

# K O D A

est. 1972

ANNUAL REPORT

2025



# VISION

To be a reputable, profitable and significant global original design manufacturer of furniture.

# MISSION

We must be the most effective value-for-money manufacturer.

We must remain design-relevant.

We must invest in research & development.

We must ensure that our products remain affordable and accessible.

We must ensure we have the right people with the right skills.

We must deliver to our shareholders value and investment comfort.







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## ABOUT KODA





## ABOUT KODA

From our humble beginnings in 1972, Koda has turned into a leading Original Design Manufacturer of furniture. Led by a management team with decades of specialised experience in furniture production, Koda has made significant investments in Vietnam, Malaysia and China. Koda has been recognised by Forbes Asia as part of "Asia's 200 Best Under a Billion" list of companies in 2006 and was profiled by CSIL Milano in its Top World Furniture Manufacturers Report 2006 as one of the top 200 major furniture manufacturers worldwide. In April 2021, Koda was recognised as one of the High-Growth Companies Asia-Pacific 2021 by Nikkei Asia, The Financial Times and Statista. Notably, in August 2022, Koda has again been named as one of the best under a billion by Forbes Asia.

Koda puts our customers first in all we do, with a focus on delivering exceptional customer experiences. Koda is proud of the company's history of serving customers, delivering value to shareholders, and environmental stewardship. We strive to continue that tradition through our endeavour to provide the best quality in our products, and in everything we do. High-quality design, good taste, excellent value and clear functionality are now synonymous with the Koda brand. We distil, through the meticulous processes of drawing and making, a multitude of ideas, references and varied international cultures into simple, elegant furniture profiles that remain beautiful and eye-catching for years to come.

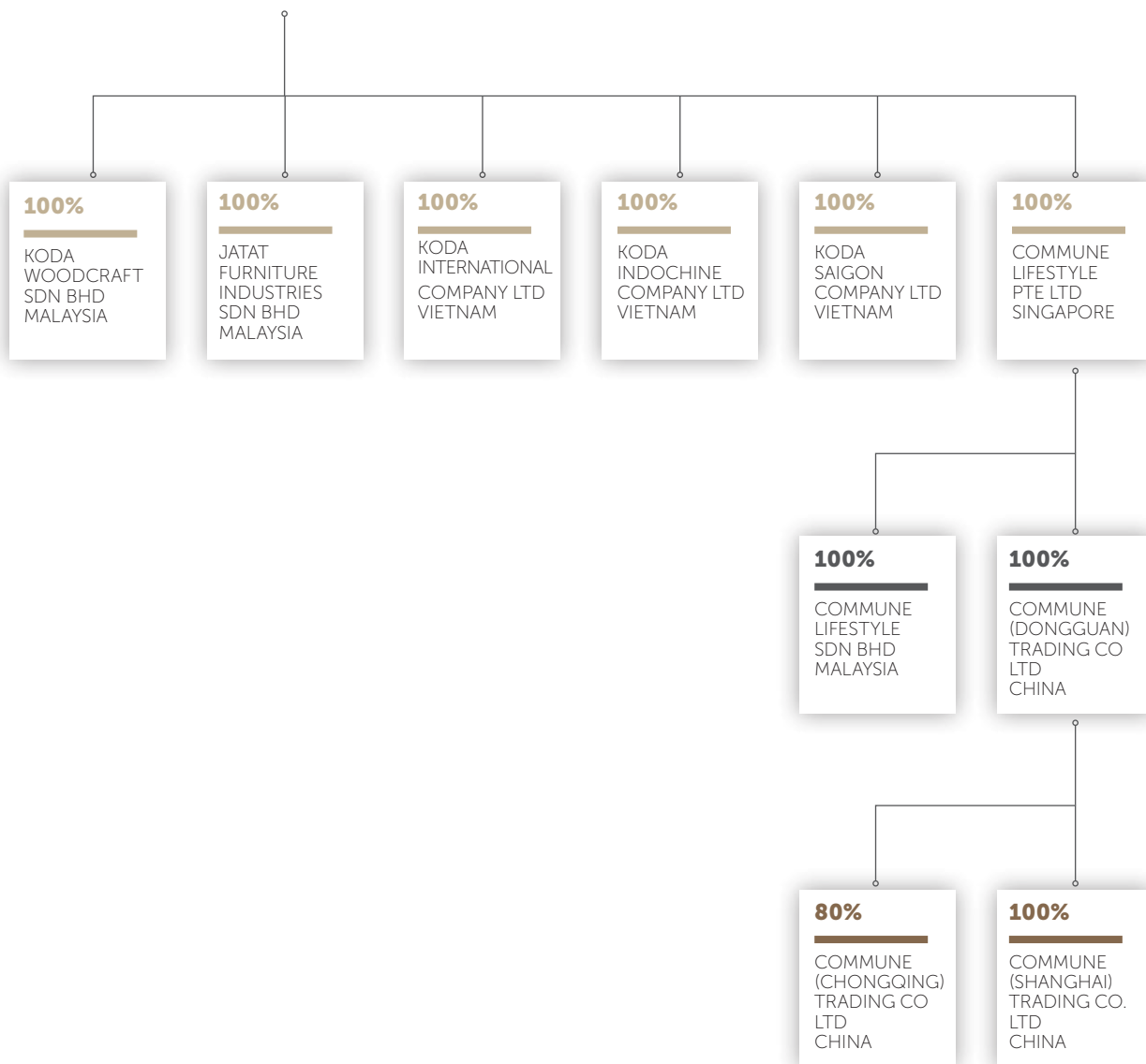
Koda has established its reputation as a style leader in the industry, investing heavily and consistently in teams of talent that fosters quality research, design and development. Koda constantly reinvents its operations for greater cost efficiency and to create convenience for its retail and commercial clients, most of which have fast-changing expectations generated by the ever-shifting pace of the consumer market. To stay ahead of changing trends, Koda has embarked upon a series of initiatives designed to embrace new marketing and branding programmes to better compete in today's volatile business environment and drive future growth. This includes developing its own digitally savvy retail brand to expand awareness of its quality and premium furniture offerings using environmentally responsible materials, with the intent to reap profitable sales growth. Koda believes that charting this course now is prudent, exciting, and necessary to provide the company with its own unique space amidst the disruptive forces that define the manufacturing and retail sectors today.



## GROUP STRUCTURE

# K O D A

est. 1972





## GROUP PRESENCE

REGIONS AND COUNTRIES WE SELL TO:



## STATEMENT OF EXECUTIVE CHAIRMAN AND CEO



### DEAR STAKEHOLDERS,

I am pleased to report a significant financial turnaround as we turned profitable in financial year ended June 30, 2025 ("FY2025"). The improvement in our current year financials reflects the capability of our management and adaptability of our business strategies in this highly unpredictable operating environment, amid ongoing geopolitical tensions, uneven economic recovery, and China's prolonged housing downturn.

### OVERVIEW

Discretionary spending, mostly sensitive to market uncertainty, has come under pressure while price affordability continues to resonate with many consumers on rising inflationary pressure, declining sentiment and growing sense of caution, which have continued to weigh on household budgets.

Our focus during the year under review was thus to prioritise the key strategies in improving the breadth and depth of our products range, differentiating our value proposition and managing our supply chain. Encouragingly, we have been able to track these well. We shipped more goods to our key export markets, improved operational efficiency and kept costs under control, which led to higher revenues, higher operating margins and improved operating cash flows for FY2025.

In light of the above, we reported a significant improvement in our financial performance.

## STATEMENT OF EXECUTIVE CHAIRMAN AND CEO

### FINANCIAL PERFORMANCE

Summarised Profit & Loss Account For the Year Ended June 30,

US\$'000	2025	2024	2023	2022	2021
Revenue	<b>52,730</b>	45,597	43,781	(Reclassified) 79,339	82,643
Gross profit	<b>16,570</b>	12,824	11,954	24,555	27,141
Profit (Loss) before income tax	<b>898</b>	(4,166)	(1,969)	6,861	11,098
Income tax expense	<b>(322)</b>	(430)	(931)	(1,393)	(1,991)
Profit (Loss) for the year	<b>576</b>	(4,596)	(2,900)	5,468	9,107
<b>Profit (Loss) attributable to:</b>					
Owners of the Company ("Net Profit (Loss)")	<b>547</b>	(4,522)	(2,834)	5,673	9,098
Non-controlling interest	<b>29</b>	(74)	(66)	(205)	9
<b>Profit (Loss) for the year</b>	<b>576</b>	(4,596)	(2,900)	5,468	9,107
<b>Key financial ratio:</b>					
Gross profit margin (%)	<b>31.4</b>	28.1	27.3	30.9	32.8
Net profit (loss) margin (%)	<b>1.0</b>	(9.9)	(6.5)	7.2	11.0
Earnings (Loss) per share (US\$ cents*)	<b>0.66</b>	(5.44)	(3.41)	6.84	11.00
<b>Revenue from (US\$'000)</b>	<b>2025</b>	<b>%</b>	<b>2024</b>	<b>%</b>	<b>Change</b>
Asia-Pacific	<b>11,679</b>	22.1	12,547	27.5	(868)
North America	<b>34,865</b>	66.2	27,884	61.2	6,981
Europe	<b>5,235</b>	9.9	4,422	9.7	813
Others	<b>951</b>	1.8	744	1.6	207
<b>Total revenue</b>	<b>52,730</b>	100.0	45,597	100.0	7,133

\* Computed based on weighted average number of shares during the financial year.

### FINANCIAL PERFORMANCE

During FY2025, we reported:

- higher revenues from our key export markets in the US and Europe under our focused marketing, even though the recent US tariff measures have led to more cautious ordering patterns, while our sales to Asia-Pacific were lower amidst weak market sentiment
- higher gross profit on the back of higher revenues, reversal of inventories allowance and higher margins (as driven by improved economies of scale);
- lower selling and distribution costs as sales agent commission fell, partially offset by higher carriage-outwards;
- lower administrative expenses given cost control measures;

- lower other expenses in the absence of non-recurring expenses in FY2025, which arose from certain unwanted incidents in FY2024, as previously disclosed; but there was a net forex loss;
- higher finance cost arose from higher interest expenses on bank loans; and
- lower income tax expense as there was certain non-taxable income and tax rebate; and we also utilised part of capital allowances and loss carry forwards to offset taxable profits.

Given the above, our financial performance improved significantly, and the Group recorded a Net Profit attributable to the owners of the Company of US\$0.5 million in FY2025, reversing from a Net Loss of US\$4.5 million in FY2024.

## STATEMENT OF EXECUTIVE CHAIRMAN AND CEO

### FINANCIAL POSITION

Summarised Balance Sheet As At June 30,

US\$'000	2025	2024	2023	2022	2021
Property, plant and equipment	<b>23,735</b>	24,312	24,527	25,416	15,467
Other non-current assets	<b>12,949</b>	13,343	13,950	15,507	13,141
Total non-current assets	<b>36,684</b>	37,655	38,207	40,923	28,608
Current assets	<b>34,954</b>	35,562	36,034	47,049	45,872
Current liabilities	<b>(14,405)</b>	(17,002)	(12,141)	(20,090)	(21,091)
Net-current assets	<b>20,549</b>	18,560	23,893	26,759	24,781
Non-current liabilities	<b>(11,341)</b>	(11,999)	(13,165)	(15,071)	(4,148)
<b>Equity attributable to owners of the Company ("Shareholders' Equity")</b>	<b>46,091</b>	44,441	49,082	52,871	49,306
Non-controlling interests	<b>(199)</b>	(225)	(147)	(260)	(65)
<b>Total equity</b>	<b>45,892</b>	44,216	48,935	52,611	49,241
<b>Key financial ratios:</b>					
Net assets value per share (US cents)*	<b>55.4</b>	53.4	59.0	63.6	59.6
Inventory turnover – average (days)	<b>124</b>	137	141	132	129
Trade receivable turnover (days)	<b>51</b>	65	23	25	20
Quick ratio (times)	<b>1.6</b>	1.4	2.0	1.3	1.2
Current ratio (times)	<b>2.4</b>	2.1	3.0	2.3	2.2
Gearing (times)	<b>0.33</b>	0.36	0.33	0.38	0.13
Return on equity (%)	<b>1.2</b>	(10.2)	(5.8)	10.7	18.5

\* Net asset value ("NAV") per share is computed based on number of ordinary shares in issue as at year end.

### FINANCIAL POSITION

Our improved financial performance was also backed by healthy financial position. As at June 30, 2025:

- Assets-to-liabilities ratio was 2.8 times. This means that every dollar of liability is backed by US\$2.80 of assets; and
- Gearing, including lease liabilities, was 0.33 times. Excluding lease liabilities, our gearing would have been 0.23 times. This means we borrowed only US\$0.23 for every dollar of net asset we own.

### ASSETS

Current assets fell by US\$0.6 million to US\$35.0 million. Significant changes were as follows:

- Trade receivables fell by US\$0.7 million to US\$7.4 million on improved collection cycles;

- Cash and cash equivalents fell by US\$1.0 million to US\$10.2 million given net working capital outflows, net cash used in investing activities (i.e. we bought new machinery & equipment) and net cash used in financing activities (i.e. we repaid loans), despite higher net operating cash flows;
- Other receivables rose by US\$1.1 million to US\$5.0 million on the back of higher value added tax recoverable from our Vietnam operations.

Non-current assets fell by US\$1 million to US\$36.7 million, mainly due to (i) lower addition of right-of-use assets and property, plant and equipment, (ii) derecognition of several expired or terminated leases, and (iii) depreciation of right-of-use assets and property, plant and equipment.



## STATEMENT OF EXECUTIVE CHAIRMAN AND CEO

### LIABILITIES

Current liabilities fell by US\$2.6 million to US\$14.4 million. Significant changes were as follows:

- Trade payables fell by US\$1.2 million to US\$3.6 million on earlier trade suppliers' payments;
- Other payables fell by US\$0.8 million to US\$6.6 million given lower accrued sales agent commissions and service fees;
- Lease liabilities fell by US\$0.3 million to US\$0.9 million on lower additions of right-of-use assets, derecognition of several expired or terminated leases, and repayment of lease liabilities;

- Bank loan (current portion) fell by US\$0.2 million as a result of loan repayment.

Non-current liabilities fell by US\$0.7 million to US\$11.3 million following repayment of bank loans.

### SHAREHOLDERS' EQUITY

Shareholders' Equity rose by US\$1.7 million to US\$46.1 million as at June 30, 2025 after accounting for FY2025 Net Profit and currencies translation gain.

### CASH FLOWS

Summarised Cash Flows Statement For The Year Ended June 30,

US\$'000	2025	2024	2023	2022	2021
Operating cash flow before movements in working capital	<b>3,126</b>	527	2,790	13,123	14,900
Net cash from (used in) operating activities	<b>981</b>	(797)	7,698	5,455	7,526
Net cash used in investing activities	<b>(271)</b>	(1,664)	(1,351)	(13,213)	(7,026)
Net cash (used in) from financing activities	<b>(1,670)</b>	(1,522)	(5,267)	7,447	(2,434)
Net (decrease)/increase in cash and cash equivalents	<b>(960)</b>	(3,983)	1,080	(221)	(1,934)
Cash and cash equivalents at beginning of year	<b>11,193</b>	15,326	14,301	14,673	16,426
Effects of exchange rate change on balance of cash held in foreign currencies	<b>(55)</b>	(150)	(55)	(151)	181
Cash and cash equivalents at end of year	<b>10,178</b>	11,193	15,326	14,301	14,673

### CASH FLOWS

Net cash generated from operating activities was US\$1.0 million after accounting for operating cash inflows before working capital changes of US\$3.1 million, net working capital outflows of US\$1.6 million, net of payments for income tax and interest of US\$0.6 million.

Net cash used in investing activities was US\$0.3 million due mainly to purchase of machinery and equipment for our factories.

Net cash used in financing activities was US\$1.7 million due mainly to repayments of bank loans, trade financing and lease liabilities, offset by bank proceeds.

Given the above, net cash and cash equivalents fell by US\$1.0 million to US\$10.2 million as at June 30, 2025.

### OUTLOOK

As previously disclosed, we could see higher furniture prices for consumer due to US tariff policy and since then, we have seen increasingly higher consumer prices and other outsourcing costs. Meanwhile, we are still observing if US will mull over new tariffs on furniture over the next few months, which could further weigh on retail consumer traffic, affect demand recovery and drive up associated costs for the US retailers.

As such, the existing supply chain, to a larger extent, remains vulnerable to these macroeconomics factors as many industry players are still grappling with such issues relating to geopolitical risks, the impacts of which have been broadly felt across the industry.

## STATEMENT OF EXECUTIVE CHAIRMAN AND CEO

Retail sales in China continued to disappoint as real estate slump deepens. It remains to be seen if the ramped up stimulus plans could turn the existing weak consumer sentiment around, which was supposed to stimulate demand on all fronts.

Meanwhile, reflecting our customer-focused strategy in the current competitive retail landscape, including Singapore's, we have re-engineered our products and streamlined processes such that we could further spread costs across a greater scale to meet price expectation and spending budgets of our retail customers, amidst rising cost of living.

In light of this, the Group remains heedful of the current operating environment as we adopt a less aggressive but more progressive pace of business growth strategies ahead.

### APPRECIATION

As I previously wrote, we believe we could integrate recovery strategies in our key business processes as we continue to navigate periods of elevated economic uncertainty and market volatility, which have tested our resilience and adaptability. The significant improvement in our financials for FY2025 has thus been very meaningful for our stakeholders.

On behalf of the Board, I would like to thank our shareholders, bankers, customers, and business partners for their continued confidence in us. My appreciation also goes to our management team and staff for their dedication. I look forward to speaking with you at the AGM.

