

KODA LTD

Quarterly and Half-Year Financial Statement and Dividend Announcement

PART I INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial period

Consolidated Profit and Loss Statements for 2Q17 and 6 months ended 31 December 2016

	3 months ended 31/12/16 ("2Q17") US\$'000	3 months ended 31/12/15 ("2Q16") US\$'000	Change %	6 months ended 31/12/16 ("1H17") US\$'000	6 months ended 31/12/15 ("1H16") US\$'000	Change %
Revenue	13,441	10,038	33.9	25,206	18,873	33.6
Cost of sales	(9,438)	(7,291)	29.4	(17,864)	(13,881)	28.7
Gross profit	4,003	2,747	45.7	7,342	4,992	47.1
Other income	240	243	(1.2)	446	908	(50.9)
Selling and distribution costs	(1,072)	(843)	27.2	(2,046)	(1,678)	21.9
Administrative expenses	(1,764)	(1,376)	28.2	(3,062)	(2,670)	14.7
Other expenses	-	(16)	N/A	(4)	(11)	(63.6)
Finance costs	(9)	(11)	(18.2)	(16)	(38)	(57.9)
Share of results of associate	-	1	N/A	(1)	3	N/A
Profit before income tax	1,398	745	87.7	2,659	1,506	76.6
Income tax expense	(352)	(198)	77.8	(746)	(345)	116.2
Profit after income tax	1,046	547	91.2	1,913	1,161	64.8
Attributable to:-						
Owners of the Company	1,046	612	70.9	1,913	1,282	49.2
Non-controlling interests	-	(65)	N/A	-	(121)	N/A
	1,046	547	91.2	1,913	1,161	64.8

N/A - not applicable

Notes to Consolidated Profit and Loss Statements

	3 months ended 31/12/16 ("2Q17") <u>US\$'000</u>	3 months ended 31/12/15 ("2Q16") <u>US\$'000</u>	6 months ended 31/12/16 ("1H17") <u>US\$'000</u>	6 months ended 31/12/15 ("1H16") <u>US\$'000</u>
<u>Other income</u>				
Rental income	44	42	88	86
Interest income	14	12	30	27
Exchange gain	107	87	162	599
Gain on disposal of property, plant & equipment	-	-	1	50
Others	75	102	165	146
	240	243	446	908

	3 months ended 31/12/16 ("2Q17") <u>US\$'000</u>	3 months ended 31/12/15 ("2Q16") <u>US\$'000</u>	6 months ended 31/12/16 ("1H17") <u>US\$'000</u>	6 months ended 31/12/15 ("1H16") <u>US\$'000</u>
<u>Other expenses</u>				
Impairment loss on available-for-sale investments	-	(6)	-	(6)
Loss on disposal of property, plant & equipment	-	(5)	-	-
Others	-	(5)	(4)	(5)
	-	(16)	(4)	(11)

Statement of Comprehensive Income

	3 months ended 31/12/16 ("2Q17") <u>US\$'000</u>	3 months ended 31/12/15 ("2Q16") <u>US\$'000</u>	6 months ended 31/12/16 ("1H17") <u>US\$'000</u>	6 months ended 31/12/15 ("1H16") <u>US\$'000</u>
Profit after Income Tax	1,046	547	1,913	1,161
Other comprehensive (loss) income for the year, net of tax	(816)	258	(1,115)	(1,129)
Total comprehensive income	230	805	798	32
Attributable to :-				
Owners of the Company	230	864	798	143
Non-controlling interests	-	(59)	-	(111)
	230	805	798	32

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

As at	Group		Company	
	31/12/16	30/06/16	31/12/16	30/06/16
	US\$'000	US\$'000	US\$'000	US\$'000
ASSETS				
Current assets				
Cash and bank balances	6,113	4,607	600	764
Trade receivables	3,396	3,528	4,422	4,664
Other receivables and prepayments	3,054	2,573	4,026	4,365
Inventories	6,694	6,883	-	46
Assets classified as held for sale	2,448	2,448	-	-
Total current assets	21,705	20,039	9,048	9,839
Non-current assets				
Investment in subsidiaries	-	-	8,135	8,135
Investment in associate	10	11	-	-
Available-for-sale investments	-	-	-	-
Club memberships	206	208	192	192
Property, plant and equipment	11,584	12,085	662	726
Deferred tax asset	24	24	3	3
Total non-current assets	11,824	12,328	8,992	9,056
Total assets	33,529	32,367	18,040	18,895
LIABILITIES AND EQUITY				
Current liabilities				
Bills payable	31	522	-	-
Trade payables	3,098	2,858	4,796	5,530
Other payables	4,709	4,124	1,392	1,473
Current portion of obligations under finance leases	89	96	65	65
Current portion of bank loans and overdrafts	433	405	433	405
Income tax payable	790	296	-	-
Total current liabilities	9,150	8,301	6,686	7,473
Non-current liabilities				
Deferred tax liabilities	546	609	-	-
Non-current portions of bank loans	402	425	402	425
Obligations under finance leases	70	122	22	59
Total non-current liabilities	1,018	1,156	424	484
Capital and reserves				
Share capital	4,362	4,312	4,362	4,312
Treasury shares	(13)	(10)	(13)	(10)
Capital reserves	5,419	5,419	58	58
Currency translation reserve	(2,712)	(1,597)	-	-
Retained earnings	16,305	14,786	6,523	6,578
Total equity	23,361	22,910	10,930	10,938
Total Liabilities and Equity	33,529	32,367	18,040	18,895

