

# Koda Ltd

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

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## MATERIAL VARIANCES BETWEEN UNAUDITED AND AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

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The board of directors (the “**Board**”) of Koda Ltd (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the announcement released by the Company on 27 August 2024 in relation to the Group’s unaudited full year financial results (the “**Unaudited Financial Results**”) for the financial year ended 30 June 2024 (“**FY2024**”).

Pursuant to Rule 704(6) of the SGX-ST Listing Manual, the Board wishes to announce that the Company has made certain material adjustments and reclassifications to the Unaudited Financial Results for FY2024, as identified by the Company’s external Auditors. The details and explanations of the material variances are set out in the Appendix, as annexed hereto.

Shareholders are advised to read this announcement in conjunction with the audited financial statements of the Group for FY2024, which will be set out in the Company’s annual report for FY2024 to be released in due course.

By Order of the Board of  
**Koda Ltd**

James Koh Jyh Gang  
Executive Chairman and Chief Executive Officer  
2 October 2024

## APPENDIX

*Unless otherwise defined, all capitalised terms used herein shall have the same meaning as defined in the Unaudited Results for FY2024.*

### CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

|  | <b>Group</b>                    |                               |                              | <b>Note</b> |
|--|---------------------------------|-------------------------------|------------------------------|-------------|
|  | <b>Year Ended June 30, 2024</b> |                               |                              |             |
|  | <b>Audited<br/>US\$'000</b>     | <b>Unaudited<br/>US\$'000</b> | <b>Variance<br/>US\$'000</b> |             |
| <b>Revenue</b>   | <b>45,597</b>                   | <b>45,597</b>                 | -                            |             |
| Cost of sales  | (32,773)                        | (32,773)                      | -                            |             |
| <b>Gross profit</b>  | <b>12,824</b>                   | <b>12,824</b>                 | -                            |             |
| Other income   | 1,172                           | 1,172                         | -                            |             |
| Selling and distribution costs   | (7,261)                         | (7,261)                       | -                            |             |
| Administrative expenses  | (9,390)                         | (9,390)                       | -                            |             |
| Other expenses   | (916)                           | (916)                         | -                            |             |
| Finance costs  | (595)                           | (595)                         | -                            |             |
| <b>Loss before income tax</b>  | <b>(4,166)</b>                  | <b>(4,166)</b>                | -                            |             |
| Income tax expense   | (430)                           | (691)                         | 261                          | 1           |
| <b>Loss for the year</b>   | <b>(4,596)</b>                  | <b>(4,857)</b>                | <b>261</b>                   | 1           |
| <b>Loss attributable to :</b>  |                                 |                               |                              |             |
| Owners of the Company  | (4,522)                         | (4,783)                       | 261                          |             |
| Non-controlling interests  | (74)                            | (74)                          | -                            |             |
|  | <b>(4,596)</b>                  | <b>(4,857)</b>                | <b>261</b>                   |             |
| <b>Other comprehensive loss</b>  |                                 |                               |                              |             |
| <u>Items that may be reclassified subsequent to profit or loss</u>                     |                                 |                               |                              |             |
| Translation of differences arising from consolidation of foreign operations            | (123)                           | (123)                         | -                            |             |
| <b>Total other comprehensive loss for the year, net of tax</b>                         | <b>(123)</b>                    | <b>(123)</b>                  | <b>-</b>                     |             |
| <b>Total comprehensive loss for the year</b>   | <b>(4,719)</b>                  | <b>(4,980)</b>                | <b>261</b>                   |             |
| <b>Total comprehensive loss attributable to :</b>                                      |                                 |                               |                              |             |
| Owners of the Company  | (4,641)                         | (4,902)                       | 261                          |             |
| Non-controlling interests  | (78)                            | (78)                          | -                            |             |
|  | <b>(4,719)</b>                  | <b>(4,980)</b>                | <b>261</b>                   |             |
| <b>Loss per share for loss for the year attributable to the owners of the Company:</b> |                                 |                               |                              |             |
| Basic (US cents)   | (5.44)                          | (5.75)                        | 0.31                         | 1           |
| Diluted (US cents)   | (5.44)                          | (5.75)                        | 0.31                         | 1           |