### JAMES KOH JYH GANG

Executive Chairman and CEO



## RESULTS AT A GLANCE

### CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended June 30

	2025	2024	Change	Change
	US\$'000	US\$'000	US\$'000	%
<b>REVENUE</b>	<b>52,730</b>	<b>45,597</b>	<b>7,133</b>	<b>15.6</b>
Cost of sales	(36,160)	(32,773)	(3,387)	10.3
<b>GROSS PROFIT</b>	<b>16,570</b>	<b>12,824</b>	<b>3,746</b>	<b>29.2</b>
Other income	1,235	1,172	63	5.4
Selling and distribution costs	(6,885)	(7,261)	376	(5.2)
Administrative expenses	(8,697)	(9,390)	693	(7.4)
Other expenses	(702)	(916)	214	(23.4)
Finance costs	(623)	(595)	(28)	4.7
<b>PROFIT (LOSS) BEFORE INCOME TAX</b>	<b>898</b>	<b>(4,166)</b>	<b>5,064</b>	<b>NM</b>
Income tax expense	(322)	(430)	108	(25.1)
<b>PROFIT (LOSS) FOR THE YEAR</b>	<b>576</b>	<b>(4,596)</b>	<b>5,172</b>	<b>NM</b>
<b>PROFIT (LOSS) ATTRIBUTABLE TO :</b>				
Owners of the Company	547	(4,522)	5,069	NM
Non-controlling interests	29	(74)	103	NM
<b>PROFIT (LOSS) FOR THE YEAR</b>	<b>576</b>	<b>(4,596)</b>	<b>5,172</b>	<b>NM</b>

#### REVENUE

Rose by US\$7.1 million, mainly due to higher export sales to both markets in the US and Europe; but partially offset by lower sales to Asia-Pacific as discretionary consumer spending remained cautious amidst inflationary pressure and the deepening debt crisis in China's real estate sector, which continued to weigh on business recovery and market sentiment.

#### GROSS PROFIT

Gross profit rose by US\$3.7 million on the back of higher revenues, reversal of inventories allowance and margin. Margin rose as a result of improved economies of scale on the back of higher production utilisation rates, and thus lower unit cost.

#### OTHER INCOME

Rose by US\$0.06 million, mainly due to forfeited customer deposits, partially offset by the absence of exchange gain recorded in the current financial year.

#### SELLING AND DISTRIBUTION COSTS

Fell by US\$0.4 million, mainly due to lower depreciation of right-of-use assets and lower sales agent commission, partially offset by higher carriage-outwards.

#### ADMINISTRATIVE EXPENSES

Administrative expenses fell by US\$0.7 million, mainly due to lower fixed operating expenses on cost control measures, including lower repairs and maintenance for equipment.

#### OTHER EXPENSES

Other expenses fell by US\$0.2 million, mainly due to the absence of certain non-recurring expenses in FY2025 (such expenses were recorded in FY2024) – please refer to Page 189 for further details.

#### FINANCE COSTS

Rose by US\$0.03 million, mainly due to higher interest on bank loans.

#### INCOME TAX EXPENSE

Fell despite higher profit before tax (including certain non-taxable income), mainly due to use of capital allowances, loss carried-forward, and tax rebate.

#### PROFIT (LOSS) ATTRIBUTABLE TO OWNERS OF THE COMPANY ("Net Profit (Loss)")

Given the above, the Group recorded a Net Profit of US\$0.5 million in FY2025, reversing from a Net Loss of US\$4.5 million in FY2024.

## RESULTS AT A GLANCE

### STATEMENTS OF FINANCIAL POSITION

As at June 30

	GROUP			
	2025	2024	Change	Change
	US\$'000	US\$'000	US\$'000	%
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	10,178	11,193	(1,015)	(9.1)
Trade receivables	7,357	8,104	(747)	(9.2)
Other receivables	5,048	3,979	1,069	26.9
Contract assets	46	–	46	NM
Inventories	12,325	12,286	39	0.3
<b>TOTAL CURRENT ASSETS</b>	<b>34,954</b>	<b>35,562</b>	<b>(608)</b>	<b>(1.7)</b>
<b>NON-CURRENT ASSETS</b>				
Bank balances earmarked for credit facility	479	479	–	–
Club memberships	32	45	(13)	(28.9)
Property, plant and equipment	23,735	24,312	(577)	(2.4)
Right-of-use assets	12,409	12,733	(324)	(2.5)
Other receivables	29	86	(57)	(66.3)
<b>TOTAL NON-CURRENT ASSETS</b>	<b>36,684</b>	<b>37,655</b>	<b>(971)</b>	<b>(2.6)</b>
<b>TOTAL ASSETS</b>	<b>71,638</b>	<b>73,217</b>	<b>(1,579)</b>	<b>(2.2)</b>

#### CURRENT ASSETS

##### CASH AND CASH EQUIVALENTS

Fell by US\$1.0 million, mainly due to net working capital outflows, net cash used in investing activities and financing activities, despite higher net operating cash flows.

##### TRADE RECEIVABLES

Fell by US\$0.7 million, mainly due to improved collection cycles.

##### OTHER RECEIVABLES

Rose by US\$1.1 million, mainly due to higher value-added tax recoverable from our Vietnam operations.

#### NON-CURRENT ASSETS

##### PROPERTY, PLANT AND EQUIPMENT

Fell by US\$0.6 million, mainly due to lower additions and depreciation charges.

##### RIGHT-OF-USE ASSETS

Fell by US\$0.3 million, mainly due to lower additions of right-of-use assets, derecognition of several expired or terminated leases, and depreciation charges.



## RESULTS AT A GLANCE

### STATEMENTS OF FINANCIAL POSITION (CONTINUED)

As at June 30

GROUP					
	2025	2024	Change	Change	
	US\$'000	US\$'000	US\$'000	%	
<b>LIABILITIES AND EQUITY</b>					
<b>CURRENT LIABILITIES</b>					
Bills payables	381	319	62	19.4	
Trade payables	3,614	4,862	(1,248)	(25.7)	→ <b>TRADE PAYABLES</b> Fell by US\$1.2 million, mainly due to earlier trade suppliers' payments.
Other payables	6,562	7,349	(787)	(10.7)	→ <b>OTHER PAYABLES</b> Fell by US\$0.8 million, mainly due to lower accrual of commissions (including sales agents) and service fees.
Lease liabilities	867	1,186	(319)	(26.9)	→ <b>LEASE LIABILITIES (CURRENT AND NON-CURRENT PORTION)</b> Fell by US\$0.2 million, mainly due to lower additions of right-of-use assets, derecognition of several expired or terminated leases, and repayment of lease liabilities.
Current portion of bank loans	2,610	2,836	(226)	(8.0)	→ <b>BANK LOAN ( CURRENT AND NON-CURRENT PORTION)</b> Fell by US\$1.0 million, mainly due to repayment of bank loans.
Income tax payable	371	450	(79)	(17.6)	
<b>TOTAL CURRENT LIABILITIES</b>	<b>14,405</b>	<b>17,002</b>	<b>(2,597)</b>	<b>(15.3)</b>	
<b>NON-CURRENT LIABILITIES</b>					
Other payables	102	71	31	43.7	
Deferred tax liabilities	179	167	12	7.2	
Lease liabilities	3,436	3,329	107	3.2	
Non-current portion of bank loans	7,624	8,432	(808)	(9.6)	
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>11,341</b>	<b>11,999</b>	<b>(658)</b>	<b>(5.5)</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	245	(858)	1,103	NM	→ <b>TRANSLATION RESERVE</b> Rose by US\$1.1 million, mainly due to depreciation of US\$ which has resulted in currency translation gains on our subsidiaries' assets denominated in other currencies.
Accumulated profits	40,925	40,378	547	1.4	
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>	<b>46,091</b>	<b>44,441</b>	<b>1,650</b>	<b>3.7</b>	→ <b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b> Rose by US\$1.7 million, mainly due to the translation gain and Net Profit for FY2025.
Non-controlling interests	(199)	(225)	26	(11.6)	
<b>TOTAL EQUITY</b>	<b>45,892</b>	<b>44,216</b>	<b>1,676</b>	<b>3.8</b>	
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>71,638</b>	<b>73,217</b>	<b>(1,579)</b>	<b>(2.2)</b>	

NM: Not meaningful

## BOARD OF DIRECTORS



### MR. JAMES KOH JYH GANG ("JAMES")

Executive Chairman and CEO

**James** spearheads the Group's operations and growth strategies. He has initiated a range of industry-wide projects in Singapore, Vietnam and China, and has drawn on that experience to formulate our business development strategies, strengthen supply chain management, broach new design concepts and manage our international marketing efforts. In addition, he also contributes technical knowledge by advising our Research & Development ("R&D") and production teams on product development and processes.

James served as the President of the Singapore Furniture Industries Council ("SFIC") for two terms, during which he advised the SFIC on matters relating to the development of Singapore's furniture industry. During his illustrious tenures as President, James initiated several successful projects including but not limited to the International Furniture Fair Singapore ("IFFS") and the Singapore Furniture Industry Park in Kunshan, China. He was also appointed the Chairman of IFFS Pte Ltd and the International Furniture Centre Steering Committee, where he established the IFFS as a world-class trade show and positioned Singapore as a premier furniture hub for the global market.

James is a Presidential Advisor of SFIC and is also a member of the multi-agency, three-year Local Enterprise Association Development ("LEAD") programme, which partners industry associations to enhance industry and enterprise competitiveness.

James was appointed to the Board in 1980 and holds a Diploma in Management Studies from the Singapore Institute of Management. He was last re-elected to the Board at the 2023 AGM.

### MR. ERNIE KOH JYH ENG ("ERNIE")

Executive Director, Sales & Marketing

**Ernie** is currently the Executive Director of Sales & Marketing at Koda Ltd. He has significant experience in international marketing and corporate branding. He is at the helm of the Group's marketing initiatives, particularly in customer relationship management, client base diversification, trade fairs participation, new product launches and marketing talent recruitment. Ernie is also instrumental in identifying the latest design trends and dealing with changing consumer preferences. Ernie has been with Koda for more than 25 years. During his tenure, he has rapidly expanded Koda's market share, reaching out to more than 120 customers across more than 40 countries throughout the globe.

Ernie is also actively involved in the business and creative communities. He was elected as a President of the Singapore Furniture Industries Council ("SFIC") in 2012 and served from 2012 to 2016. He is Chairman of International Furniture Fair Singapore Pte Ltd and member of SFIC Finance Advisory Committee. He was also a member of the Local Enterprise and Association Development (LEAD) Programme for SFIC, a multi-agency programme that aims to partner industry associations to enhance industry and enterprise competitiveness. Ernie was appointed as a Co-Chairman of the Independent Experts Panel for Furniture Industry by Spring Singapore in 2013. He sat on the Advisory Board in the School of Design at Singapore Polytechnic from 2015 to 2019. He was also elected to the 61st Board of Singapore Chinese Chamber of Commerce and Industry (SCCCI) in 2025(2025– 2027). He was elected as current president of the Singapore Retailers Association (2024– 2026). He is also a Council member of the Singapore Business Federation's ("SBF") (2024– 2026). He is also a co-chair of the SBF Small and Medium Enterprise Committee (SMEC), a member of DesignS (a network of nine design-centric institutes and associations

## BOARD OF DIRECTORS



### MDM. KOH SHWU LEE ("SHWU LEE")

Executive Director, Finance, Administration and Operations

in Singapore) as well as a Distinguished Member of the Presidential Advisory Commission of Design Business Chamber Singapore. He sat in the Industry Advisory Group for School of Spatial & Product Design (2021 – 2023) at LASALLE College of Arts (Singapore). He is often invited to present papers in various international conferences globally.

Ernie was appointed to the Board in 2001 and holds a Bachelor of Science in Marketing from the University of Oregon (USA) and an MBA in International Marketing from the San Francisco State University (USA). He was last re-elected to the Board at the 2023 AGM.

**Shwu Lee** is responsible for the Group's administrative and operational supports, including overseeing daily operations and cash flow planning. She also oversees and manages the Group's key operational functions in subcontracting supply chain, supplier payment, human resources, credit control and budgetary control.

Shwu Lee has been with the Group for more than 30 years and she is also the appointed administrative director for the Group's key subsidiaries in Malaysia and Vietnam, where she is responsible for developing and implementing operating policies and procedures to enhance workplace efficiency.

Shwu Lee was appointed to the Board in 2001 and holds a BA from the National University of Singapore. She was last re-elected to the Board at the 2022 AGM.

## BOARD OF DIRECTORS



### MR. TAN CHOON SENG ("CHOON SENG")

Lead Independent Director

**Choon Seng** was appointed on November 18, 2016 as an Independent Director of Koda, and currently serves as the Lead Independent Director, a member of the Audit Committee, Remuneration Committee and Nominating and Governance Committee.

Choon Seng is a board member of Soup Holdings Limited and was elected Non-Executive Chairman on April 25, 2024. He is also the Chairman of the Remuneration Committee. He has served as an Independent Director and Chairman of the Audit Committee for four years. He was previously a board member of the Singapore Institute of Management and a member of the Board of Trustees for the Singapore University of Social Sciences. He was also the Chairman of the University's Investment and Endowment Fund.

Prior to this, Choon Seng was the Group Chief Executive Officer and a Non-independent and Executive Director of WBL Corporation Ltd. He was also previously Vice President (Customer Solutions Group) and Managing Director of Hewlett-Packard Southeast Asia, a post he held from June 2002 when Hewlett-Packard acquired Compaq. He also served as the Vice President and Managing Director for the ASEAN region of Compaq Computer Asia Pte Ltd between June 1999 to June 2002. He joined Compaq in 1996 as Chief Financial Officer for its Asia-Pacific operations. Prior to joining Compaq, he spent 20 years in various multinational organisations in the audit and tax, oil services and information technology industries, where he held several senior leadership positions in operations, sales, strategy and business development.

Choon Seng holds an Accountancy degree from the National University of Singapore and is a non-practising Fellow Chartered Accountant of Singapore. He was last re-elected to the Board at the 2023 AGM.

### MR. YING SIEW HON, FRANCIS ("FRANCIS")

Independent Director

**Francis** was appointed on November 18, 2016 as an Independent Director of Koda. He currently serves as Chairman of the Audit Committee and as a member of the Remuneration Committee and Nominating and Governance Committee.

Francis has considerable experience in investment and corporate banking, as well as in the securities industry. He held senior managerial positions in UOB Bank Group before moving to DBS Securities Group, where he was a Director of Business Development.

Francis has worked for a private group of companies since 2000. He was a Director of Kaicoh Pte. Ltd., a holding company which owns various companies in the metal stamping and assembly, machine manufacturing and fabrication, laser and lighting businesses. He sat on the boards of these subsidiaries located in Singapore, Malaysia, Thailand and Germany. He oversaw the operations of some of these subsidiaries as Managing Director and was involved in various merger and acquisition transactions.

Francis is a Fellow of the Association of Chartered Certified Accountants (United Kingdom). He was last re-elected to the Board at the 2024 AGM.



## BOARD OF DIRECTORS



### MR. PHUA BOON HUAT ("BOON HUAT")

Independent Director

**Boon Huat** was appointed on November 1, 2021 as an Independent Director of Koda. He currently serves as Chairman of the Remuneration Committee and as a member of the Audit Committee and Nominating and Governance Committee.

Boon Huat is the Co-Founder and Director of P9 Capital Pte Ltd, a single family office ("SFO") where he is actively managing the investment and operational activities of the SFO. He was previously the Director for Europe at HTL International Holdings Pte Ltd, where he was responsible for managing the overall commercial activities in the European markets. He also previously held positions in the HTL group, managing strategic functions such as foreign exchange hedging and freight negotiation. He is also the Immediate Past President of the Singapore Furniture Industries Council. Boon Huat holds a Bachelor of Economics (Honours) Degree from the University of Newcastle, Australia and a Master of Business Administration Degree from the University of Adelaide, Australia. He is an Ordinary Member of the Singapore Institute of Directors. He was last re-elected to the Board at the 2024 AGM.

### MS. NG LI-MAY VANESSA ("VANESSA")

Independent Director

**Vanessa** was appointed on December 6, 2024 as an Independent Director of Koda. She currently serves as Chairman of the Nominating and Governance Committee and as a member of the Audit Committee and Remuneration Committee. Vanessa is an Advocate & Solicitor of the Supreme Court of Singapore, and was called to the Singapore Bar in 2003. Vanessa is a seasoned legal practitioner in the corporate finance and corporate commercial space, and has represented many clients in their mergers & acquisitions, investments, fund-raising, series financing and capital markets. Vanessa is currently a Consultant at Fortis Law Corporation. Prior to that, she was with a leading international law firm, where she represented clients in their mergers and acquisitions, investment deals, initial public offerings, post-listing compliance and commercial transactions, equity and debt fund-raising, series financings for start-ups and emerging/growth companies and securities regulation.

In 2017, Asian Legal Business recognised Vanessa as one of its "Top 40 Under 40 lawyers in Singapore". In the 2022 edition of Chambers Asia-Pacific, Vanessa was highlighted as a "notable practitioner" who is "well versed in advising emerging and growth companies on fund raising mandates." Vanessa also has experience as a Registered Professional under the Sponsorship regime of the Catalist board of the Singapore Exchange, where she was involved in the full spectrum of continuing sponsorship activities for companies under the Catalist regime. Vanessa graduated from the National University of Singapore with a Bachelor of Laws (Honours) degree (2nd Upper).

## MANAGEMENT PROFILE



### TEH WING KWAN ("TEH")

Advisor

**Teh** has been the appointed Advisor of Koda Ltd since October 2013. He is a sophisticated investor and specialises in corporate finance. Teh currently holds the following board positions:

- non-executive, non-independent chairman for Skylink Holdings Limited ("Skylink Holdings") (SGX-XZB);
- non-executive, non-independent chairman for Livingstone Health Holdings Limited (SGX-PRH);
- non-executive, non-independent chairman for China Vanadium Titano-Magnetite Mining Company Ltd ("CVT") (HKEX: 00893); and
- lead independent director of Sapphire Corporation Limited (SGX: BRD) ("Sapphire").

