non-controlling interest	(147)	(147)	(147)	–	–	–
Shareholders' Equity	48,935	47,634	47,507	45,219	43,918	43,791
NTA	48,935	47,634	47,507	45,219	43,918	43,791
Current Assets	36,034	34,733	34,606	31,190	29,889	29,762
Current Liabilities	12,141	12,141	12,141	12,063	12,063	12,063
Total Borrowings	11,541	11,541	11,541	11,461	11,461	11,461
Net (Loss) Profit for FY2023	(2,834)	(2,834)	(2,834)	4,776	4,776	4,776
Number of Shares ('000)	83,179	74,861	74,861	83,179	74,861	74,861
Weighted Average Number of Shares (excluding treasury shares) ('000)	83,147	74,829	74,829	83,147	74,829	74,829
Financial Ratios						
NTA per Share (US\$ cents) ⁽¹⁾	58.8	63.6	63.5	54.4	58.7	58.5
NTA per Share (S\$ cents) ⁽¹⁾⁽²⁾	80.9	87.5	87.3	74.8	80.7	80.4
Gearing (times) ⁽³⁾	0.24	0.24	0.24	0.25	0.26	0.26
Current Ratio (times) ⁽⁴⁾	2.97	2.86	2.85	2.59	2.48	2.47
(LPS) EPS (US\$ cents) ⁽⁵⁾	(3.41)	(3.79)	(3.79)	5.74	6.38	6.38
(LPS) EPS (S\$ cents) ⁽²⁾⁽⁵⁾	(4.69)	(5.21)	(5.21)	7.90	8.78	8.78

Notes:

- (1) "NTA per Share" represents NTA divided by number of Shares (excluding treasury shares) as at June 30, 2023.
- (2) Equivalent amount in S\$ cents has been provided for comparative purposes based on the exchange rate US\$1.00 : S\$1.3751 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) "(LPS) EPS" represents net (loss) profit for FY2023 divided by the weighted average number of Shares (excluding treasury shares).

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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 59,074 treasury shares and nil subsidiary holdings) held by the public as at the Latest Practicable Date is approximately 37.6%. 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 30.6%.
- 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.

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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
 - (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;

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- (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);
 - (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).

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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.

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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 28, 2022.

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.

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3. 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⁾	3,433,388	4.1%	5,521,600	6.6%	8,954,988	10.7%
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	–	–	–	–	–	–
Ying Siew Hon, Francis	–	–	–	–	–	–
Phua Boon Huat	–	–	100,000 ⁽⁵⁾	0.1%	100,000	0.1%
Substantial Shareholders (other than Directors)						
Koh Teng Kwee	9,427,872	11.3%	–	–	9,427,872	11.3%

Notes:

- (1) Based on 83,178,782 Shares in the issued and paid-up share capital of the Company (excluding 59,074 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 and 5,500,000 Shares which are held by his spouse, Mdm Wong Sau Wai, and in the name of DBS Nominees (Private) Limited respectively.
- (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.
- (5) Mr Phua Boon Huat is deemed to have an interest in 100,000 Shares which are held in the name of Raffles Nominees (Pte.) Limited.

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, other than through their respective shareholdings in the Company, if any.

4. DIRECTORS' RECOMMENDATIONS

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.

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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 Renewal of the Share Buy-back Mandate, 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.

6. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which has been provided to the Shareholders in relation to this Circular, will be held at 18 Tagore Lane Singapore 787477 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 Resolution relating to the Proposed Renewal of the Share Buy-back Mandate as set out in the Notice of EGM.

7. ACTION TO BE TAKEN BY SHAREHOLDERS

7.1 Date, Time and Conduct of EGM

The EGM will be held at 18 Tagore Lane Singapore 787477 on October 30, 2023 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 Resolution relating to the Proposed Renewal of the Share Buy-back Mandate.

7.2 Notice of EGM, Circular and Proxy Form

Printed copies of the Notice of EGM, the Proxy Form and the Request Form will be sent to Shareholders. Shareholders may request printed copies of this Circular by completing and returning the Request Form no later than **Friday, October 20, 2023**. The Notice of EGM, the Proxy Form, the Request Form and this Circular 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 are also available on SGXNET at the URL <https://www.sgx.com/securities/company-announcements>.

7.3 Attendance at the EGM

The Company has decided that **the forthcoming EGM will be held physically at 18 Tagore Lane Singapore 787477 on October 30, 2023 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.). Please refer to the Notice of EGM.

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7.4 Key Dates and Times

Key Dates and Times	Actions to be taken by Shareholders
By 5.00 p.m. (Singapore Time) on Wednesday, October 18, 2023	CPF/SRS investors who wish to appoint the Chairman of the EGM as proxy must approach their respective CPF agent banks or SRS operators to submit their votes at least seven (7) working days before the date of the EGM.
By Friday, October 20, 2023	Deadline for Shareholders to return the completed Request Form in order to request for a printed copy of this Circular.
By 10.00 a.m. (Singapore Time) on Saturday, October 21, 2023	Deadline for Shareholders to submit comments, queries and/or questions in advance of the EGM.
By 11.00 a.m. (Singapore Time) on Wednesday, October 25, 2023	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 by 11.00 a.m. (Singapore Time) on Wednesday, October 25, 2023 (that is, at least 48 hours prior to the closing date and time for the lodgement of the Proxy Forms.
By 11.00 a.m. (Singapore Time) on Friday, October 27, 2023	Deadline for Shareholders to submit the completed and signed Proxy Forms.
11.00 a.m. (Singapore Time) on Monday, October 30, 2023	Shareholders and (where applicable) duly appointed proxies and representatives may participate in the EGM physically at 18 Tagore Lane Singapore 787477. There will be no option for Shareholders to participate virtually.
By Thursday, November 30, 2023	The Company will publish the minutes of the EGM on the Company's website at the URL http://www.kodaonline.com/ and on SGXNET at the URL https://www.sgx.com/securities/companyannouncements within one (1) month after the EGM.

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8. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at the registered office of the Company located at 18 Tagore Lane Singapore 787477 during normal business hours from the date of this Circular up to the date of the EGM:

- (a) the Constitution of the Company; and
- (b) the annual report of the Company for FY2023.

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

James Koh Jyh Gang
Executive Chairman and Chief Executive Officer

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