## STATEMENTS OF FINANCIAL POSITION

|   | The Group           |                       |                      | Note |
|---|---------------------|-----------------------|----------------------|------|
|   | Audited<br>US\$'000 | Unaudited<br>US\$'000 | Variance<br>US\$'000 |      |
| <b>ASSETS</b>                                       |                     |                       |                      |      |
| <b>Current assets</b>                               |                     |                       |                      |      |
| Cash and cash equivalents                           | 11,193              | 11,193                | -                    |      |
| Trade receivables                                   | 8,104               | 8,789                 | (685)                | 2    |
| Other receivables                                   | 3,979               | 3,979                 | -                    |      |
| Inventories   | 12,286              | 12,286                | -                    |      |
| <b>Total current assets</b>                         | <b>35,562</b>       | <b>36,247</b>         | <b>(685)</b>         |      |
| <b>Non-current assets</b>                           |                     |                       |                      |      |
| Bank balances earmarked for credit facility         | 479                 | 479                   | -                    |      |
| Club memberships                                    | 45                  | 45                    | -                    |      |
| Property, plant and equipment                       | 24,312              | 24,312                | -                    |      |
| Right-of-use assets                                 | 12,733              | 12,733                | -                    |      |
| Other receivables                                   | 86                  | 86                    | -                    |      |
| <b>Total non-current assets</b>                     | <b>37,655</b>       | <b>37,655</b>         | <b>-</b>             |      |
| <b>Total assets</b>                                 | <b>73,217</b>       | <b>73,902</b>         | <b>(685)</b>         |      |
| <b>LIABILITIES AND EQUITY</b>                       |                     |                       |                      |      |
| <b>Current liabilities</b>                          |                     |                       |                      |      |
| Bills payable                                       | 319                 | 319                   | -                    |      |
| Trade payables                                      | 4,862               | 4,862                 | -                    |      |
| Other payables                                      | 7,349               | 6,497                 | 852                  | 2    |
| Provisions  | -                   | 1,537                 | (1,537)              | 2    |
| Lease liabilities                                   | 1,186               | 1,186                 | -                    |      |
| Current portion of bank loans                       | 2,836               | 2,836                 | -                    |      |
| Income tax payable                                  | 450                 | 711                   | (261)                | 3    |
| <b>Total current liabilities</b>                    | <b>17,002</b>       | <b>17,948</b>         | <b>(946)</b>         |      |
| <b>Non-current liabilities</b>                      |                     |                       |                      |      |
| Other payables                                      | 71                  | 71                    | -                    |      |
| Deferred tax liabilities                            | 167                 | 167                   | -                    |      |
| Lease liabilities                                   | 3,329               | 3,329                 | -                    |      |
| Non-current portion of bank loans                   | 8,432               | 8,432                 | -                    |      |
| <b>Total non-current liabilities</b>                | <b>11,999</b>       | <b>11,999</b>         | <b>-</b>             |      |
| <b>Capital and reserves</b>                         |                     |                       |                      |      |
| Share capital                                       | 4,919               | 4,919                 | -                    |      |
| Treasury shares                                     | (50)                | (50)                  | -                    |      |
| Capital reserve                                     | (159)               | (159)                 | -                    |      |
| Other reserves                                      | 211                 | 211                   | -                    |      |
| Translation reserve                                 | (858)               | (858)                 | -                    |      |
| Accumulated profits                                 | 40,378              | 40,117                | 261                  | 3    |
| <b>Equity attributable to owners of the Company</b> | <b>44,441</b>       | <b>44,180</b>         | <b>261</b>           |      |
| Non-controlling interests                           | (225)               | (225)                 | -                    |      |
| <b>Total equity</b>                                 | <b>44,216</b>       | <b>43,955</b>         | <b>261</b>           | 3    |
| <b>Total liabilities and equity</b>                 | <b>73,217</b>       | <b>73,902</b>         | <b>(685)</b>         |      |