Teh stays as a controlling shareholder of Skylink Holdings, post Reverse Takeover ("RTO") of one of the largest commercial vehicles leasing companies in Singapore via Sincap Holdings Limited in September 2025. He was the controlling shareholder and Executive Chairman of Citicode Ltd from July 2018 to February 2021, during which he completed the RTO of Livingstone Health Ltd, a multi-disciplinary healthcare services group in Singapore. Teh also led CVT to completion of a RMB1.3 billion corporate exercise in 2019. Teh was the Group Chief Executive Officer and Managing Director of Sapphire from October 2013 to December 2017, during which he transformed Sapphire by acquiring one of the largest privately-owned urban rail transit engineering groups in China. He led Sapphire to be the first company listed

outside Hong Kong to receive The Listed Enterprise Excellence Awards 2016 from the Hong Kong-based Capital Weekly. He served as a non-executive director of other public companies listed on the HKEX, SGX Catalist and ASX as well.

Teh is a Fellow of The Association of Chartered Certified Accountants (United Kingdom), a Fellow Chartered Accountant of the Institute of Singapore Chartered Accountants, an International Affiliate of the Hong Kong Institute of Certified Public Accountants, a Chartered Accountant of the Malaysian Institute of Accountants, a Senior Accredited Director accredited by the Singapore Institute of Directors and a Fellow Member of the Hong Kong Securities and Investment Institute. He was nominated for the 2015 and 2016 Asia Pacific Entrepreneurship Awards (Singapore) under the Industrial and Commercial Products Industry as well as the 2017 and 2018 Outstanding Leaders in Asia Corporate Excellence & Sustainability Awards under the Leadership Category.

## MANAGEMENT PROFILE



### MR KAVIN SEOW ("KAVIN")

Group Operations Director (Manufacturing)

**Kavin** joined the Group on October 2, 2023 as Group Operations Director (Manufacturing) of Koda Ltd. An Industrial Engineer by profession, he oversees the Group's operations of Vietnam and Malaysia.

Kavin was the Senior Director of Touch Community Services Singapore ("TCS") from May 2004 to September 2023. Prior to joining TCS, he was the Vice President (Operations) of Koda Ltd from 1989 to 2001 and Executive Director of Koda Ltd from 2001 to 2004, during which he was responsible for overseeing and managing the key operational functions for the Group's manufacturing facilities in Malaysia. Kavin was also a Senior Product Engineer for AT&T Consumer Products Ltd (Singapore) from 1986 to 1989.

Kavin holds a Bachelor of Science in Industrial Engineering from the University of Oklahoma.

### YANG EE

Chief Financial Officer

**Yang Ee** is responsible for overseeing the Group's financial reporting, financial management, corporate governance, and key corporate matters, while engaging with stakeholders. With over 33 years of expertise in audit, accounting, and taxation, including audit experience at Ernst & Young, he brings extensive knowledge in corporate and operational finance, budgeting, SGX reporting, internal controls, and treasury across diverse industries, including manufacturing, luxury goods distribution, and event management.

Before joining our Group, Yang Ee served as Group Financial Controller at Blu Kouzina Pte Ltd. He also brings valuable experience from his role at Eurosports Global Limited, where he was employed starting in September 2015. His earlier roles include seven years as Group Financial Controller at Lumina Looque International Pte Ltd. From March 2006 to March 2008, he was the Assistant Corporate Advisory Director and Group Financial Controller at Nippecraft Limited.

Mr. Yang holds a Bachelor of Accountancy from the National University of Singapore and is a Chartered Accountant of the Institute of Singapore Chartered Accountants.

## MANAGEMENT PROFILE



### TAN KIAN PENG DARREN ("DARREN")

Group Financial Controller

**Darren** is responsible for the Group's accounts and finance functions, specifically financial reporting and analysis, budgetary and internal controls, performance measurement and work processes. His professional experience includes but is not limited to audit, taxation, corporate finance and accounting. He was promoted to Group Financial Controller and appointed as an Executive Officer in 2014.

Darren is a Fellow of the Association of Chartered Certified Accountants (United Kingdom) and a Chartered Accountant with the Malaysian Institute of Accountants.

### JOSHUA KOH ZHU XIAN ("JOSHUA")

Chief Executive Officer, Commune Lifestyle Pte. Ltd.

**Joshua** is responsible for overseeing the operations of the retail and distribution business (Commune), its business development and provides overall strategy for the brand.

Joshua was the Group's Chief Financial Officer before being promoted as the Chief Executive Officer of Commune Lifestyle Pte. Ltd. He began his career as a financial analyst at Bloomberg LLP and joined the Group in 2008. He was also responsible for implementing the Group's internal control policies and procedures. In 2010, he also took on an active operational role overseeing our Vietnam operations.

Joshua was appointed as an Executive Officer and continues to serve as a member of the Executive Committee. He holds a Bachelor of Commerce in Accounting & Finance from the University of Western Australia and an MBA from INSEAD (France/Singapore).



## MANAGEMENT PROFILE



### **JULIAN KOH ZHU LIAN ("JULIAN")**

Head of Design of Koda Ltd and Commune Lifestyle Pte. Ltd.

**Julian** is responsible for the Group's design and innovation. He leads the design team and oversees the Group's designing and branding, as well as sample and product development. He is also the creative mind behind the Group's local and overseas exhibitions.

Julian is the creative force behind Commune Lifestyle Pte. Ltd., curating sensory environments in retail spaces and unique shopping experiences for consumers, centred on the concept of bringing people together.

He holds a Diploma in Product Industrial Design from Temasek Polytechnic and a Bachelor of Industrial Design from Swinburne University of Technology, Australia.

### **GAN SHEE WEN ("SHEE WEN")**

Vice President, Group Sales and Marketing; and Chief Operating Officer, Commune Lifestyle Pte. Ltd.

**Shee Wen** is responsible for the sales and marketing functions in the Asia Pacific markets. His key duties are to build and maintain close ties with clients and develop products for their specific markets. This involves design research, idea generation and technical development, culminating in the development of marketable products for Koda's international client base.

As the Chief Operating Officer of Commune, Shee Wen heads the operations, sales and marketing functions. He is responsible for the development and improvement of the systems that create and deliver Commune's products and securing the functionality of business plans and procedures that drive extensive and sustainable growth for Commune. Shee Wen also leads the expansion activities, maintains corporate marketing relationships, sales partnerships, and manages dealer recruitment internationally for Commune.

Shee Wen joined Koda Ltd in 2005 as a Marketing Executive and has through the years demonstrated his ability to strategise and execute marketing plans to capture new markets and stay ahead of competitors.

In recognition of his contributions to the industry, Shee Wen received the Gold award in the Outstanding Individual category of the Singapore Furniture Industry Awards 2013. He holds a Bachelor of Science (Honours) in Business from the University of London.

# SUSTAINABILITY REPORT

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# SUSTAINABILITY REPORT

## 1. About the Report

### 1.1 Board Statement

We are delighted to present the Sustainability Report for Koda Ltd ("**Koda**" or the "**Company**" and its subsidiaries, the "**Group**") for the financial year ended June 30, 2025 ("**FY2025**"). This report, which has been reviewed and endorsed by the Board of Directors (the "**Board**"), showcases our progress over the past year and emphasises our commitment to working with our valued stakeholders to build a sustainable business founded on resilience, adaptation, and innovation.

At Koda, the Board is deeply committed to promoting sustainable growth and crafting effective sustainability strategies. In developing these strategies, the Board carefully considers the sustainability issues, risks, opportunities, and stakeholder expectations. They also identify the key Environmental, Social, and Governance ("**ESG**") factors essential for our sustainability reporting. Moreover, the Board diligently oversees the management and monitoring of these critical ESG factors through regular evaluations of our Group's sustainability performance. Our management team is also tasked with establishing sustainability policies, processes, practices, and targets, ensuring the implementation of our sustainability strategies, and tracking progress.

Notably, Koda participated in United Overseas Bank ("**UOB**") Green and Sustainable Deposits solution, a strategic step that aligns our financial practices with our commitment to sustainability. This initiative allows us to place our deposits of US\$1.2 million in a solution that directly supports projects with positive environmental and social impacts. This includes renewable energy development, sustainable infrastructure, and green building projects. All projects financed under UOB's sustainable finance frameworks are aligned with the United Nations Sustainable Development Goals ("**UN SDGs**").

Beyond this, Koda became a member of the United Nations Global Compact Network Singapore on October 15, 2024, reinforcing our alignment with internationally recognised sustainability principles. At the same time, our team is working internally and in collaboration with our supply chain partners to meet the requirements of the European Union Deforestation Regulation ("**EUDR**").

By choosing this sustainable deposit option and strengthening our global commitments, we contribute to the broader agenda of driving sustainable economic growth, advancing environmental stewardship, and ensuring responsible business practices across our operations.

Lastly, we would like to extend our heartfelt gratitude to all stakeholders for their continued support. The Board remains dedicated to enhancing our sustainability practices around core ESG aspects. Recognising sustainability as an ongoing journey, we will continually improve our internal processes to build a sustainable business.

Sincerely,

**Board of Directors**

## SUSTAINABILITY REPORT

### 1.2 Corporate Profile

In this annual Sustainability Report, Koda Ltd and its subsidiaries seek to highlight the ESG factors integrated into our management, policies, and operations. This Report aims to assure our key stakeholders and foster stronger relationships by pragmatically addressing their interests. It demonstrates the Group's commitment to transparency in sustainability reporting, providing comprehensive information about our sustainability strategy, key concerns, relevant metrics, and targets.

#### 1.2.1 Values and Mission

Building a sustainable business is essential for our ongoing success in the manufacturing and retail sectors. We are committed to taking full responsibility for our impact on the environment, our customers, our employees, our community, and our financial performance.

Our employees uphold core values that shape and guide every aspect of our business. Cooperation, communication, and trust are crucial for effective collaboration. Additionally, we prioritise care and concern through respect, patience, empathy, and consideration within our team and communities.

#### 1.2.2 Awards and Associations

##### Awards

Year	Award	Organisation
FY2022	Koda Ltd was named one of the Top 200 Under One Billion Companies in August 2022	Forbes Asia

##### Associations

Company	Membership Associations	Expiry Date
Koda Ltd	Singapore Furniture Industries Council	June 30, 2026
	Singapore Business Federation	December 31, 2025
	Singapore Chinese Chamber of Commerce and Industry	December 31, 2028
	Singapore Manufacturing Federation	December 31, 2025
	United Nations Global Compact Network Singapore	October 15, 2026
Commune Lifestyle Pte Ltd	Singapore Retailers Association	December 31, 2026
	Franchising and Licensing Association (Singapore)	December 31, 2025
	Singapore Furniture Industries Council	June 30, 2026

## SUSTAINABILITY REPORT

Company	Membership Associations	Expiry Date
Koda Woodcraft Sdn Bhd	Malaysia Timber Industry Board	September 30, 2026
	Johor Bahru Chinese Chamber of Commerce and Industry	Life Member
	Malaysia Furniture Council	December 31, 2025
Jatat Furniture Industries Sdn Bhd	Malaysia Timber Industry Board	September 30, 2027
Koda Saigon Company Ltd	Handicraft and Wood Industry Association ("HAWA")	December 31, 2025
Commune (Dongguan) Trading Co. Ltd	Dongguan City Association of Enterprises with Foreign Investment	December 31, 2025

### 1.3 Scope

This annual Report covers our sustainability performance for the Financial Year 2025 ("FY2025"), from July 1, 2024 to June 30, 2025. The content focuses on our strategies, initiatives, policies, and activities related to our material ESG topics. This Report's material issues and disclosures have been selected based on their significance within the Group's scope, the sustainability context, and stakeholder expectations. This approach ensures consistent tracking of our key performance indicators over time. As such, the Report provides an overview of our strategy, goals, targets, and performance evaluation for our most critical sustainability areas.

The details included in this Report are under the direct control of the Group, encompassing the Singapore headquarters, local supply chain, and any overseas activities.

The information in this Report has been verified, reviewed, and explained for changes from one year to the next, and it is presented in a way that allows for meaningful comparison.

### 1.4 Boundary

This Report's pertinent material operations features cover our core businesses within our material operating boundaries in Singapore, Malaysia, Vietnam, and China. Our corporate governance and sustainability strategies are governed by the rules and regulations established at the Group level.

Below is a list of the entities included in the scope of the study.

Country	Entity
Singapore	Koda Ltd
	Commune Lifestyle Pte Ltd
Malaysia	Koda Woodcraft Sdn Bhd
	Jatat Furniture Industries Sdn Bhd
	Commune Lifestyle Sdn Bhd
Vietnam	Koda Saigon Company Ltd



## SUSTAINABILITY REPORT

Country	Entity
China	Commune (Dongguan) Trading Co Ltd
	Commune (Shanghai) Trading Co Ltd
	Commune (Chongqing) Trading Co Ltd

Two entities in Vietnam, Koda International Company Ltd and Koda Indochine Company Ltd, have been excluded from the scope of the study due to their minimal activities and limited contribution to the Group's overall operations.

### 1.5 Approach and Methodology

This Report has been prepared with reference to the Global Reporting Initiative ("**GRI**") Universal Standards 2021, following its core principles of accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness, and verifiability. The GRI Standards were selected as they are one of the well-established international sustainability reporting standards that provide strong guidance for the disclosure of governance approach and environmental, social, and economic performance. The GRI Standards will also enable the Group to disclose its most significant impacts and mitigation measures publicly. Additionally, the widespread use of GRI Standards will enhance the comparability of the Group's disclosures with industry peers.

This Report also takes into account the key elements of the Report's content as outlined in the Singapore Exchange's ("**SGX**") "Comply or Explain" guidelines. These guidelines encompass six primary components: Material ESG factors, Climate-Related Disclosures aligned with the Task Force on Climate-related Financial Disclosures ("**TCFD**") recommendations, Policies, Practices, and Performance, ESG Targets, Sustainability Reporting Framework, and the Board Statement. We have presented our Report to the best of our knowledge and in good faith.

In view of the latest enhancement to the sustainability reporting regime announced by the SGX-ST on September 23, 2024, the Company will continue to work towards greater maturity of its climate-related disclosures by incorporating climate-related requirements in the International Financial Reporting Standards ("**IFRS**") Sustainability Disclosure Standards issued by the International Sustainability Standards Board ("**ISSB**") by the Financial Year ending June 30, 2026.

To identify and prioritise key ESG issues, we actively engage with stakeholders through consultations, surveys, and feedback mechanisms. This collaborative approach enables us to align our sustainability initiatives with their expectations and concerns.

### 1.6 Assurance

Internal data monitoring and verification have been used to ensure the accuracy of this Report. The Board has reviewed it internally, and no external assurance was sought for this reporting year. The Report aims to give readers a high-level understanding of the group's ESG practices and policies. We may consider external independent assurance for future sustainability reports.

### 1.7 Feedback

We welcome and value your feedback on the content of this Report and encourage you to contact us via email at [sustainability@kodald.com](mailto:sustainability@kodald.com)

This Report is provided in PDF format only and is available for download on the following page of our website: [www.kodaonline.com/announcements/sustainability](http://www.kodaonline.com/announcements/sustainability)

# SUSTAINABILITY REPORT


## 2. Our ESG Approach

### 2.1 Alignment with International Initiatives




#### 2.1.1 Sustainable Development Goals

The General Assembly, established in 1945 under the Charter of the United Nations ("UN"), is pivotal as the United Nations' principal deliberative, policymaking, and representative entity. It brings together all 193 UN members to offer a singular forum for multilateral discussion of the full range of global issues covered by the Charter. Furthermore, it plays a crucial part in the standard-setting and codification of international law processes.

The United Nations General Assembly adopted the 17 Sustainable Development Goals ("SDGs") on September 25, 2015, establishing a new sustainable development agenda to eradicate poverty, protect the environment, and ensure prosperity for all. Specific objectives accompany each goal over the next 15 years. While the SDGs primarily target governments, they also present a valuable opportunity for businesses to contribute to a more sustainable society. At Koda, the SDGs are a guiding framework for our environmental initiatives. As we advance our sustainability efforts, we continue to assess our alignment with the SDGs and, where necessary, realign our internal objectives and sustainability strategies to address these global targets more effectively.

SDGs	Relevant Targets to Our Businesses	Our Participation
	6.1: By 2030, achieve universal and equitable access to safe and affordable drinking water.	We are committed to reducing our water consumption and monitoring and reporting our water usage to encourage responsible water consumption and the protection of water sources.
	8.8: Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular, women migrants, and those in precarious employment.	We are committed to enhancing employee satisfaction and retention while reducing the lost-time injury rate.
	10.2: By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or financial or other status.	We aim to foster a work environment that promotes fairness, equality, and respect for social and cultural diversity for all employees, regardless of gender, age, race, religion, ethnicity, or nationality. Therefore, we ensure equal recruitment opportunities, fair compensation, career progression, and employee training access.
	12.4: By 2030, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, by agreed international frameworks, and significantly reduce their release to air, water, and soil to minimise their adverse impacts on human health and the environment.	Our environmental goals include minimising packaging waste, engaging with suppliers to reinforce the importance of social compliance, and demonstrating our commitment through concrete actions.

## SUSTAINABILITY REPORT

SDGs	Relevant Targets to Our Businesses	Our Participation
	13.3: Improve education, awareness-raising, and human and institutional capacity for climate change mitigation, adaptation, impact reduction, and early warning.	We have internally established procedures and environmental policies to reduce fuel and electricity consumption. Our approach to mitigating climate change risk includes staff training and implementing energy-efficient measures.
	15.1: By 2030, ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, particularly forests, wetlands, mountains and drylands, in line with obligations under international agreements.	We aim to increase the use of the Forest Stewardship Council (" <b>FSC</b> <sup>1</sup> "). Our products use certified and sustainably sourced timbers, ensuring they come from environmentally responsible sources. Additionally, our initiatives, such as adopting water-based finishing lines, recycling packaging materials, and installing solar panels, will reduce global warming and foster positive engagement within rural communities.
	<p>16.5: Substantially reduce corruption and bribery in all their forms.</p> <p>16.A: Ensure public access to information and protect fundamental freedoms per national legislation and international agreements.</p>	<p>We have an established risk management, internal control system, and whistle-blowing policy to foster a culture of compliance, integrity, and accountability.</p> <p>Additionally, we are committed to enhancing our cybersecurity measures, complying with data protection regulations, conducting regular audits, and implementing a robust data privacy policy.</p>

### 2.1.2 United Nations Global Compact

The United Nations Global Compact ("**UNGC**") is a United Nations initiative that promotes the worldwide adoption of sustainable and socially responsible practices and encourages businesses to report on their progress. The UNGC provides a principle-based framework through its ten principles, which focus on human rights, labour standards, environmental protection, and anti-corruption efforts. Below, we outline how our Report aligns with these ten principles of the UNGC.