(b)(ii) Aggregate amount of group's borrowings and debt securities

Amount repayable in one year or less, or on demand

As at 31/12/16 (US\$'000)		As at 30/6/16 (US\$'000)	
Secured	Unsecured	Secured	Unsecured
89	464	96	927

Amount repayable after one year

As at 31/12/16 (US\$'000)		As at 30/6/16 (US\$'000)	
Secured	Unsecured	Secured	Unsecured
70	402	122	425

Borrowings and gearing ratio

Total borrowings of US\$1.0 million as at 31 December 2016 comprise short-term borrowings, long-term loans and finance lease obligations. Total borrowings fell by US\$0.55 million compared to 30 June 2016 due to loans repayment.

The Group's gearing ratio was 0.04 times as at 31 December 2016 compared to 0.07 times as at 30 June 2016.

Details of any collateral

The banking facilities of the Group are secured by a negative pledge on the Group's assets.

The banking facilities of subsidiaries are guaranteed by the Group.

The Group's finance lease obligations are secured by the lessors' charge over the leased assets.

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

Consolidated Cash Flows Statement

	3 months ended 31/12/16 ("2Q17") US\$'000	3 months ended 31/12/15 ("2Q16") US\$'000	6 months ended 31/12/16 ("1H17") US\$'000	6 months ended 31/12/15 ("1H16") US\$'000
Cash flows from operating activities				
Profit before income tax	1,398	745	2,659	1,506
Adjustments for:				
Depreciation of property, plant and equipment	274	261	531	518
Loss (Gain) on disposal of property, plant and equipment	-	5	(1)	(50)
Share-based payments expense	51	-	51	-
Share of results of associate	-	(1)	1	(3)
Impairment loss on available-for-sale investments	-	6	-	6
Interest income	(14)	(12)	(30)	(27)
Interest expense	9	11	16	38
Operating profit before working capital changes	1,718	1,015	3,227	1,988
Trade receivables	289	(500)	132	650
Other receivables and prepayments	(107)	210	(482)	(507)
Inventories	560	1,303	189	1,724
Trade payables	320	(532)	240	(691)
Other payables	457	483	585	1,409
Net cash generated from operations	3,237	1,979	3,891	4,573
Interest received	14	12	30	27
Interest paid	(9)	(11)	(16)	(38)
Income tax paid	(88)	(168)	(234)	(199)
Net cash generated from operations	3,154	1,812	3,671	4,363
Cash flows from investing activities				
Purchase of property, plant and equipment	(330)	(458)	(780)	(548)
Proceeds from disposal of property, plant and equipment	-	2	47	128
Net cash used in investing activities	(330)	(456)	(733)	(420)
Cash flows from financing activities				
Dividends paid	(394)	(195)	(394)	(195)
Decrease in bills payables	(75)	(1,815)	(491)	(1,878)
Proceeds from bank loan	-	-	233	-
Purchase of treasury shares	-	-	(3)	-
Repayment of bank loans	(118)	(84)	(228)	(167)
Repayment of finance leases	(31)	(25)	(59)	(73)
Net cash used in financing activities	(618)	(2,119)	(942)	(2,313)
Net increase (decrease) in cash and cash equivalents	2,206	(763)	1,996	1,630
Cash and cash equivalents at beginning of period / year	4,263	4,491	4,607	2,933
Effect of foreign exchange translation	(356)	265	(490)	(570)
Cash and cash equivalents at end of period / year	6,113	3,993	6,113	3,993
Represented by:				
Cash and bank balances (inclusive of fixed deposit)	6,113	3,983	6,113	3,983
Bank overdraft	-	-	-	-
Cash and cash equivalents included in a disposal group held for sale	-	10	-	10
	6,113	3,993	6,113	3,993