## CONSOLIDATED STATEMENT OF CASH FLOWS

|  | <b>The Group</b>                |                               |                 | <b>Note</b> |
|--|---------------------------------|-------------------------------|-----------------|-------------|
|  | <b>Year Ended June 30, 2024</b> |                               |                 |             |
|  | <b>Audited<br/>US\$'000</b>     | <b>Unaudited<br/>US\$'000</b> | <b>Variance</b> |             |
| <b>Operating activities</b>  |                                 |                               |                 |             |
| Loss before income tax   | (4,166)                         | (4,166)                       | -               |             |
| Adjustments for:   |                                 |                               | -               |             |
| Depreciation of property, plant and equipment                      | 1,605                           | 1,605                         | -               |             |
| Depreciation of right-of-use assets                                | 1,842                           | 1,842                         | -               |             |
| Allowance (Reversal of allowance) for inventories - net            | 510                             | 510                           | -               |             |
| Inventories written off  | 22                              | 22                            | -               |             |
| Impairment loss on property, plant and equipment                   | 22                              | 22                            | -               |             |
| Impairment loss on right-of-use assets                             | 228                             | 228                           | -               |             |
| Gain on disposal of property, plant and equipments - net           | (12)                            | (12)                          | -               |             |
| Gain on derecognition of right-of-use assets                       | (32)                            | (32)                          | -               |             |
| Other receivable written off                                       | 416                             | 416                           | -               |             |
| Interest income  | (503)                           | (503)                         | -               |             |
| Interest expense   | 595                             | 595                           | -               |             |
| <b>Operating cash flows before movements in working capital</b>    | <b>527</b>                      | <b>527</b>                    | <b>-</b>        |             |
| Trade receivables  | (5,352)                         | (6,037)                       | 685             | 4           |
| Other receivables  | 1,146                           | 1,146                         | -               |             |
| Inventories  | (516)                           | (516)                         | -               |             |
| Trade payables   | 2,724                           | 2,724                         | -               |             |
| Other payables   | 1,353                           | 501                           | 852             | 4           |
| Provisions   | -                               | 1,537                         | (1,537)         | 4           |
| <b>Cash (used in) generated from operations</b>                    | <b>(118)</b>                    | <b>(118)</b>                  | <b>-</b>        |             |
| Interest paid  | (595)                           | (595)                         | -               |             |
| Interest received  | 503                             | 503                           | -               |             |
| Income tax paid  | (587)                           | (587)                         | -               |             |
| <b>Net cash (used in) from operating activities</b>                | <b>(797)</b>                    | <b>(797)</b>                  | <b>-</b>        |             |
| <b>Investing activities</b>  |                                 |                               |                 |             |
| Deposits for property, plant and equipment                         | (14)                            | (14)                          | -               |             |
| Proceeds from disposal of property, plant and equipment            | 30                              | 30                            | -               |             |
| Purchase of property, plant and equipment                          | (1,680)                         | (1,680)                       | -               |             |
| <b>Net cash used in investing activities</b>                       | <b>(1,664)</b>                  | <b>(1,664)</b>                | <b>-</b>        |             |
| <b>Financing activities</b>  |                                 |                               |                 |             |
| Proceeds from (Repayment) of bills payable                         | 319                             | 319                           | -               |             |
| Repayment of bank loans  | (1,840)                         | (1,840)                       | -               |             |
| Proceeds from bank loans   | 1,568                           | 1,568                         | -               |             |
| Repayment of lease liabilities                                     | (1,568)                         | (1,568)                       | -               |             |
| <b>Net cash used in financing activities</b>                       | <b>(1,521)</b>                  | <b>(1,521)</b>                | <b>-</b>        |             |
| <b>Net (decrease)increase in cash and cash equivalents</b>         | <b>(3,982)</b>                  | <b>(3,982)</b>                | <b>-</b>        |             |
| Cash and cash equivalents at beginning of year                     | 15,326                          | 15,326                        | -               |             |
| Effects of exchange rate change on balance of cash held in foreign | (151)                           | (151)                         | -               |             |
| <b>Cash and cash equivalents at end of year</b>                    | <b>11,193</b>                   | <b>11,193</b>                 | <b>-</b>        |             |

## Explanatory Notes

### CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

#### Note 1

##### Income Tax Expense, Net Loss and Net Loss per Share

Income Tax Expense reduced by US\$0.261 million due to adjustment for overprovision of income tax according to the guidance from the IRAS consultation paper on income tax implications relating to revenues recorded under the SFRS(I) 15, "*Revenue from Contracts with Customers*". As the consideration payable to customer for retail markdowns and co-advertising services had been taken to reduce the revenues for FY2024 in accordance with SFRS(I) 15, these are tax deductible and thus there were an overprovision for income tax in the Unaudited Results; and the tax effects of which are now being adjusted for in the Audited Results for FY2024.

As a result of the above, Net Loss for FY2024 reduced by US\$0.261 million; and Net Loss per Share was thus lower.

### STATEMENTS OF FINANCIAL POSITIONS

#### Note 2

##### Trade Receivables, Other Payables and Provisions

These were due to reclassification of Provisions of US\$1.537 million. Details of which are as follows;

- (a) provision for co-advertising services of US\$0.685 million was taken to offset against trade receivables in the Audited Results, reflecting the obligations for related joint marketing services. As a result, trade receivables reduced by the same to US\$8.10 million; and
- (b) accounting provision for retail markdowns of US\$0.852 million was reclassified to other payables as "deferred revenue" in accordance with SFRS(I) 15 "*Revenue from Contracts with Customers*" in the Audited Results. As a result, other payables increased by the same to US\$7.35 million.

#### Note 3

##### Income Tax Payable, Accumulated Profit and Total Equity

Income tax payable reduced by US\$0.261 million due to overprovision for income tax as explained in the above Note 1. As a result, Accumulated Profit and Total Equity as at 30 June 2024 increased by the same to US\$40.38 million and US\$44.22 million, respectively.

### CONSOLIDATED STATEMENT OF CASH FLOWS

#### Note 4

##### Changes in Trade Receivables, Other Payables and Provisions

These changes in Trade Receivables, Other Payables and Provisions were due to the reclassifications as explained in the above Note 2. These were no changes to net cash used in operating activities as a result of these reclassifications.