<sup>1</sup> FSC is a global certification system for forests and forest products where it ensures that products come from responsibly managed forests that provide environmental, social, and economic benefits.

## SUSTAINABILITY REPORT

Principle		Report Section
<b>Human Rights</b>		
Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights.	6.2.1, 6.5
Principle 2	Make sure that they are not complicit in human rights abuses.	6.2.1, 6.5
<b>Labour</b>		
Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	6.2.1
Principle 4	Elimination of all forms of forced and compulsory labour.	6.2.1, 6.5
Principle 5	Effective abolition of child labour.	5.7, 6.2.1
Principle 6	Elimination of discrimination concerning employment and occupation.	6.2, 6.4, 6.5
<b>Environment</b>		
Principle 7	Businesses should support a precautionary approach to environmental challenges.	5.2 to 5.9
Principle 8	Undertake initiatives to promote greater environmental responsibility.	5.2 to 5.9
Principle 9	Encourage the development and diffusion of environmentally friendly technologies.	5.2 to 5.6, 5.8, 5.9
<b>Anti-Corruption</b>		
Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery.	7.2, 7.3

## 2.2 Stakeholder Engagement

Koda actively engages with diverse stakeholders, including employees, customers, suppliers, regulatory bodies, future generation and the community.

To ensure that our efforts address the most significant issues affecting the economy, society, and the environment and align with our stakeholders' priorities, we have thoroughly reviewed our material topics in FY2025. These topics were assessed based on industry-standard criteria, benchmarking against similar companies, internal and external stakeholders' feedback, and management insights.

Koda recognises the importance of engaging with stakeholders to propel our ESG efforts forward. We aim to better understand stakeholders' needs, expectations, and concerns through transparent and accessible communication channels. This approach has been pivotal in nurturing trust and cultivating positive relationships with our stakeholders.

The following table highlights our key stakeholders, their key concerns, and the mode and frequency of engagement. These interactions are instrumental for our Group, providing invaluable insights into stakeholders' viewpoints, identifying potential risks and opportunities, and facilitating informed decision-making and accountability processes.

## SUSTAINABILITY REPORT

S/N	Identified Stakeholder	Relationship with Stakeholders	Means of Engagement	Frequency
1	Employees	Koda aspires to be a company where every employee experiences fulfilment and ongoing growth through their professional responsibilities. To cultivate this culture, we actively promote and facilitate two-way communication.	<ul style="list-style-type: none"> <li>■ Topics and matters related to sustainability were discussed during the board meetings</li> <li>■ Periodic briefing about the latest happenings in the sustainability field</li> <li>■ Performance reviews</li> <li>■ Training and courses</li> <li>■ Workplace health and safety activities</li> <li>■ Whistle-blowing mechanism</li> <li>■ Policies and procedures</li> </ul>	<ul style="list-style-type: none"> <li>■ As and when</li> <li>■ Employee Handbook</li> <li>■ Notices</li> </ul>
2	Customers	Through regular communication, Koda aims to understand customer needs early in the product planning, development, and design phases. We seek to build long-term trusting relationships with our customers by addressing customer issues and responding to their needs.	<ul style="list-style-type: none"> <li>■ Website and social media channels</li> <li>■ Face-to-face interactions</li> <li>■ Emails and phone conversations</li> <li>■ Feedback channels</li> <li>■ Marketing and advertising campaigns</li> </ul>	<ul style="list-style-type: none"> <li>■ As and when</li> </ul>
3	Suppliers	Koda prioritises communication that fosters mutually trusting relationships with our suppliers, enabling both parties to thrive and succeed. We build trust by engaging them sincerely and fairly, while adhering to legal and regulatory standards and upholding social ethics.	<ul style="list-style-type: none"> <li>■ Meetings, emails and phone conversations</li> <li>■ Vendor briefings</li> <li>■ Purchase agreements</li> <li>■ Performance reviews</li> </ul>	<ul style="list-style-type: none"> <li>■ As and when</li> </ul>



## SUSTAINABILITY REPORT

S/N	Identified Stakeholder	Relationship with Stakeholders	Means of Engagement	Frequency
4	Government & Regulators	Koda prioritises transparent and open communication to ensure our business practices align with government expectations and regulatory requirements. Koda seeks to contribute positively to regulatory frameworks and support environmental policy objectives, ultimately enhancing our ability to operate sustainably and responsibly within the regulatory environment.	<ul style="list-style-type: none"> <li>■ Meetings, emails, and phone conversations</li> <li>■ Industry networking functions</li> <li>■ Annual and sustainability reports</li> </ul>	<ul style="list-style-type: none"> <li>■ As and when</li> <li>■ At least once a year</li> </ul>
5	Future Generation	Koda is committed to building a positive and sustainable relationship with future generations. We recognise that our actions today will shape the world that future generations will inherit. To ensure that we contribute to a better future, Koda is dedicated to implementing environmentally and socially responsible practices across all operations.	<ul style="list-style-type: none"> <li>■ Website and social media channels</li> <li>■ Annual and sustainability reports</li> <li>■ Community involvement activities</li> </ul>	<ul style="list-style-type: none"> <li>■ As and when</li> <li>■ At least once a year</li> </ul>
6	Community	Koda endeavours to establish strong, trusting relationships with the local community through various forms of communication. This involves gaining their understanding of Koda's business and initiatives by actively participating in activities aimed at addressing material issues.		

## SUSTAINABILITY REPORT

### 2.3 Materiality

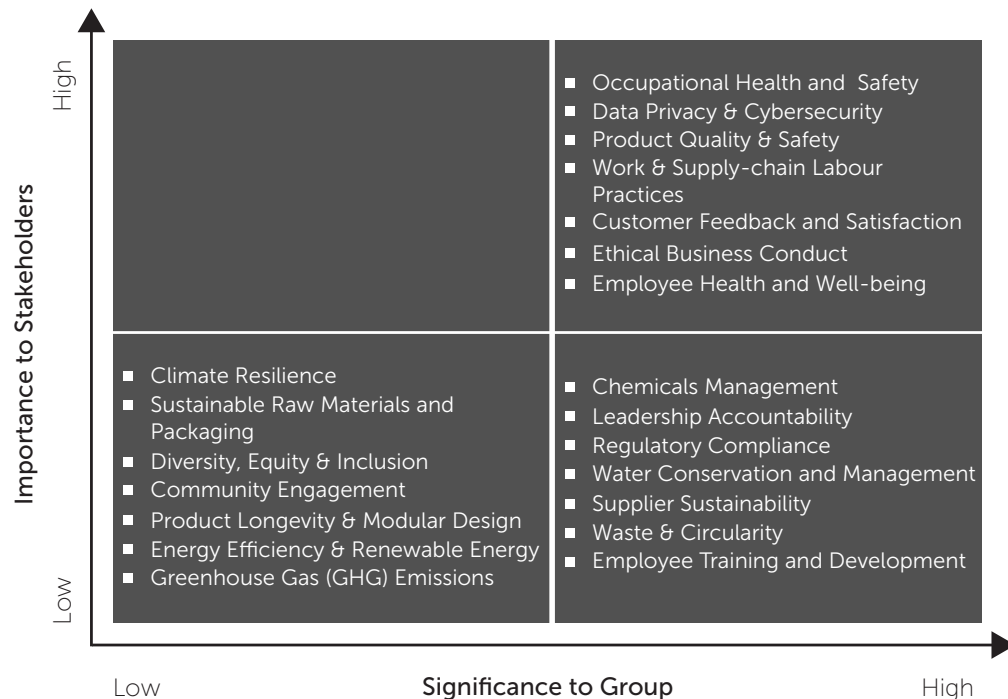
#### 2.3.1 Materiality Assessment Process

In line with our dedication to sustainability reporting, we have undertaken a materiality assessment in FY2025 to pinpoint the key sustainability concerns impacting our operations and stakeholders. This comprehensive assessment drew upon internal and external stakeholder feedback, internal data analysis, and comparisons with industry benchmarks and leading practices. The internal and external stakeholder engagement was carried out through online surveys, allowing Koda to gather valuable insights from employees, customers, and vendors. This approach enabled us to assess their expectations, concerns, and feedback on our services and ESG initiatives.

Utilising a materiality matrix, we evaluated and ranked the issues based on their potential impact on our business and stakeholders and their importance to them. The result of this process is a list of material factors disclosed in this Report.









By the guidance provided by the 2021 GRI Standards, we have identified the following aspects of material significance to the Group:












## SUSTAINABILITY REPORT

### 2.3.2 Material Topics

We meticulously evaluated and prioritised these sustainability issues based on their potential effects on our business and stakeholders and their significance to them. Below is a table delineating the Material Topics pertinent to FY2025 and their alignment with the UN SDGs.

Material Topic	Impact	SDG Linkages
<b>Environment</b>		
Greenhouse Gas ("GHG") Emissions Management	Failure to manage emissions effectively can lead to air pollution, climate change, regulatory non-compliance, financial penalties, and reputational damage. High GHG emissions also contribute to climate change, making the Group a target for criticism from stakeholders and environmentally conscious clients.	
Energy Management	Inefficient energy use increases operational costs and carbon emissions, negatively affecting profitability and environmental sustainability. A lack of energy management strategies could result in resource wastage and vulnerabilities to fluctuating energy prices or supply disruptions.	
Waste Management	If waste is not managed correctly, Koda may face higher disposal costs, fines from local authorities, and operational restrictions due to non-compliance with environmental regulations.	
Water Management	Inadequate water management can lead to water pollution, resource scarcity, increased operational costs, and environmental degradation. Poor wastewater treatment or high-water usage could harm local ecosystems and damage relationships with communities and regulators.	
Process Sustainability	Failure to improve resource efficiency in manufacturing processes can lead to increased operating costs, reduced competitiveness, and vulnerability to carbon pricing or energy price volatility. Over time, this may erode margins and limit market access where customers and regulators demand low-carbon, environmentally responsible production.	
Supplier Sustainability	Neglecting to manage sustainability risks in the supply chain exposes Koda to reputational damage, supply disruptions, and loss of business from major customers that require ethical sourcing. Without robust supplier oversight, issues such as illegal logging, unsafe chemical use, or human rights violations may go undetected, leading to regulatory or buyer sanctions.	

## SUSTAINABILITY REPORT

Material Topic	Impact	SDG Linkages
<b>Social</b>		
Occupational Health and Safety & Employee Health and Well-Being	Neglecting employee health and safety can lead to higher rates of accidents, illnesses, and occupational diseases, reducing workforce productivity and morale. Employees may also feel unsafe and undervalued, leading to dissatisfaction, absenteeism, and higher attrition rates.	
Product Quality and Safety	Product quality and safety compromises can result in customer complaints, product recalls, or injury claims. This impacts brand trust and may lead to legal liabilities and the loss of long-term business relationships.	
Work and Supply-Chain Labour Practices	Ignoring labour rights within Koda's operations and supply chain can result in audit failures, factory shutdowns, and public scrutiny. Poor practices may lead to exclusion from preferred supplier lists or legal action under human rights regulations.	
Customer Feedback and Satisfaction	Subpar product and service quality standards could result in defective products, regulatory non-compliance, recalls, and customer dissatisfaction. These issues can harm Koda's reputation, reduce market share, and lead to significant financial losses.	
Training and Development	A lack of employee training can result in skill gaps, lower productivity, fewer development opportunities, and reduced innovation. Employees may struggle to adapt to new technologies or sustainability practices, leading to inefficiencies and reduced competitiveness.	
Diversity, Equity, and Inclusion	Failure to embrace diversity can limit access to talent, stifle innovation, and foster a non-inclusive workplace culture. This could result in discrimination, reputational damage, and difficulty retaining and engaging employees.	
<b>Governance</b>		
Regulatory Compliance	Non-compliance with environmental, safety, labour, and product regulations in Koda's operating and export markets can result in legal penalties, product bans, reputational damage, and operational disruptions. As regulatory scrutiny intensifies globally, especially around deforestation and emissions, failure to comply can jeopardise market access.	
Corporate Governance	Weak corporate governance may result in poor risk oversight, unethical practices, and stakeholder mistrust. Inadequate governance structures can compromise strategic decisions, increase the risk of fraud or non-compliance, and erode investor confidence.	
Cyber Security and Data Privacy	Compromised personal, financial, or medical data can lead to identity theft, fraud, and exposure of confidential business information. Clients and partners may lose confidence in Koda's ability to safeguard sensitive information, leading to a loss of business.	

## SUSTAINABILITY REPORT

### 3. Our Strategic ESG Targets

The Group's sustainability is integral to our business strategy. We strive to create long-term value for our stakeholders while contributing to a healthier, more sustainable future. Our commitment to economic sustainability, environmental stewardship, social responsibility, and strong governance practices guides our ambition. We aim to integrate sustainable principles into our operations, ensuring our business growth aligns with ethical and responsible corporate practices.

Please refer to the table below for our targets across various categories:

S/N	Performance Indicators	FY2025	Targets for FY2030
1	GHG Emission Intensity	122.52 tCO <sub>2</sub> e/US\$1 Million Revenue	65.20 tCO <sub>2</sub> e/US\$1 Million Revenue
2	Fuel Consumption Intensity	2,511.63 Litre/US\$1 Million Revenue	1,212.75 Litre/US\$1 Million Revenue
3	Electricity Consumption Intensity	139.64 MWh/US\$1 Million Revenue	85.85 MWh/US\$1 Million Revenue
4	Waste Generated Intensity	20.37 Tonnes (t)/US\$1 Million Revenue	14.34 Tonnes (t)/US\$1 Million Revenue
5	Water Consumption Intensity	1,319.69 Cubic Meters (m <sup>3</sup> )/US\$1 Million Revenue	1,004.90 Cubic Meters (m <sup>3</sup> )/US\$1 Million Revenue
6	Employee Turnover Rate	25.3%	29.6%
7	Recordable Injuries	21 Cases	18 Cases
8	Reported Incidents of Non-Compliance	Zero instances of non-compliance cases	To maintain zero instances of non-compliance cases
9	Reported Incidents of Bribery and Corruption	Zero instances of bribery and corruption cases	To maintain zero instances of bribery and corruption cases
10	Reported Incidents of Data Breach	Zero instances of data breach incidents	To maintain zero cases of data breach incidents



## SUSTAINABILITY REPORT

### 4. Economic Sustainability

#### 4.1 Economic Performance

At Koda, economic sustainability is fundamental to our long-term success and resilience as a leading Original Design Manufacturer in the global furniture industry. We are committed to delivering enduring value to our stakeholders by maintaining strong financial performance, embracing innovation, and adapting to market demands. By investing in high-quality design, responsible sourcing, and efficient manufacturing operations across our facilities in Vietnam and Malaysia, we aim to strengthen our competitive advantage while supporting inclusive economic growth. Our focus on sustainable business practices ensures we remain agile amidst global uncertainties, drive profitable growth, and contribute positively to the broader economy.

Performance Indicator	Unit	FY2025	FY2024	FY2023
Revenue	US\$1 Million	52.73	45.60	43.78
Profit/(Loss) after income tax for the financial year	US\$1 Million	0.58	(4.60)	(2.90)

Koda continues to demonstrate resilience in navigating a challenging business environment, with steady improvements in revenue performance over the past three financial years. In FY2025, the Group recorded revenue of approximately US\$52.73 million, reflecting an increase from approximately US\$45.60 million and US\$43.78 million in FY2024 and FY2023 respectively. This consistent upward trend underscores the effectiveness of our strategic initiatives and our ability to strengthen market presence despite external headwinds.

The Group achieved a significant turnaround in FY2025, recording a profit after income tax of US\$0.58 million, compared to losses of approximately US\$4.60 million and US\$2.90 million in FY2024 and FY2023 respectively. This positive outcome underscores the effectiveness of our continued emphasis on operational efficiency, disciplined cost management, and strategic initiatives to strengthen profitability.

Koda remains committed to building long-term economic sustainability and aligning business growth with our broader sustainability objectives. For more information on the Group's financial and business information, please refer to the Statement of Executive Chairman and CEO.

#### 4.2 Green Deposit

Koda participated in the United Overseas Bank ("UOB") Green and Sustainable Deposits solution, a strategic step that aligns our financial practices with our commitment to sustainability. This initiative allows us to place our deposits of US\$1.2 million in a solution that directly supports projects with positive environmental and social impacts. These deposits offer multiple benefits that align with Koda's ESG objectives:

- **Supporting Sustainable Development:** Funds placed in Green Term Deposits are earmarked for financing projects aligned with the UN SDGs, including green buildings, renewable energy, and environmental conservation initiatives. By directing capital towards sustainable financing, Koda actively contributes to the global transition to a low-carbon economy.
- **Enhancing ESG Performance and Corporate Reputation:** Investing in sustainable financial products strengthens Koda's ESG credentials and demonstrates our leadership in responsible investment. Additionally, aligning with green finance initiatives enhances stakeholder trust, reinforcing Koda's commitment to environmental and social responsibility.

## SUSTAINABILITY REPORT

- **Financial Returns with Positive Environmental Impact:** Green Term Deposits offer competitive financial returns while ensuring funds are allocated to sustainability-linked projects. Through annual allocation and impact reporting, Koda gains transparency on how its investments support sustainability objectives.
- **Aligning with Regulatory and Industry Best Practices:** Green Term Deposits comply with globally recognised sustainable finance frameworks, such as the Loan Market Association's Green Loan Principles. Supporting sustainability-linked financial products enables Koda to stay ahead of regulatory expectations and industry trends.