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

Statement of Changes in Equity

	Share Capital	Treasury Shares	Capital reserves	Legal reserve	Performance share plan reserve	Currency translation reserve	Retained earnings	Attributable to equity holders	Non-controlling interests	Total
US\$'000										
Group										
Balance as at 1/7/16	4,312	(10)	5,419	*	-	(1,597)	14,786	22,910	-	22,910
Total comprehensive income	-	-	-	-	-	(299)	867	568	-	568
Repurchase of shares	-	(3)	-	-	-	-	-	(3)	-	(3)
Balance as at 30/09/16	4,312	(13)	5,419	-	-	(1,896)	15,653	23,475	-	23,475
Total comprehensive income	-	-	-	-	-	(816)	1,046	230	-	230
Dividends	-	-	-	-	-	-	(394)	(394)	-	(394)
Issue of share capital	50	-	-	-	-	-	-	50	-	50
Grant of shares under Performance Share Plan	-	-	-	-	51	-	-	51	-	51
Release of shares under Performance Share Plan	-	-	-	-	(51)	-	-	(51)	-	(51)
Balance as at 31/12/16	4,362	(13)	5,419	-	-	(2,712)	16,305	23,361	-	23,361
* Amount less than US\$1,000										
Company										
Balance as at 1/7/16	4,312	(10)	58	-	-	-	6,578	10,938	-	10,938
Total comprehensive income	-	-	-	-	-	-	137	137	-	137
Repurchase of shares	-	(3)	-	-	-	-	-	(3)	-	(3)
Balance as at 30/09/16	4,312	(13)	58	-	-	-	6,715	11,072	-	11,072
Total comprehensive income	-	-	-	-	-	-	202	202	-	202
Dividends	-	-	-	-	-	-	(394)	(394)	-	(394)
Issue of share capital	50	-	-	-	-	-	-	50	-	50
Grant of shares under Performance Share Plan	-	-	-	-	51	-	-	51	-	51
Release of shares under Performance Share Plan	-	-	-	-	(51)	-	-	(51)	-	(51)
Balance as at 31/12/16	4,362	(13)	58	-	-	-	6,523	10,930	-	10,930

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

Statement of Changes in Equity (continued)

	Share Capital	Treasury Shares	Capital reserves	Legal reserve	Performance share plan reserve	Currency translation reserve	Retained earnings	Attributable to equity holders	Non-controlling interests	Total
US\$'000										
Group										
Balance as at 1/7/15	4,312	-	5,373	-	-	(1,121)	13,340	21,904	(216)	21,688
Total comprehensive income	-	-	-	-	-	(1,391)	670	(721)	(52)	(773)
Balance as at 30/09/15	4,312	-	5,373	-	-	(2,512)	14,010	21,183	(268)	20,915
Total comprehensive income	-	-	-	-	-	252	612	864	(59)	805
Dividends	-	-	-	-	-	-	(195)	(195)	-	(195)
Balance as at 31/12/15	4,312	-	5,373	-	-	(2,260)	14,427	21,852	(327)	21,525
Company										
Balance as of 1/7/15	4,312	-	58	-	-	-	7,368	11,738	-	11,738
Total comprehensive income	-	-	-	-	-	-	145	145	-	145
Balance as at 30/09/15	4,312	-	58	-	-	-	7,513	11,883	-	11,883
Total comprehensive income	-	-	-	-	-	-	200	200	-	200
Dividends	-	-	-	-	-	-	(195)	(195)	-	(195)
Balance as at 31/12/15	4,312	-	58	-	-	-	7,518	11,888	-	11,888

- 1(d)(ii)** Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year

As at 31 December 2016, the Company's issued share capital (excluding treasury shares) comprises 27,363,816 (30 September 2016: 27,265,436) ordinary shares. The movement in the Company's issued share capital (excluding treasury shares) during the three-month period ended 31 December 2016 are as follows:

	<u>No. of Shares</u>
As at 1 October 2016	27,265,436
Issuance of shares ⁽¹⁾	<u>98,380</u>
As at 31 December 2016	<u>27,363,816</u>

Note:

(1) 98,380 shares were issued pursuant to the vesting of awards under the Company's Share Performance Plan

The total number of treasury shares held by the Company as at 31 December 2016 was 37,000 (30 June 2016: 30,000) which represents 0.14% of the total number of issued shares (excluding treasury shares).