By choosing this sustainable deposit option, we contribute to the broader agenda of driving sustainable economic growth and environmental stewardship. This participation reflects our dedication to responsible investing and reinforces our credibility as a Company prioritising sustainability in all facets of our operations.

### 4.3 Financial Assistance

In FY2025, Koda received financial assistance from government sources, which included tax cash rebates, tax relief, and tax credits, as well as subsidies and grants from Enterprise Singapore. These forms of support contributed to strengthening the Group's financial position and enhancing its ability to invest in operational improvements and sustainable growth initiatives. The specifics of this financial support are detailed below:

Financial Support	Unit	FY2025	FY2024	FY2023
Financial assistance received from the government	US\$1 Million	0.12	0.04	0.60

## 5. Environmental Sustainability

### 5.1 Our Approach, Performance, and Targets

At Koda, environmental sustainability is a core priority in our operations and aligns with our commitment to responsibly using natural resources, including sustainably sourced wood. We aim to preserve forests, protect biodiversity, and fulfil the increasing consumer demand for environmentally conscious products by adopting eco-friendly practices. These efforts support environmental conservation and strengthen our brand reputation and competitive edge in the market.

Koda's sustainability strategy took a significant leap forward in 2019 when we participated in a 12-month scale-up programme organised by Enterprise Singapore. This initiative pushed us to reassess our sustainability practices, critically analyse our operations, and establish a comprehensive roadmap for the future. Our sustainability roadmap outlines a clear direction, focusing on short, medium, and long-term objectives to improve sustainable practices and attract eco-conscious customers.

Understanding our responsibility to future generations, Koda actively seeks innovative approaches to minimise the environmental impact of our operations while maintaining the highest quality standards. These impacts span across manufacturing, retail, warehousing, and corporate offices. We have implemented targeted strategies, procedures, and performance metrics for each area to mitigate environmental effects efficiently and effectively.

To ensure measurable progress, we have adopted robust performance indicators to monitor the success of our sustainability efforts. The following sections of this Report will detail specific initiatives and their outcomes, demonstrating meaningful contributions to environmental conservation.

## SUSTAINABILITY REPORT

By embedding sustainability at the core of our business practices, Koda fosters a greener future for our stakeholders and the planet we all share.

We measure the intensity of Greenhouse Gas ("**GHG**") emissions, energy consumption, waste generated, and water consumption using the following metrics: tCO<sub>2</sub>e per US\$1 Million Revenue, MWh per US\$1 Million Revenue, Tons per US\$1 Million Revenue, Cubic Meters per US\$1 Million Revenue, and Kilograms per US\$1 Million Revenue, respectively. The intensity values are relative and derived by dividing the absolute value by the revenue.

Our target is to reduce each of these intensity metrics by 10% by FY2030 from the FY2022 level, and it is shown as follows:

Environmental Targets	Unit	FY2022 (Base Year)	FY2025 (Current Year)	FY2030 (Target Year)
GHG Emission Intensity	tCO <sub>2</sub> e/US\$1 Million Revenue	72.44	122.51	65.20
<b>Energy Consumption</b>				
Fuel Consumption Intensity	Litre/US\$1 Million Revenue	1,347.50	2,511.63	1,212.75
Electricity Consumption Intensity	MWh/US\$1 Million Revenue	95.39	139.64	85.85
<b>Waste Generated</b>				
Waste Intensity	Tonnes (t)/US\$1 Million Revenue	15.94	20.38	14.34
<b>Water Consumption</b>				
Water Intensity	Cubic Meters (m <sup>3</sup> )/US\$1 Million Revenue	1,116.56	1,319.69	1,004.90

### 5.2 Carbon Footprint Reduction

As the urgency of global environmental issues escalates and the impacts of climate change become increasingly evident, industries are under heightened pressure to reduce their carbon emissions. At the twenty-first session of the Conference of the Parties ("**COP 21**") in Paris, Singapore pledged its support to the Paris Agreement, a legally binding international accord aimed at limiting the global temperature increase to well below 2°C, while pursuing efforts to cap it at 1.5°C above pre-industrial levels. The agreement also seeks to strengthen national capacities to address climate-related impacts and to redirect financial flows towards low-carbon, climate-resilient development.

Aligned with Singapore's commitment to the Paris Agreement, Koda is taking active steps to lower its energy and fuel usage while increasing the adoption of renewable energy sources. These efforts reflect our broader dedication to global climate action. We recognise that minimising our carbon footprint is critical to combating climate change by curbing greenhouse gas ("**GHG**") emissions, key contributors to global warming and environmental degradation.

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Koda tracks its carbon footprint by measuring GHG emissions, expressed in carbon dioxide equivalents ("CO<sub>2</sub>e"). These emissions are primarily categorised into Scope 1 (direct emissions) and Scope 2 (indirect emissions from energy use). By systematically monitoring and reporting our carbon emissions, we are better positioned to identify reduction opportunities and drive meaningful progress in our decarbonisation journey.

The following is our GHG emission<sup>2</sup> profile:

GHG Emission	Unit	FY2025	FY2024	FY2023
Total GHG Emission	tCO <sub>2</sub> e	6,460.15	4,973.53	4,390.18
<b>GHG Scope-wise Emissions</b>				
GHG Scope 1	tCO <sub>2</sub> e	1,346.53	300.67	264.82
GHG Scope 2	tCO <sub>2</sub> e	5,113.62	4,672.86	4,125.36
<b>Percentage (%)</b>				
GHG Scope 1	Proportion	20.8%	6.0%	6.0%
GHG Scope 2	Proportion	79.2%	94.0%	94.0%
<b>Intensity</b>				
GHG Emission Intensity	tCO <sub>2</sub> e/US\$1 Million Revenue	122.52	109.07	100.27
<b>GHG Scope-wise Intensity</b>				
GHG Scope 1	tCO <sub>2</sub> e/US\$1 Million Revenue	25.54	6.59	6.05
GHG Scope 2	tCO <sub>2</sub> e/US\$1 Million Revenue	96.98	102.48	94.22

Koda remains committed to reducing its carbon footprint and improving energy efficiency across its operations. Over the past three financial years, we have tracked and reported our GHG emissions to better understand our impact and identify opportunities for reduction.

In FY2025, Koda recorded a GHG emission intensity of 122.52 tCO<sub>2</sub>e per US\$1 million revenue, compared to 109.07 tCO<sub>2</sub>e in FY2024 and 100.27 tCO<sub>2</sub>e in FY2023. This increase in emission intensity was primarily due to higher production activities in FY2025, which contributed to greater absolute energy consumption and related emissions.

Breaking this down by scope, Scope 1 emissions rose to 25.54 tCO<sub>2</sub>e per US\$1 million revenue in FY2025 (from 6.59 tCO<sub>2</sub>e in FY2024 and 6.05 tCO<sub>2</sub>e in FY2023), largely attributable to increased fuel usage in production processes. Meanwhile, Scope 2 emissions, which reflect purchased electricity, stood at 96.98 tCO<sub>2</sub>e per US\$1 million revenue in FY2025, a slight decrease from 102.48 tCO<sub>2</sub>e in FY2024, though higher than 94.22 tCO<sub>2</sub>e in FY2023.

<sup>2</sup> In calculating GHG emissions, GHG protocol Guidance and Reporting Standard has been followed. The emission factors used are taken from GHG Emission factor Hub, World Resource Institute Data Base and IGES emission factor list.

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Despite the temporary increase in intensity due to production growth, Koda continues to implement initiatives aimed at long-term emission reduction. For instance, Koda Saigon has installed solar panels to reduce its electricity consumption from non-renewable energy sources. We are also enhancing process efficiency, improving equipment maintenance, and exploring further renewable energy opportunities to reduce reliance on non-renewable sources.

Looking ahead, Koda will continue to prioritise carbon reduction strategies, balancing growth with environmental responsibility, and working towards progressively lowering our GHG emissions intensity in line with global climate goals.

We are currently improving our data collection processes to expand our reporting scope and include other indirect GHG emissions (Scope 3) in the future. This effort aims to provide a more comprehensive view of the Group's total GHG emissions by accounting for indirect emissions across the entire value chain, beyond our direct operations.

### 5.3 Energy Consumption and Management

At Koda, we closely monitor the fuel and electricity consumption related to our vehicles and equipment. We are dedicated to consistently tracking energy usage and emissions across our various sites. This continuous oversight enables us to identify areas for improvement and implement initiatives to enhance overall operational efficiency.

We have determined that Koda Saigon has the highest fuel consumption, while our manufacturing sites in Koda Woodcraft and Koda Saigon use the most energy. Our Company vehicles run on petrol or diesel, while equipment runs primarily on diesel. In our office, warehouse, and store, electricity is used for lighting, air conditioning, and operating equipment.

Total Energy Consumption:

Fuel Consumption	Unit	FY2025	FY2024	FY2023
Total Fuel Consumption	Litre	132,438.37	112,371.74	99,985.48
Total Electricity Consumption	MWh	7,363.28	6,889.25	6,173.50
<b>Total Consumption</b>				
Diesel	Litre	127,428.26	105,152.84	84,839.82
Petrol	Litre	5,010.11	7,218.90	15,145.66
Electricity (Inside Organisation)	MWh	7,363.28	6,889.25	6,173.50
<b>Percentage (%)</b>				
Diesel	Proportion	96.2%	93.6%	84.9%
Petrol	Proportion	3.8%	6.4%	15.1%
Electricity (Inside Organisation)	Proportion	100.0%	100.0%	100.0%



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Fuel Consumption	Unit	FY2025	FY2024	FY2023
<b>Intensity</b>				
Fuel Consumption Intensity	Litre/US\$1 Million Revenue	2,511.63	2,464.46	2,283.75
Electricity Consumption Intensity	MWh/US\$1 Million Revenue	139.64	151.09	141.01
<b>Consumption Type</b>				
Diesel	Litre/US\$1 Million Revenue	2,416.62	2,306.14	1,937.81
Petrol	Litre/US\$1 Million Revenue	95.01	158.32	345.94

In FY2025, Koda reported a total fuel consumption intensity of 2,511.63 litres per US\$1 million revenue, a slight increase compared to 2,464.46 litres in FY2024 and 2,283.75 litres in FY2023. The fluctuation in fuel intensity is closely linked to changes in production activity, with the increase in FY2025 reflecting greater operational output.

Breaking this down, diesel intensity rose to 2,416.62 litres per US\$1 million revenue in FY2025, compared to 2,306.14 litres in FY2024 and 1,937.81 litres in FY2023, in line with higher production-related fuel use. In contrast, petrol intensity continued to decline, recording 95.01 litres per US\$1 million revenue in FY2025, down from 158.32 litres in FY2024 and a significant reduction from 345.94 litres in FY2023. This reduction demonstrates ongoing efficiency improvements and a gradual shift away from petrol usage.

In FY2025, the Group's electricity consumption intensity improved to 139.64 MWh per US\$1 million revenue, compared to 151.09 MWh in FY2024 and 141.01 MWh in FY2023. Correspondingly, the proportion of GHG emissions under Scope 2, which are primarily associated with purchased electricity, also decreased significantly. Scope 2 emissions accounted for 79.2% of total emissions in FY2025, down from 94.0% in FY2024 and 94.0% in FY2023.

This reflects the Group's ongoing initiatives to optimise production processes and enhance operational efficiency. For example, Koda Saigon has taken a significant step towards reducing its energy consumption through the installation of solar panels at its factory. Following successful testing in February 2025, the system has been fully operational and currently supplies approximately 60,000kWh to 70,000 kWh of clean energy each month, accounting for around 20% of the factory's total electricity consumption. While further expansion is constrained by infrastructure suitability factors, Koda Saigon continues to explore opportunities to enhance its renewable energy adoption. The Company remains committed to strengthening its sustainability practices and, given favourable conditions, will revisit future projects aimed at increasing solar capacity to support a greater share of the factory's energy needs.

Additionally, Koda has adopted advanced quality and compliance software to further reduce its environmental footprint and optimise its manufacturing processes. This software detects defects early in production, significantly reducing the need for energy-intensive rework and preventing material waste. By maintaining higher levels of production efficiency, we lower overall energy consumption, which directly contributes to reduced GHG emissions.

## SUSTAINABILITY REPORT

Koda recognises that sustainable change starts with informed individuals. Through ongoing educational initiatives, we aim to increase employee awareness around energy conservation and its environmental benefits. Practices promoted include turning off lights and air conditioning when not required, setting thermostats no lower than 23°C, using energy-efficient appliances, and eliminating unnecessary energy use. By fostering a culture of environmental responsibility, we strive to inspire energy-efficient behaviours that lead to considerable reductions in GHG emissions.

These initiatives are a part of Koda's dedication to implementing sustainable practices, driving innovation, and championing environmental stewardship as we work towards a greener future.

### 5.4 Waste Management

At Koda, sustainability is at the heart of everything we do. We are redefining how furniture is made and used by championing responsible production and resource efficiency. Through innovative waste management strategies, we work to minimise waste generation, recycle materials wherever possible, and ensure the eco-friendly disposal of waste.

We are re-thinking our product design and are gradually bringing the modular design to our new products, allowing our furniture parts to be interchangeable and replaceable. This means customers can swap out broken or worn components instead of discarding an entire piece, drastically extending the lifespan of our products. Not only does this reduce waste, but vital resources are conserved as fewer raw materials are needed for replacement parts than for creating entirely new furniture.

Thanks to our cutting-edge quality and compliance software, we catch and address defects early in production. This ensures that only top-quality pieces move through our production line, reducing the need for rework while keeping scrap material to a minimum. These innovations help us conserve resources and limit environmental impact, cementing our commitment to greener manufacturing.

Our facilities produce both hazardous and non-hazardous waste. Non-hazardous waste, like wood and packaging, forms a significant portion of our output, while hazardous waste includes solvents, paints, and chemical containers. Every bit of waste we generate is managed responsibly through certified vendors, adhering to the highest regulatory standards and best practices. We actively monitor our waste generation, measured in tonnes, to stay accountable and transparent.

Koda is reimagining sustainability as a priority and an opportunity for innovation. By transforming production processes, optimising resource use, and designing for longevity, we are building a greener future, one piece of furniture at a time.

Total Waste Generated:

Waste Generated	Unit	FY2025	FY2024	FY2023
Total Waste Generated	Tonnes	1,074.38	905.88	959.34
Waste Type				
Hazardous	Tonnes	20.39	19.71	19.13
Non-Hazardous waste	Tonnes	1,053.99	886.17	940.21

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Waste Generated	Unit	FY2025	FY2024	FY2023
<b>Percentage (%)</b>				
Hazardous	Proportion	1.9%	2.2%	2.0%
Non-Hazardous waste	Proportion	98.1%	97.8%	98.0%
<b>Recyclable Type</b>				
Recyclable	Tonnes	645.99	474.71	518.73
Non-Recyclable	Tonnes	428.39	431.17	440.61
<b>Percentage (%)</b>				
Recyclable	Proportion	60.1%	52.4%	54.1%
Non-Recyclable	Proportion	39.9%	47.6%	45.9%
<b>Intensity</b>				
Waste Intensity	Tonnes/US\$1 Million Revenue	20.37	19.87	21.91
<b>Hazardous Type</b>				
Hazardous	Tonnes/US\$1 Million Revenue	0.39	0.43	0.44
Non-Hazardous	Tonnes/US\$1 Million Revenue	19.99	19.44	21.47
<b>Recyclable</b>				
Recyclable	Tonnes/US\$1 Million Revenue	12.25	10.41	11.84
Non-Recyclable	Tonnes/US\$1 Million Revenue	8.12	9.46	10.06

In FY2025, Koda generated a total of 1,074.38 tonnes of waste, compared to 905.88 tonnes in FY2024 and 959.34 tonnes in FY2023. The increase in overall waste is primarily attributed to higher production volumes during the year. Importantly, the majority of this increase came from non-hazardous waste, which accounted for 1,053.99 tonnes or 98.1% of total waste. Hazardous waste, on the other hand, remained minimal at 20.37 tonnes, representing only 1.9% of the total, in line with prior years.

When measured against revenue, Koda recorded a non-hazardous waste intensity of 19.99 tonnes per US\$1 million revenue in FY2025, compared to 19.44 tonnes in FY2024 and 21.47 tonnes in FY2023. Hazardous waste remained very minimal at 0.39 tonnes per US\$1 million revenue, continuing to reflect the Group's efforts to reduce hazardous materials in its operations.

In terms of recyclability, recyclable waste intensity increased to 12.25 tonnes per US\$1 million revenue in FY2025, up from 10.41 tonnes in FY2024 and 11.84 tonnes in FY2023. Non-recyclable waste intensity, on the other hand, decreased to 8.12 tonnes in FY2025, from 9.46 tonnes in FY2024 and 10.06 tonnes in FY2023, indicating progress in diverting more materials towards recycling.

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Breakdown of Waste Disposal Methods:

Waste Generated	Unit	FY2025	FY2024	FY2023
<b>Hazardous Waste</b>				
Sent for Offsite Recycle	Tonnes	4.94	4.08	3.36
Other Recovery	Tonnes	1.05	1.23	1.37
Other Disposal Methods <sup>3</sup>	Tonnes	14.40	14.40	14.40
<b>Percentage (%)</b>				
Recyclable	Proportion	24.2%	20.7%	17.6%
Other Recovery	Proportion	5.1%	6.2%	7.2%
Other Disposal Methods	Proportion	70.7%	73.1%	75.3%
<b>Non-hazardous Waste</b>				
Sent for Offsite Recycle	Tonnes	554.00	373.40	424.00
Other Recovery	Tonnes	86.00	96.00	90.00
Offsite Landfilling	Tonnes	413.99	416.77	426.21
<b>Percentage (%)</b>				
Sent for Offsite Recycle	Proportion	52.5%	42.1%	45.1%
Other Recovery	Proportion	8.2%	10.8%	9.6%
Offsite Landfilling	Proportion	39.3%	47.1%	45.3%

Koda demonstrates a consistent approach to managing both hazardous and non-hazardous waste. For hazardous waste, the majority continues to be disposed of through other disposal methods, accounting for 70.7% in FY2025, a slight decline from 73.1% in FY2024 and 75.3% in FY2023. The proportion of hazardous waste sent for offsite recycling has steadily increased from 17.6% in FY2023 to 24.2% in FY2025, indicating a positive shift toward more sustainable disposal methods.

Similarly, non-hazardous waste shows a marked improvement in recycling efforts. The proportion of non-hazardous waste sent for offsite recycling rose significantly from 42.1% in FY2024 to 52.5% in FY2025. Meanwhile, reliance on off-site landfilling has decreased from 47.1% to 39.3% over the same period. These trends reflect Koda's continued efforts to enhance waste recovery and recycling practices while reducing dependence on landfill disposal.

<sup>3</sup> This waste shall be disposed through licensed recycling contractors or through final disposal with the sole licensed contractor as regulated by the government.

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At Koda, we understand that improper management of hazardous and non-hazardous waste can lead to severe environmental degradation. Mishandling hazardous materials endangers worker safety and threatens surrounding ecosystems through potential contamination. To mitigate these risks, we have established robust procedures to ensure hazardous waste is properly segregated and disposed of by local regulatory standards. For example, used chemical containers are handled exclusively by licensed waste management providers. As for non-hazardous waste like wood and sand dust, we continuously refine our cutting and finishing operations to reduce waste at the source. Additionally, we maintain regular cleaning schedules to optimise the performance of our dust collection system and keep emissions under control.

### 5.5 Water Conservation and Management

Koda acknowledges the importance of water conservation and management, as they are essential for the sustainable use of this critical resource, reducing operational costs, and minimising environmental impact. Our primary water usage areas encompass general cleaning and maintenance of facilities and equipment, cooling systems such as air conditioning and refrigeration units, and furniture manufacturing. Our water supply is entirely sourced from public utilities, with most usage occurring at our production sites in Malaysia and Vietnam. Water consumption is measured in cubic meters ( $\text{m}^3$ ), and our usage profile is detailed below.

Total Water Consumption:

Water Consumption	Unit	FY2025	FY2024	FY2023
Total Water Consumption	Cubic Meter ( $\text{m}^3$ )	69,587.10	78,255.30	77,505.30
Intensity				
Water Intensity	Cubic Meter/US\$1 Million Revenue	1,319.69	1,716.24	1,770.28

In FY2025, Koda's total water consumption was 69,587.10 $\text{m}^3$ , a reduction from 78,255.30  $\text{m}^3$  in FY2024 and 77,505.30  $\text{m}^3$  in FY2023. This decline reflects the Group's ongoing efforts to improve efficiency and minimise water dependency across its operations.

When measured against revenue, Koda's water intensity improved to 1,319.69  $\text{m}^3$  per US\$1 million revenue in FY2025, compared to 1,716.24  $\text{m}^3$ /US\$1 million revenue in FY2024 and 1,770.28  $\text{m}^3$ /US\$1 million revenue in FY2023. This consistent year-on-year improvement highlights enhanced operational efficiency, supported by both process optimisation and better alignment of production with resource use.

One of our key initiatives to strengthen water stewardship includes monitoring monthly water consumption and conducting routine inspections of our water supply systems to detect and repair leaks swiftly. This proactive approach helps minimise water wastage and ensures the reliability and efficiency of our infrastructure. We have placed instructional posters throughout our facilities to encourage water conservation. These visual reminders promote good practices among employees, such as switching off taps when not in use, promptly reporting leaks, and adopting water-efficient tools and techniques.

At Koda, treating wastewater from our paint spraying processes is also central to our environmental protection efforts. We operate a dedicated wastewater treatment system that effectively removes hazardous substances, preventing contamination of nearby water sources and ecosystems. This safeguards biodiversity and public health and ensures our adherence to environmental regulations, reinforcing our sustainability commitments.

Collectively, these measures demonstrate our dedication to responsible water management. Through consistent monitoring, effective treatment, and employee engagement, we aim to reduce our water footprint and advance our journey toward more sustainable operations.

## SUSTAINABILITY REPORT

### 5.6 Process Sustainability

As a responsible manufacturer, we ensure that all timber and materials used in our products are sourced legally and ethically. To this end, we have identified and excluded up to 20 timber species from our sourcing practices due to difficulties verifying their legality. None of the wood we use is classified as endangered or restricted under the Convention on International Trade in Endangered Species of Wild Fauna and Flora ("CITES"). Our primary timber sources, including Oak, Pine, Walnut, and Beech, are procured exclusively from low-risk countries with robust regulatory frameworks, such as the United States, the European Union, and New Zealand. Additional species like Rubberwood and Acacia are sourced locally in Vietnam from legally managed plantations and orchards, ensuring full compliance with forestry regulations and avoiding extraction from natural forests or protected areas.

Importantly, our manufacturing sites, Koda Saigon and Koda Woodcraft, are certified by the FSC. This certification affirms our commitment to responsible forest management and ethical sourcing across the entire value chain, from forest to end consumer. Using FSC-certified or FSC-controlled wood significantly minimises the risk of sourcing from unacceptable origins. The FSC label on our products communicates our dedication to protecting forest ecosystems and promoting sustainable forestry worldwide.

Our commitment to eco-friendly solutions extends to the 'LUSH' furniture collection, which uses strawboard as a sustainable wood alternative. Made from plant stems left over after wheat and rice harvests, this innovative material reduces reliance on timber. The collection also integrates other environmentally friendly components, including eco-foam derived from plant oils and recycled PET fabric, crafted from 100% post-consumer recycled polymer yarn of the highest quality.

The details of our use of packaging materials<sup>4</sup> are shared below.

Packaging Materials	Unit	FY2025	FY2024	FY2023
Total Packaging Materials	Tonnes	1,762.02	1,575.57	1,334.87
Non-Renewable Materials	Tonnes	13.32	15.15	6.76
Renewable Materials	Tonnes	1,748.70	1,560.42	1,328.11

In FY2025, Koda used 1,762.02 tonnes of packaging materials, reflecting an increase from 1,575.57 tonnes in FY2024 and 1,334.87 tonnes in FY2023 due to increased production. The majority of these materials were renewable, comprising 1,748.70 tonnes in FY2025 (approximately 99% of total packaging materials), an increase from 1,560.42 tonnes in FY2024 and 1,328.11 tonnes in FY2023.

Use of non-renewable materials remained minimal and relatively stable, with 13.32 tonnes in FY2025 compared to 15.15 tonnes in FY2024 and 6.76 tonnes in FY2023. By opting for renewable materials in our packaging, we actively reduce waste and lower the environmental impact tied to traditional packaging methods. This significant step aligns with our dedication to sustainability while reinforcing our reputation as a responsible and eco-aware Company.

<sup>4</sup> Packaging materials refers to carton boxes as this is the most significant packaging materials used.



## SUSTAINABILITY REPORT

### 5.7 Supplier Sustainability & Responsibility

#### 5.7.1 Supplier Review

At Koda, we prioritise working with suppliers who share our commitment to sustainability. By partnering with environmentally responsible suppliers, we aim to minimise the environmental impact of our manufacturing processes while contributing to global goals such as reducing carbon emissions and conserving natural resources.

Our suppliers are expected to adhere to Koda's sustainability standards and comply with all relevant environmental legislation and regulations. We encourage suppliers to implement robust environmental policies, adopt a precautionary approach towards ecological challenges, and use innovative and environmentally friendly technologies.

To maintain alignment with Koda's sustainability objectives, we evaluate our suppliers regularly using a structured framework, which includes a Code of Conduct, Self-assessment, and Supplier Performance Reviews. This ensures our partners support environmental stewardship and social responsibility initiatives.

Sharing our core values around the environment, human rights, labour practices, and corporate ethics is essential for fostering mutually beneficial relationships. Such alignment not only strengthens our sustainability agenda but also enhances the competitive advantage of both Koda and our supplier network.

#### 5.7.2 Supplier Selection

As part of our commitment to sustainability and social responsibility throughout our value chain, we extend responsible business practices to our partners and suppliers. We ensure our supplier selection process involves a careful evaluation of key factors such as pricing competitiveness, product and service quality, financial stability, social compliance and the overall sustainability practices. This comprehensive assessment, which considers all criteria from a balanced perspective, forms the basis of our final decisions regarding supplier selection.

The following is our supplier screening profile:

Supplier Screening	Unit	FY2025	FY2024	FY2023
<b>Number of New Suppliers</b>				
Total no. of New Suppliers	Number of Suppliers	21	15	–
Total no. of New Suppliers screened using environmental criteria <sup>5</sup>	Number of Suppliers	2	10	–
<b>Percentage (%)</b>				
Total no. of New Suppliers screened using environmental criteria	Proportion	9.5%	66.7%	–

<sup>5</sup> One-off purchase suppliers are excluded from environmental criteria screening.

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Supplier Screening	Unit	FY2025	FY2024	FY2023
<b>New Suppliers That Satisfy Environmental Criteria</b>				
Satisfied Environmental Criteria	Number of Suppliers	2	5	–
Not Satisfied Environmental Criteria	Number of Suppliers	–	5	–
<b>Percentage (%)</b>				
Satisfied Environmental Criteria	Proportion	100.0%	50.0%	–
Not Satisfied Environmental Criteria	Proportion	–	50.0%	–

All new suppliers, except for one-off purchases, are carefully screened against our stringent environmental criteria. For example, fabric suppliers are required to hold certifications such as OEKO-TEX.<sup>6</sup> and International Organisation for Standardisation (“ISO”) standards<sup>7</sup>. Timber suppliers must demonstrate compliance through trusted certifications like the Forest Stewardship Council or Programme for the Endorsement of Forest Certification. By prioritising rigorous supplier selection, we ensure compliance with environmental standards, minimise our ecological impact, improve quality and efficiency, mitigate potential risks, strengthen our reputation, and meet growing consumer demand for sustainable practices.

We also strongly emphasise social responsibility. Our evaluation process goes beyond environmental factors to include critical social criteria, such as ensuring worker” protection, fair pay, reasonable working hours, and the prevention of discrimination, violence, or harassment. We actively promote occupational health and safety while strictly prohibiting child labour. By assessing these key areas, we ensure that our partners uphold the highest fairness and ethical responsibility standards.

This comprehensive approach supports worker” well-being and fair treatment throughout our supply chain and reinforces Koda’s unwavering commitment to sustainability and ethical business practices.

<sup>6</sup> OEKO-TEX certification is a globally recognised standard for ensuring the safety of textiles and leather products. It tests for harmful substances in every component of a product, including threads, buttons, and zippers.

<sup>7</sup> ISO certification is a credential that validates a business’s adherence to international standards for quality, efficiency, and safety.

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# SUSTAINABILITY REPORT

## 5.8 Board and Management Governance

### 5.8.1 Board's Roles and Responsibilities

At Koda, the Board oversees and governs the Group's approach to ESG and climate-related risks and opportunities, ensuring that such considerations are integrated into the Group's strategic direction and long-term planning. An annual review of Koda's sustainability strategy and performance is conducted on climate targets, evaluating management's progress and effectiveness in addressing the ESG and climate-related risks and opportunities. The Board also reviews and approves significant policies and strategies related to climate change, ensuring alignment with the Group's values and long-term objectives. This includes major capital expenditures and strategic projects for broader climate change mitigation.

Additionally, the Board assesses Koda's ESG and climate-related opportunities by evaluating key market drivers, uncertainties in market development, key clients, competitors across Koda's target geographies, and Koda's historical performance. To deepen its understanding of ESG and climate-related opportunities, the Board supports global initiatives on climate advocacy, such as the UN SDGs.

### 5.8.2 Management's Roles and Responsibilities

At Koda, the management team executes strategies and policies about ESG and climate risks and opportunities. This involves integrating climate considerations into operational processes, resource allocation, and strategic planning. Management ensures that ESG and climate-related initiatives are effectively implemented and that the Group adheres to established policies, striving to meet set targets. They monitor progress and report on performance relative to the relevant goals, identifying and discussing any principal and emerging risks and opportunities with the Board.

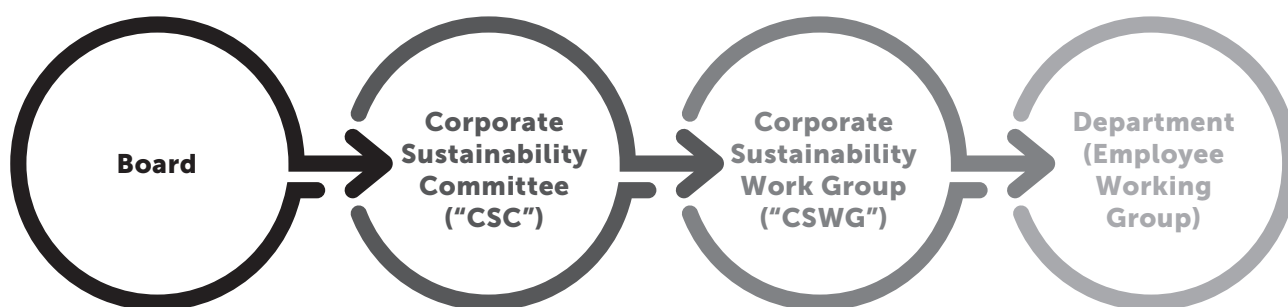
Furthermore, the management is dedicated to identifying and implementing alternative business practices to reduce the Company's environmental and carbon footprint. They actively engage with stakeholders, including employees, customers, suppliers, and regulators, to communicate Koda's climate strategy and actions. This engagement ensures that all relevant parties are informed and involved in the Company's climate efforts.

### 5.8.3 Corporate Sustainability Committee

Under the Board's oversight, the Corporate Sustainability Committee ("**CSC**"), led by our Executive Director and other executive directors and senior executives, assists the Board in corporate sustainability matters. The CSC, designated by Group Management, oversees and coordinates the sustainability process, ensuring the Group has the necessary policies, standards, systems, and personnel to comply with international standards and agreements in ESG and climate-related risks and opportunities areas.

To ensure the CSC functions efficiently and effectively, the Corporate Sustainability Work Group ("**CSW**") manages day-to-day activities supporting the CSC. The CSWG, led by our Corporate Sustainability Champion (the "**Champion**"), actively promotes awareness through education and training. The Champion collaborates with various departments to identify and manage ESG and climate-related risks and opportunities. This working group ensures continuous data accuracy for sustainability reporting, embedding sustainability initiatives throughout the Company's frameworks and values.

## SUSTAINABILITY REPORT



- Oversee ESG and climate-related risks & opportunities matters, strategies and performance.
- Set & approve the directions of ESG & climate-related targets and strategies.

- Implement, monitor, manage & coordinate the sustainable development strategy of the Group.
- Oversees sustainability reporting, stakeholder engagement and communication.
- Manages performance management for ESG Factors and Corporate Social Responsibilities ("CSR") Program.
- Provides corporate governance oversight.
- Establish adequate and effective internal controls over corporate sustainability.

- Ensure a close link and increased awareness within the organisation through adequate action programs and proper communication within the Group on ESG matters.
- Prepare and handle of all sustainability related group corporate policies and regulations.
- Implement the agreed positions and regulations within their areas of responsibility.
- Review and endorse all global corporate positions and documents on ESG related matters.
- Identify gaps and propose adequate steps to address them.

- Report the department's ESG performance to the CSWG.
- Implement ESG initiatives and offer feedback for improvements.

## SUSTAINABILITY REPORT

### 5.9 Managing Climate-Related Risk and Opportunities

#### 5.9.1 Strategy

Koda has established short, medium, and long-term timeframes to identify climate risks and opportunities. In this process, the useful life of the Company's assets or infrastructure and the fact that climate-related issues often manifest themselves over the medium and longer terms has been considered.

Time Frame	Year	Explanation
Short Term	1 to 2	Focus on immediate operational impacts (e.g., extreme weather, logistics interruptions) and short-cycle regulatory changes. Actions are integrated into annual budgets and operational risks management.
Medium Term	2 to 5	Consider technology adoption, supplier adaptation, and evolving customer demand. Require careful capital expenditure planning and product roadmaps designing.
Long Term	More than 5	Aligns with strategic decarbonisation, net-zero objectives, and long-term supply-chain resilience planning.

#### Identification of Climate-Related Risks and Opportunities

Climate risk and opportunities assessment is a structured approach designed to identify, analyse, and address the potential effects of climate change on the Group. This process enables the Group to evaluate how climate-related risks and opportunities impact business operations, financial performance, and long-term strategic objectives. By proactively assessing these risks, the Group can implement mitigation strategies to minimise negative implications while also identifying ways to capitalise on emerging opportunities in a transitioning economy.

Identifying, reviewing, and managing climate-related risks and opportunities involves benchmarking against industry peers and engaging with management.

Presented below is the list of identified climate-related risks.

S/N	Identified Risk	Risk Type	Time Horizon	Description
1	Regulatory Compliance with Sustainable Materials Standards	Policy and Legal	Medium and Long Term	Regulations are increasingly evolving to govern the sourcing and use of sustainable materials. This includes the need to adhere to sustainability certifications (e.g. FSC & PEFC <sup>8</sup> ) and meet stricter environmental standards concerning deforestation, chemical use, and product lifecycle.
2	Enhanced emissions-reporting obligations	Policy and Legal	Medium and Long Term	Governments are increasingly requiring businesses to measure, report, and reduce greenhouse gas emissions. Presently, listed companies are required to disclose their ESG data in accordance with the SGX Regulation.

<sup>8</sup> The Programme for the Endorsement of Forest Certification (PEFC), is a leading global alliance of national forest certification systems. PEFC is dedicated to promoting sustainable forest management through independent third-party certification.