- (iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

As at	<u>31/12/16</u>	<u>30/06/16</u>
Total number of issued shares (excluding treasury shares)	27,363,816	27,272,436

Note: Please refer to 1d(ii) for details.

- (iv) A statement showing all sales, transfer, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

The Company held 37,000 treasury shares as at 31 December 2016. There were no sales, transfer, disposal, cancellation and / or use of treasury shares as at the end of the current financial year reported on.

- 2. Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed.

- 3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)**

Not applicable

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

The Group has applied the same accounting policies and methods of computation as in the Group's financial year ended 30th June 2016.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

Not applicable

6. Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

	3 months ended 31/12/16 ("2Q17")	3 months ended 31/12/15 ("2Q16") (Restated)
Earnings per ordinary share (US cents)	3.84	2.24

Note: The Earnings per ordinary share ("EPS") for 2Q17 has been computed based on 27,270,542 weighted average number of shares; the EPS for the corresponding period (2Q16) has been restated and computed based on 27,301,477 weighted average number of shares (post-share consolidation).

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year

	Group		Company	
	31/12/2016	30/06/2016	31/12/2016	30/06/2016
Net asset value per ordinary share (US cents)	85.7	83.9	40.1	40.1

Note: The Net asset value ("NAV") per ordinary share as at 31 December 2016 has been computed based on 27,270,542 weighted average number of shares; the NAV per ordinary share as at 30 June 2016 has been computed based on 27,301,477 weighted average number of shares (post-share consolidation)

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Revenue and Net Profit attributable to equity holders of the parent ("Net Profit")

2Q17 vs 2Q16

Revenues rose by 33.9% or US\$3.4 million to US\$13.4 million due to (i) higher export sales to our key markets; and (ii) higher sales from our in-house brand (Commune).

Gross Profit rose by 45.7% or US\$1.3 million to US\$4.0 million on the back of higher revenues. Gross Margin rose by 2.4 percentage points to 29.8% due mainly to (i) the higher revenue contribution from our Commune retail and wholesale business which are of higher margins; and (ii) improved factories and supply chain efficiency.

Selling and distribution expenses rose by 27.2% or US\$0.23 million due mainly to (i) higher showroom rental costs in Singapore, and (ii) higher logistics cost given increased shipments from our Vietnam operations.

Administrative expenses rose by 28.2% or US\$0.39 million due mainly to higher staff cost.

Income tax provision rose by 77.8% or US\$0.15 million due to (i) capital gains tax provision for our disposal of investment properties in Vietnam, and (ii) higher profitability from the Commune business and our operations in Vietnam.

Given the above,

- Net Profit rose by 70.9% or US\$0.43 million to US\$1.05 million for 2Q17 compared to 2Q16; and Net Profit rose by 49.2% or US\$0.63 million to US\$1.9 million for 1H17 compared to 1H16.
- Operating Profit before working capital changes rose to US\$3.2 million for 1H17 compared to US\$2.0 million for 1H16.

Financial Position (31 December 2016 vs 30 June 2016)

Assets

Current Assets rose by US\$1.7 million to US\$21.7 million. Significant movements in Current Assets during the period under review were as follows:

- Cash at bank (inclusive of fixed deposits) rose by US\$1.5 million to US\$6.1 million due mainly to (i) positive operating cash flows, (net of cash used to repay bank borrowings), and (ii) cash deposits for the disposal of investment property in Vietnam.
- Trade receivables fell by US\$0.13 million to US\$3.4 million despite higher export revenues. Trade receivables turnaround time improved from 35 to 25 days.
- Other receivables and prepayments rose by US\$0.48 million to US\$3.1 million due mainly to higher deposits placed with our suppliers and higher VAT receivables for our operations in Vietnam.

Non-Current Assets, despite our investments in new equipment, fell by US\$0.50 million to US\$11.8 million due mainly to currency exchange differences which arose from translating our RM-denominated property, plant and equipment held in Malaysia to the US\$, which has strengthened against the RM.

Liabilities

Current Liabilities rose by US\$0.85 million to US\$9.2 million. Significant movements in Current Liabilities during the period under review were as follows:

- Bills payables fell by US\$0.49 million to US\$0.03 million due to lower short-term borrowings and loans repayment. We repaid bank borrowings from our operating cash flows.
- Trade payables rose by US\$0.24 million to US\$3.1 million due to higher purchases on the back of higher revenues.
- Other payables rose by US\$0.59 million to US\$4.7 million due mainly to i) cash deposits received for the disposal of investment property in Vietnam and ii) higher accrued operating expenses, offset by lower deposits received from our customers.
- Income tax payable rose by US\$0.49 million to US\$0.79 million due mainly to (i) capital gains tax provision for our disposal of investment properties in Vietnam, and (ii) higher tax provisions for our profitable Commune business and Vietnam operations.