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S/N	Identified Risk	Risk Type	Time Horizon	Description
3	Changing Market Expectations and Customer Demand	Market	Medium Term	Retailers, commercial buyers, and end-consumers are increasingly favouring brands with credible sustainability claims. Koda may lose market access or experience lower demand if it fails to offer verifiable sustainable furniture options.
4	Increased cost of raw materials	Market	Short and Medium Term	As environmental regulations tighten globally, sustainably sourced timber, and recycled materials may become scarcer or more expensive. Disruptions may occur if key suppliers are unable to meet evolving sustainability requirements.

Presented below is the list of identified climate-related opportunities.

S/N	Identified Opportunity	Opportunity Type	Time Horizon	Description
1	Expansion of Eco-friendly Furniture Lines	Product and Service	Medium and Long Term	Consumer preference for sustainable, ethical, and health-conscious products is growing. Koda can capture this opportunity by expanding its portfolio of environmentally certified furniture using FSC-certified wood, recycled materials, water-based finishes, and low Volatile Organic Compounds adhesives.
2	Access to Green Financing and Public-sector Incentives	Markets	Medium Term	Many governments and financial institutions are offering green financing instruments, grants, tax benefits, and subsidies for energy-efficient technologies, clean manufacturing, or sustainability-linked investments.
3	Access to New Markets through Sustainability Alignment	Markets	Short and Medium Term	As global markets (e.g. EU, US, Australia) implement stricter environmental and sustainability requirements for imported goods, companies with strong ESG credentials and climate-aligned products are better positioned to enter or expand into these markets. Sustainable procurement policies by large retailers and governments also create new sales channels for verified eco-friendly products.
4	Improved Resource and Cost Efficiency	Energy Resource/ Resource Efficiency	Medium and Long Term	By adopting energy-efficient equipment, renewable energy sources (e.g. rooftop solar), and waste-reduction practices, Koda can reduce long-term costs while lowering its environmental footprint.



## SUSTAINABILITY REPORT

### 5.9.2 Risk Management

Identified Climate-related Risks	Potential Business and Financial Impacts	Mitigation Measures	Monitoring Effectiveness of Mitigation Measures
Regulatory Compliance with Sustainable Materials Standards	Evolving sustainability standards may require product redesigns, supply chain updates, and higher certification and compliance costs.	Koda has adopted a proactive approach by incorporating certified materials at an early stage. Koda source material from responsibly managed FSC certified forest or FSC controlled wood.	The success of this approach is measured by tracking the outcomes of compliance audits.
Enhanced emissions-reporting obligations	Tightened reporting requirements can result in more complex data management processes and higher operational costs.	Koda has implemented systems for supplier emissions tracking to strengthen data accuracy and reporting.	Annual ESG data verification processes are used to monitor and validate the effectiveness of these measures.
Changing Market Expectations and Customer Demand	Shifts in market preferences may require adjustments to Koda's product portfolio, with the risk of losing market share if not addressed.	To stay competitive, Koda has launched eco-friendly product lines that align with evolving customer expectations.	The effectiveness of this strategy is evaluated by measuring the percentage of revenue generated from sustainable products.
Increased cost of raw materials	Rising raw material costs can lead to procurement delays, reduced competitiveness due to higher product prices, and compressed profit margins.	Koda manages this risk by negotiating long-term contracts with suppliers to secure more stable pricing.	Quarterly cost variance analyses are conducted to track the impact of rising material costs and the effectiveness of mitigation efforts.

Identified Climate-related Opportunities	Potential Business and Financial Impact	Strategy to Capitalise Opportunity	Monitoring of Strategy Effectiveness
Expansion of Eco-friendly Furniture Lines	The expansion of eco-friendly furniture lines is expected to enhance Koda's brand value, provide access to eco-conscious customers, and drive increased sales from sustainable product offerings.	To capitalise on this opportunity, the company invests in research and development focused on modularity and establishes partnerships with recyclers.	The effectiveness of these strategies is monitored by tracking the percentage of products that meet eco-friendly standards.
Access to Green Financing and Public-sector Incentives	Leveraging green financing and public-sector incentives increases Koda's investment capacity and helps reduce interest expenses.	The Company pursues this opportunity by actively applying for government grants and green financing.	The effectiveness of this strategy is measured through tracked interest cost savings.

## SUSTAINABILITY REPORT

Identified Climate-related Opportunities	Potential Business and Financial Impact	Strategy to Capitalise Opportunity	Monitoring of Strategy Effectiveness
Access to New Markets through Sustainability Alignment	Aligning with sustainability standards allows Koda to expand its customer base and generate revenue from premium markets.	To support this opportunity, the company pursues internationally recognised certifications such as FSC and PEFC.	The effectiveness of this strategy is evaluated by successfully passing annual certification audits.
Improved Resource and Cost Efficiency	Improving resource and cost efficiency lowers utility expenses, reduces overall operational costs and opens the possibility of accessing green subsidies.	To capture this opportunity, Koda engages in joint sustainability programmes with suppliers and invests in renewable energy solutions such as solar panels and LED retrofits.	The effectiveness of these initiatives is monitored by tracking energy consumption against baseline levels.

### 5.9.3 Metrics and Targets

We systematically track, measure, and report our environmental performance, focusing on key metrics such as carbon footprint, energy consumption, water usage, and waste management. By closely monitoring these indicators, we can identify significant climate-related risks and refine our efforts to address them effectively.

In addition to disclosing our environmental performance, we have set specific climate-related targets to underscore our commitment to mitigating climate change. By publicly committing to these targets, we aim to enhance our environmental stewardship and drive tangible improvements in our sustainability practices.

Section 3 "Our Strategic ESG Target" and Section 5 "Environmental Sustainability", provide detailed information on these metrics and targets. Through these efforts, we hope to reduce our carbon footprint, support global climate goals, and foster greater trust and credibility with our stakeholders.

## SUSTAINABILITY REPORT

### 6. Social Sustainability

#### 6.1 Our Approach, Performance and Targets

At Koda, social sustainability is an integral part of our business strategy and operations. We are committed to fostering positive relationships with our employees, customers, and the wider community by embedding ethical, inclusive, and responsible practices throughout our value chain.

We prioritise the health, safety, and well-being of our employees, cultivating an inclusive and supportive work environment that empowers our people and drives long-term performance. Our customer-focused approach ensures that we deliver high-quality, safe, and ethically sourced products, while maintaining strong standards in service, data privacy, and transparency.

In addition, we maintain strict compliance with all relevant laws and regulations, reinforcing our commitment to fair practices, stakeholder protection, and societal well-being.

Through these efforts, Koda aims to build trust, enhance stakeholder relationships, and contribute meaningfully to the communities in which we operate.

The details of our performance targets by FY2030 are shown as follows.

Social Targets	Unit	FY2022 (Base Year)	FY2025 (Current Year)	FY2030 (Target Year)
<b>Turnover</b>				
Employee Turnover	Percentage (%)	32.9%	25.3%	29.6%
<b>Health and Safety Incidents – Number of Cases</b>				
Recordable Injuries	Number of Cases	20	21	18

In FY2025, employee turnover decreased further to 25.3%, continuing the downward trend from 31.8% in FY2024. Koda recognises that reducing turnover is vital for retaining organisational knowledge, enhancing productivity, and lowering recruitment and training costs. High employee retention also reflects greater job satisfaction, contributing to a positive workplace culture and improved team collaboration. By focusing on employee engagement and development, we aim to sustain our competitive advantage and support long-term business success. In FY2025, we have already surpassed our FY2030 target of reducing turnover to 29.6%. Going forward, our focus will be on sustaining the turnover rate of 25.3% through enhanced employee engagement, career development opportunities, and a positive workplace culture.

In FY2025, the number of health and safety incidents was 21, showing improvement from 26 in FY2024. Koda continues to prioritise workplace safety as a core part of our operations, recognising its importance to employee well-being and overall efficiency. Our long-term goal is to reduce recordable incidents to 18 by FY2030.

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## SUSTAINABILITY REPORT

### 6.2 Employee Care

#### 6.2.1 Employment Practices

Koda Ltd is committed to fostering an inclusive, equitable, and respectful work environment where all employees are treated fairly and provided with equal opportunities based on merit. Our employment practices are built on principles of non-discrimination, fair compensation, merit-based assessments, and equal treatment, regardless of race, gender, age, disability, or any other protected characteristic.

In Singapore, our human resource ("HR") practices are guided by the Tripartite Alliance for Fair and Progressive Employment Practices ("TAFEP"), ensuring alignment with national fair employment standards. At our Koda Saigon factory, employee rights are further protected through an established trade union under the 2<sup>nd</sup> Long An Industrial Zone Trade Union, advocating for the legitimate rights and welfare of our workforce.

Koda's Human Rights & Labour Policy applies across all regions and entities within the Group. This policy affirms our commitment to ethical and responsible employment practices, including the protection of privacy, the prevention of forced and child labour, and the strict prohibition of discrimination and harassment. We maintain a zero-tolerance policy toward any form of unfair treatment, while fully upholding employees' rights to freely associate and participate in trade unions or professional organisations.

We also emphasise transparent, two-way communication throughout the Group. Regular dialogue ensures alignment of expectations, encourages the timely resolution of concerns, and supports continuous improvement. This collaborative culture fosters trust, strengthens engagement, and enhances the Group's effectiveness.

To further support employee growth, we conduct regular performance and development reviews, aligning individual capabilities with the evolving needs of the business. Training and development programs are tailored to help employees strengthen their skills, achieve career aspirations, and contribute meaningfully to Koda's long-term success.

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Our profiles for local and foreign employees, union members and collective bargaining are presented below.

Employee Profile	Unit	FY2025	FY2024	FY2023
Total Number of Employees (Year End)	Number of Persons	1,651	2,006	1,500
<b>Number of Employees (Location-wise)</b>				
Local	Number of Persons	1,272	1,566	1,292
Foreign	Number of Persons	379	440	208
<b>Percentage (%)</b>				
Local	Proportion	77.0%	78.1%	86.1%
Foreign	Proportion	23.0%	21.9%	13.9%
<b>Number of Employees (Union Member-wise)</b>				
Union Member	Number of Persons	1,140	1,413	1,130
Non-Union Member	Number of Persons	511	593	370
<b>Percentage (%)</b>				
Union Member	Proportion	69.0%	70.4%	75.3%
Non-Union Member	Proportion	31.0%	29.6%	24.7%
<b>Number of Employees (Collective Bargaining-wise)</b>				
Collective Bargaining	Number of Persons	1,140	1,413	1,130
Not Collective Bargaining	Number of Persons	511	593	370
<b>Percentage (%)</b>				
Collective Bargaining	Proportion	69.0%	70.4%	75.3%
Not Collective Bargaining	Proportion	31.0%	29.6%	24.7%

Koda Saigon and Koda Woodcraft have successfully completed the amfori Business Social Compliance Initiative ("**BSCI**") audit, demonstrating compliance with international labour standards set by the International Labour Organization ("**ILO**"), key international regulations such as the UN Charter for Human Rights, and applicable national regulations. This accomplishment reflects Koda's strong commitment to ethical business conduct and social responsibility, reinforcing our efforts to maintain a safe, fair, and respectful workplace for all employees.

In 2025, Koda Saigon also undertook initiatives to strengthen worker safety by providing training sessions to raise awareness on the correct use of Personal Protective Equipment ("**PPE**"), complemented by regular inspections and reminders. These efforts addressed requirements under the BSCI standard, which assesses whether employers adequately provide and enforce the use of PPE in line with related occupational health and safety regulations. These continuous improvements contributed to Koda Saigon's overall stronger BSCI audit performance.

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## SUSTAINABILITY REPORT

### 6.2.2 Employee Welfare

At Koda, we prioritise the well-being of our employees, recognising that their happiness and satisfaction are essential to the success and long-term sustainability of our business. As our most valuable asset, we are dedicated to supporting their overall well-being, enabling them to reach their full potential.

We comply with local laws and regulations regarding employee pensions and healthcare across all regions where we operate. Additionally, our employees are fully protected under the Employment Act and Labour Laws, which outline key employment terms, such as compensation, working hours, overtime, rest days, and annual leave entitlements. In addition to these legal requirements, we also offer additional benefits to our full-time employees, including paternity leave and compassionate leave.

Over the years, we have introduced several programmes to enhance the well-being, health, and personal development of our workforce. For example, the RISE programme was designed to deepen participants' understanding of gender awareness, workplace rights and duties, as well as practical life skills such as communication, stress management, decision-making, and financial literacy. This initiative helped employees gain confidence, communicate more openly, manage challenges effectively, and foster respectful relationships, which in turn strengthened workplace cohesion and improved overall performance.

To support workers' health and quality of life, we also introduced the Vision Spring Programme, a free spectacle distribution drive at our Vietnam factory. The programme identified employees in need of corrective eyewear and provided them with spectacles at no cost, significantly improving both their productivity at work and their well-being in daily life.

In addition, the HERproject was implemented to address gaps in reproductive health awareness and services for female workers. Through training sessions on nutrition, personal and menstrual hygiene, family planning, childcare, breast cancer, HIV/AIDS, and financial literacy, the project empowered female employees to take charge of their health while also equipping them to share knowledge with their peers. This two-way communication model proved highly effective, fostering greater awareness, reducing absenteeism, and encouraging positive behavioural changes in communication and decision-making across the workforce.

Together, these initiatives demonstrate Koda's proactive approach to promoting employee welfare, enhancing workplace inclusivity, and ensuring that our workers feel valued, supported, and empowered both within and beyond the workplace.

### 6.2.3 Employee Communications & Feedback

At Koda, we recognise that effective two-way communication is essential for fostering employee engagement, motivation, and performance. As communication practices evolve, we are committed to creating an environment where employees feel heard, valued, and aligned with the Company's goals.

We actively encourage open dialogue to prevent disengagement and to strengthen the connection between employees and the Group. By acknowledging the expertise our employees bring to their roles, we treat their feedback as a valuable resource for improving management practices and operational efficiency. When individuals understand how their contributions support the broader business and see their input being acknowledged, they are more driven to perform at a high level.



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To facilitate ongoing engagement, we have implemented structured processes, such as goal setting, regular performance evaluations, and exit interviews. These mechanisms help us gather insights and identify areas for continuous improvement. We also hold regular communication sessions with managers, tailored to their specific functions, to ensure relevant and focused discussions. Our quarterly management meetings address strategic topics including business direction, new product launches, key initiatives, and project updates, promoting alignment and collaboration at the leadership level.

### 6.3 Career Development and Training

At Koda, we believe that investing in our employees' professional development is key to fostering a competitive, innovative, and agile workforce. By equipping our people with the right skills and opportunities, we not only support their growth but also strengthen the Group's ability to respond to evolving industry needs.

To achieve this, we have structured our career development and performance management practices around clear, measurable goals that align with our broader business strategy. Employees work closely with their managers to develop individual growth plans, identifying career objectives, skill requirements, and timelines for key milestones. These plans are regularly reviewed to ensure they remain relevant in a changing business environment.

Training needs are typically identified through ongoing discussions between employees and their reporting managers, often informed by recent performance appraisals. This approach allows us to assess both strengths and areas for improvement, guiding tailored development initiatives and training programs that support long-term career progression.

Our performance review profile is shown as follows:

Particulars	Unit	FY2025		FY2024		FY2023	
Employee Category		Male	Female	Male	Female	Male	Female
Senior Management	Number of Persons	2	2	2 <sup>9</sup>	2	4	–
Percentage (%)	Proportion	40%	40%	25.0%	25.0%	57.1%	–
Manager	Number of Persons	22	15	21	12	22	18
Percentage (%)	Proportion	45.8%	31.3%	50.0%	28.6%	50.0%	40.9%
Non-Manager	Number of Persons	1,104	466	1,399	523	956	494
Percentage (%)	Proportion	69.2%	29.2%	71.6%	26.8%	66.2%	34.2%

At Koda, we tailor training programs to meet the unique needs of different business units and functional areas. These programs cover a wide range of topics, from soft skills like communication and leadership to specialised technical training, such as taxation and practical courses like first aid.

<sup>9</sup> The FY2024 disclosure on the number of male senior management who underwent performance review has been updated from five (5) to two (2), following a revision of reported data.

## SUSTAINABILITY REPORT

Our training profile is shown as follows:

Training	Unit	FY2025	FY2024	FY2023
Total Training Hours	Hours	994.00	1,438.00	1,481.00
Total Number of Employees (Year End)	Number of Persons	1,651	2,006	1,500
Average Training Hours per Employee	Hours/Person	0.60	0.72	0.99
<b>Average Training Hours</b>				
<b>Employment Position</b>				
Executive Directors	Hours/Person	2.67	–	10.33
Senior Management	Hours/Person	3.00	–	17.00
Manager	Hours/Person	4.42	0.29	8.50
Non-Manager	Hours/Person	0.47	0.73	0.66
<b>Gender</b>				
Male	Hours/Person	0.48	0.63	0.99
Female	Hours/Person	0.88	0.92	0.99

In addition, the Company's Executive Directors have taken part in the SID Leadership Programme for TAC Councils, as well as the Purpose Lab Synergy Workshop, reinforcing their strategic leadership capabilities. Meanwhile, the leadership team at Commune Lifestyle has participated in the WSQ IP Licensing and Commercialisation course, enhancing their understanding of intellectual property and its role in business growth.

At the managerial level, staff across the Group have engaged in targeted training programmes to support operational effectiveness and regulatory compliance. These include workshops on accelerating sales and conversions using AI-powered tools, understanding the fundamentals of the Personal Data Protection Act (2020), and a comprehensive year-end payroll workshop designed to ensure accurate and efficient payroll management. At Commune Lifestyle, the team has also strengthened its expertise in business development and customer service through the WSQ Essentials of Franchise Management and the SRA Retail Service Excellence Workshop.

Furthermore, one of the Company's Independent Director attended the Board of Directors Masterclass Programme at ISCA, which provided in-depth guidance on how boards can effectively integrate sustainability into corporate strategy and governance. This programme enhanced the Company's leadership capacity to address evolving ESG considerations, reinforcing Koda's commitment to sustainable and responsible business practices.