Non-Current Liabilities fell by US\$0.14 million to US\$1.0 million due to a reduction in deferred taxation liability and continual loans repayment.

Shareholders' equity

Net asset or Equity attributable to shareholders rose by US\$0.45 million to US\$23.4 million as at 31 December 2016 due to (i) current period earnings of US\$1.05 million, (ii) increased capital pursuant to the issue of new shares under the Share Performance Plan, and (iii) after accounting a deficit in currency translation reserve.

Cash Flows (movements in 2Q17)

Net cash from operating activities was US\$3.2 million for 2Q17 after accounting for cash profit of US\$1.7 million, a reduction in working capital investment of US\$1.5 million and income tax payment of US\$0.09 million. Net cash used in investing activities was US\$0.33 million due to investments in new equipment. Net cash used in financing activities was US\$0.62 million due to dividend payment for FY2016 and loans repayment during the period under review. Given these, net cash and cash equivalents rose by US\$2.2 million to US\$6.1 million as at 31 December 2016.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

The Board of Directors stated in the 1Q17 announcement that barring any unforeseen circumstances, the Group expects to remain profitable in FY2017.

The Group recorded a Net Profit of US\$1.05 million for 2Q17, approximately 70.9% or US\$0.43 million higher than that of the last corresponding quarter in 2Q16. For the 6 months ended 31 December 2016, Net Profit improved by 49.2% or US\$0.63 million to US\$1.9 million for 1H17 compared to 1H16.

10. A commentary at the date of the announcement of the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

Sales to our key markets in the US and Asia Pacific regions continued to grow given our (i) focused marketing efforts and (ii) launch of new product ranges for these customers. Our recent focus to streamline factory operations, strengthen supply chain and invest in new equipment have improved our overall production lead times and enabled us to offer a wider product mix, which has also helped to drive sales. Meanwhile, we are monitoring closely on the US's policy statement towards its future globalization policies which could affect cost and demand of imported furniture. That said, the effects arising from the recent political developments in the US and EU remain to be seen.

We will also continue to allocate resources for expansion of our Commune business in both its retail and distribution models for the PRC market which is steadily growing.

Given the above, the Board believes that barring any unforeseen circumstances, the Group expects to remain profitable in FY2017.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Yes

Name of Dividend:	Interim Dividend
Dividend Type:	Cash
Dividend Rate	
- per ordinary share (S cents)	0.50
- per ordinary share (US cents equivalent)	0.34 ⁽¹⁾

Note:

Equivalent amounts in US\$ for dividend per share have been provided for comparative purposes, based on a closing rate as at 31 December 2016 of US\$ = S\$1.45

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

None

(c) Date payable

To be determined and announced at a later date.

(d) Books closure date

To be determined and announced at a later date.

12. If no dividend has been declared/recommended, a statement to that effect

Not applicable

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect

The Group does not have a general mandate from shareholders for IPTs pursuant to Rule 920(1)(a)(ii).

IPT during the period under review was as follows:

Name of Interested Persons	Description of IPT	Value of IPT for the financial period under review (excluding transactions less than \$100,000) (S\$'000)
Koh Jyh Eng Koh Shwu Lee (Directors of the Company)	The Group had, in June 2016, entered into a 10-year long-term lease with Zenith Heights Sdn Bhd (of which Koh Jyh Eng & Koh Shwu Lee are Directors) for land owned by Zenith Heights Sdn Bhd to build warehousing facilities in Malaysia ("Lease"). The IPT transactions in 2Q17 with regards to the Lease are as follows: 1) Rental expense (RM74,094)	24

(1) Based on an exchange rate of S\$1:RM\$3.10

Note: The above IPT transaction constitutes 0.07% of the Group's audited NTA as at 30 June 2016.

14. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

The Company has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

PART II ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

15. **Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year**
Not applicable
16. **In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments**
Not applicable
17. **A breakdown of sales**
Not applicable
18. **A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year**
Not applicable

CONFIRMATION BY THE BOARD

We, James Koh Jyh Gang and Koh Shwu Lee, being two directors of Koda Ltd (the "Company"), do hereby confirm on behalf of the directors of the Company that, to the best of our knowledge, nothing has come to the attention of the board of directors of the Company which may render the un-audited financial results for the year ended 31 December 2016 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD
JAMES KOH JYH GANG
Managing Director
13 February 2017