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The sustainability training profile is shown as follows:

Sustainability Training	Unit	FY2025	FY2024	FY2023
Total Training Hours	Hours	8.00	366.00	16.00
Total Number of Employees who attended training on Sustainability	Number of Persons	1	2	4

### 6.4 Board and Employee Diversity

At Koda, we are deeply committed to nurturing a workplace where diversity and inclusion are fundamental to our identity and operations. We aim to foster an environment where every individual, regardless of background, identity, or circumstance, is valued, supported, and empowered to grow and succeed. Our diversity policy applies across all levels of the Company, including current and prospective employees of Koda and its subsidiaries. This encompasses full-time, part-time, permanent, contractual, and temporary staff.

We firmly believe that a broad spectrum of perspectives strengthens innovation, enhances decision-making, and contributes to sustainable long-term success. By embedding inclusivity and mutual respect into our culture, we reinforce our commitment to equity while gaining a competitive edge in an increasingly complex global environment. This policy is reviewed annually to ensure ongoing relevance and impact. Any breach is taken seriously and may result in disciplinary action, including termination, where warranted.

All employees directly on Koda's payroll are engaged on a full-time basis. We also work with external service providers that supply outsourced personnel, such as production and security staff who operate within our premises under Koda's supervision. However, these individuals remain employees of their respective agencies and are not included in Koda's official headcount.

We expect our third-party partners to reflect our values in their human resource practices. As part of our vendor selection and performance review processes, we assess and monitor their approach to employee welfare, workplace conduct, and fairness. These assessments play a critical part in decisions regarding ongoing collaboration.

At the leadership level, Koda ensures that diversity is also represented at the highest tiers of governance. The Board of Directors is thoughtfully composed to bring together a wide range of expertise from across different industries. The Nominating and Governance Committee plays a key role in promoting inclusivity by evaluating Board candidates through a multifaceted lens that includes gender, age, ethnicity, and professional background. This approach helps to build a competent and balanced leadership team aligned with Koda's sustainability goals. The Committee also supports the Board by assessing director independence and evaluating the performance of the Board, its committees, and individual members. This includes recommending suitable evaluation methods and criteria to maintain strong and effective governance.

## SUSTAINABILITY REPORT

Our board diversity, workforce diversity, employment position, and employment status are shown as follows:

Board Diversity	Unit	FY2025	FY2024	FY2023
<b>Directorship Concentration</b>				
Board of Director Positions	Number of Headcount	7	7	7
<b>Type of Directorships</b>				
Executive Directorship	Number of Headcount	3	3	3
Independent Non-Executive Directorship	Number of Headcount	4	4	4
<b>Percentage (%)</b>				
Executive Directorship	Proportion	42.9%	42.9%	42.9%
Independent Non-Executive Directorship	Proportion	57.1%	57.1%	57.1%
<b>Gender Diversity</b>				
Male	Number of Headcount	5	6	6
Female	Number of Headcount	2	1	1
<b>Percentage (%)</b>				
Male	Proportion	71.4%	85.7%	85.7%
Female	Proportion	28.6%	14.3%	14.3%
<b>Age Diversity</b>				
< 30	Number of Persons	–	–	–
30 to 50	Number of Persons	2	1	1
> 50	Number of Persons	5	6	6
<b>Percentage (%)</b>				
< 30	Proportion	–	–	–
30 to 50	Proportion	28.6%	14.3%	14.3%
> 50	Proportion	71.4%	85.7%	85.7%

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The Group is committed to strengthening governance through a diverse and well-balanced Board. When determining Board composition, a wide range of factors is considered, including skills, experience, gender, age, ethnicity, culture, and geographic background. While appointments are made based on merit, the selection process is designed to enhance collective expertise, independence, and insight. Gender diversity is specifically recognised as important for fostering balanced discussions, and the Group ensures that qualified female candidates are actively considered through a structured nomination process, while maintaining a focus on appointing the most suitable individuals.

Employment Position	Unit	FY2025	FY2024	FY2023
Total Number of Employees (Year End <sup>10</sup> )	Number of Persons	1,651	2,006	1,500
Turnover Rate <sup>11</sup>	Percentage (%)	25.3%	31.8%	53.4%

In FY2025, Koda continued to take proactive measures to manage employee turnover and retain high-performing talent, resulting in a sustained improvement in retention rates. We remain committed to offering competitive compensation, career development opportunities, and a positive and supportive workplace culture. These efforts are designed to foster stability, enhance morale, and improve overall job satisfaction among our employees.

Employment Position – Total:

Particulars	Unit	FY2025	FY2024	FY2023
Number of Employees	Number of Persons	1,651	2,006	1,500
Executive Directors <sup>12</sup>	Number of Persons	3	3	3
Senior Management	Number of Persons	5	8	7
Manager	Number of Persons	48	42	44
Non-Manager	Number of Persons	1,595	1,953	1,446
<b>Percentage (%)</b>				
Executive Directors <sup>12</sup>	Proportion	0.2%	0.1%	0.2%
Senior Management	Proportion	0.3%	0.4%	0.5%
Manager	Proportion	2.9%	2.1%	2.9%
Non-Manager	Proportion	96.6%	97.4%	96.4%

<sup>10</sup> The total number of employees represents the number of employees excluding Independent Directors as at year end (i.e. June 30, 2025).

<sup>11</sup> The turnover rate is calculated using the number of resigned employees during the year divided by average headcount of the staff during the entire year.

<sup>12</sup> Refer to Section 6.4 Board Diversity for details on Board of Directors.

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Employment Position [Senior Management]:

Particulars	Unit	FY2025	FY2024	FY2023
<b>Gender</b>				
Male	Number of Persons	5	6	7
Female	Number of Persons	–	2	–
<b>Percentage (%)</b>				
Male	Proportion	100%	75.0%	100.0%
Female	Proportion	–	25.0%	–
<b>Age Group</b>				
< 30	Number of Persons	–	–	–
30 to 50	Number of Persons	3	6	6
> 50	Number of Persons	2	2	1
<b>Percentage (%)</b>				
< 30	Proportion	–	–	–
30 to 50	Proportion	60.0%	75.0%	85.7%
> 50	Proportion	40.0%	25.0%	14.3%

Employment Position [Manager]:

Particulars	Unit	FY2025	FY2024	FY2023
<b>Gender</b>				
Male	Number of Persons	26	23	24
Female	Number of Persons	22	19	20
<b>Percentage (%)</b>				
Male	Proportion	54.2%	54.8%	54.6%
Female	Proportion	45.8%	45.2%	45.4%
<b>Age Group</b>				
< 30	Number of Persons	1	2	1
30 to 50	Number of Persons	33	27	34
> 50	Number of Persons	14	13	9



## SUSTAINABILITY REPORT

Particulars	Unit	FY2025	FY2024	FY2023
<b>Percentage (%)</b>				
< 30	Proportion	2.0%	4.8%	2.3%
30 to 50	Proportion	68.8%	64.3%	77.3%
> 50	Proportion	29.2%	30.9%	20.4%

Employment Position [Non-Manager]:

Particulars	Unit	FY2025	FY2024	FY2023
<b>Gender</b>				
Male	Number of Persons	1,118	1,399	954
Female	Number of Persons	477	554	492
<b>Percentage (%)</b>				
Male	Proportion	70.1%	71.6%	66.0%
Female	Proportion	29.9%	28.4%	34.0%
<b>Age Group</b>				
< 30	Number of Persons	477	675	375
30 to 50	Number of Persons	959	1,130	937
> 50	Number of Persons	159	148	134
<b>Percentage (%)</b>				
< 30	Proportion	29.9%	34.5%	26.0%
30 to 50	Proportion	60.1%	57.9%	64.7%
> 50	Proportion	10.0%	7.6%	9.3%

## SUSTAINABILITY REPORT

Employment Status [New Hires]:

Particulars	Unit	FY2025	FY2024	FY2023
<b>Gender</b>				
Male	Number of Persons	81	817	118
Female	Number of Persons	27	246	30
<b>Percentage (%)</b>				
Male	Proportion	75.0%	76.9%	79.7%
Female	Proportion	25.0%	23.1%	20.3%
<b>Age Group</b>				
< 30	Number of Persons	40	581	68
30 to 50	Number of Persons	58	460	72
> 50	Number of Persons	10	22	8
<b>Percentage (%)</b>				
< 30	Proportion	37.0%	54.7%	46.0%
30 to 50	Proportion	53.7%	43.3%	48.6%
> 50	Proportion	9.3%	2.0%	5.4%

Koda recognises that fostering equality and diversity in recruitment is key to building an inclusive and forward-thinking work environment. In addition to adhering to local employment regulations, we are committed to implementing fair and impartial hiring processes that welcome individuals from a wide range of backgrounds. By valuing diverse perspectives and experiences, we aim to cultivate a dynamic team whose combined strengths contribute to continuous innovation and long-term success.

## SUSTAINABILITY REPORT

Employment Status [Resigned Employees]:

Particulars	Unit	FY2025	FY2024	FY2023
<b>Gender</b>				
Male	Number of Persons	360	374	668
Female	Number of Persons	103	183	371
<b>Percentage (%)</b>				
Male	Proportion	77.8%	67.1%	64.3%
Female	Proportion	22.2%	32.9%	35.7%
<b>Age Group</b>				
< 30	Number of Persons	207	243	429
30 to 50	Number of Persons	237	283	567
> 50	Number of Persons	19	31	43
<b>Percentage (%)</b>				
< 30	Proportion	44.7%	43.6%	41.3%
30 to 50	Proportion	51.2%	50.8%	54.6%
> 50	Proportion	4.1%	5.6%	4.1%

The lower turnover rate in FY2025 compared to FY2024 reflects the Group's continued focus on fostering a supportive and engaging work environment. This improvement demonstrates our ability to not only attract new talent but also retain our existing workforce. It underscores our ongoing efforts to prioritise employee well-being, growth opportunities, and a positive workplace culture. These factors are critical to our long-term success and signal that Koda remains a desirable employer for both current staff and future candidates.

### 6.5 Safety and Health at the Workplace

Koda acknowledges that having a strong Occupational Health and Safety ("OHS") management system is essential to safeguarding the well-being of employees, ensuring regulatory compliance, and supporting overall operational efficiency. A safe and healthy work environment not only helps prevent workplace injuries and illnesses but also reduces disruptions and medical-related expenses. It contributes to higher employee morale, better retention rates, and aligns closely with our broader sustainability and social responsibility commitments.

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Across all our operations, Koda adheres to the relevant occupational health and safety regulations in each country where we operate. This includes compliance with Singapore's Workplace Safety and Health Act under the Ministry of Manpower, Malaysia's Occupational Safety and Health Act ("**OSHA**"), Environmental Quality Act ("**EQA**"), and Fire Services Act, as well as applicable legislation in Vietnam and China, such as the Labour Code, Fire Prevention and Fighting Law, and Workplace Safety regulations. These legal frameworks guide our approach to identifying and managing workplace safety risks.

The Group's safety objectives are to:

- Provide, maintain, and ensure the working environment is safe and healthy;
- Minimise or eliminate the hazards and causes of accidents and injuries in the workplace;
- Avoid loss of life, injury to persons, and damage to property;
- Instil and maintain a safety culture in all our employees; and
- Investigate all workplace accident occurrences and maintain relevant records.

To meet these goals, Koda adopts a proactive approach to risk and safety management by putting in place comprehensive safety practices and systems. We are committed to continuously improving safety performance across our sites. In our manufacturing facilities, we have set up Health and Safety Committees that include both workers and management. These committees play a critical role in overseeing safety initiatives and ensuring that our policies are properly implemented and maintained.

To support ongoing improvement of the OHS management system, regular risk assessments, internal audits, and safety training are carried out to identify gaps and implement necessary enhancements.

Our employees' health and safety incidents profile are shown as follows:

Employee Health and Safety	Unit	FY2025	FY2024	FY2023
<b>Number of Health and Safety Incidents – Cases</b>				
Recordable work-related injuries	Number of Cases	21	26	20
High-consequence work-related injuries	Number of Cases	–	–	–
Recordable work-related ill health	Number of Cases	–	–	–
Fatalities	Number of Cases	–	–	–
Total number of recordable injuries	Number of Cases	21	26	20

## SUSTAINABILITY REPORT

Employee Health and Safety	Unit	FY2025	FY2024	FY2023
<b>Percentage (%)</b>				
Recordable work-related injuries	Proportion	100.0%	100.0%	100.0%
High-consequence work-related injuries	Proportion	–	–	–
Recordable work-related ill health	Proportion	–	–	–
Fatalities	Proportion	–	–	–
<b>Number of Health and Safety Incidents – Persons</b>				
Recordable work-related injuries	Number of Persons	21	26	20
High-consequence work-related injuries	Number of Persons	–	–	–
Recordable work-related ill health	Number of Persons	–	–	–
Fatalities	Number of Persons	–	–	–
Total number of recordable injuries	Number of Persons	21	26	20
<b>Percentage (%)</b>				
Recordable work-related injuries	Proportion	100.0%	100.0%	100.0%
High-consequence work-related injuries	Proportion	–	–	–
Recordable work-related ill health	Proportion	–	–	–
Fatalities	Proportion	–	–	–

To reduce the risk of repeated workplace incidents, departmental managers across Koda actively promote awareness of safety protocols and preventive actions among employees. This includes emphasising the proper use of personal protective equipment and safe handling of machinery. Our efforts have contributed to a strong safety record, with no reported cases of serious injuries, fatalities, or occupational illnesses. Koda remains committed to upholding and continuously improving this standard of workplace safety.

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## SUSTAINABILITY REPORT

### 6.6 Prioritising Customer Needs

#### 6.6.1 Customer Feedback and Satisfaction

At Koda, customer feedback plays a central role in shaping our growth and guiding our continuous improvement efforts. We view every comment, suggestion, and review as an opportunity to refine our products and services. Insights gained from customers directly influence our design process, helping us create furniture that is both functional and visually appealing. To ensure we capture a wide range of perspectives, we collect feedback through multiple channels, including our website, social media, email, phone calls, and direct interactions with our customer service team.

To expand our reach and provide the best products and services to our clients, we aim to achieve the following:

- To expand our business development efforts to sustainability-focused markets;
- To educate our customers on sustainability through marketing materials/collaterals;
- To educate key customers on the usage of Forest Stewardship Council ("FSC") or Programme for the Endorsement of Forest Certification<sup>13</sup> ("PEFC") timber in marketing activities; and
- To explore alternative programmes in marketing activities to customers.

Our commitment to listening and responding to customer input has led to the development of robust feedback mechanisms that support meaningful engagement. By incorporating this feedback into our decision-making processes, we enhance the overall user experience and ensure our offerings align with customer needs and preferences. Well-designed, quality furniture not only improves satisfaction but also reduces product returns and complaints, ultimately lowering costs and building customer trust.

Customer satisfaction remains at the heart of Koda's strategy. We consistently engage with our clients to stay attuned to their changing expectations, prioritising quality, safety, service excellence, and data privacy. This customer-first approach has strengthened our reputation as a dependable and responsive Company. Satisfied customers often become valuable contributors to our innovation efforts, helping us drive quality improvements and stay competitive. By focusing on long-term relationships and trust, we continue to build a strong, customer-centric brand that supports sustainable growth in a dynamic market.

#### 6.6.2 Product Quality and Safety

At Koda, quality and safety are at the core of our product development and manufacturing processes. We recognise that high-quality furniture not only enhances the functionality and aesthetics of a space but also ensures durability, customer satisfaction, and long-term value. Prioritising safety helps protect users from potential risks such as structural defects or hazardous materials, supporting both customer well-being and our reputation for excellence.

<sup>13</sup> PEFC is an independent third-party certification that ensures materials come from sustainably managed forests, ensuring that the materials used are sourced responsibly.

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## SUSTAINABILITY REPORT

In alignment with these values, we assess the potential health and safety impacts of our products at every critical stage, from design, raw material selection, manufacturing, to labelling. These assessments are conducted in close collaboration with our customers to ensure that our products meet their expectations while adhering to health and safety standards relevant to their respective markets. This proactive approach ensures that our furniture poses no harm to users and complies fully with applicable regulations and industry best practices.

Every product we create reflects our commitment to quality. Our manufacturing process includes rigorous inspections, beginning with the sourcing of raw materials and continuing through to the final product check. These quality controls help us detect and correct any inconsistencies early, ensuring that only well-crafted and reliable products reach our customers. This focus on durability also contributes to environmental sustainability by reducing the need for frequent replacements and minimising waste.

In addition, Koda has implemented a robust labelling inspection process to ensure compliance with product information laws. We verify the presence of key labels on all packaging, such as product descriptions, safety warnings, handling symbols, tracking information, and box manufacturer certifications. These labels provide clear guidance to customers, promoting safe usage and helping prevent potential harm.

In FY2025, there were no reported incidents of non-compliance related to the health and safety impacts of our products and services, labelling, or marketing communications (FY2024: 0 incidents). This reflects the strength of our internal controls and our commitment to transparency and customer protection.

By maintaining comprehensive quality and safety practices from production to labelling, Koda continues to build trust, deliver value, and strengthen its position as a dependable and customer-focused brand.

## 7. Governance

### 7.1 Our Approach, Performance and Targets

As a publicly listed Company on the Mainboard of the Singapore Exchange (SGX), Koda places strong emphasis on maintaining sound corporate governance and managing corruption risks effectively. The Group is committed to meeting regulatory requirements and upholding good practices in financial reporting, internal controls, and compliance with relevant legislation.

Koda's corporate governance approach is supported by a clear Code of Conduct that outlines ethical and compliance standards expected of all employees and officers. New employees are introduced to the Code as part of their orientation, ensuring they understand the Company's values and expectations from the outset. These principles are integrated into the Company's daily operations to support responsible conduct across all levels of the Group.

A whistleblowing mechanism is in place to provide employees and stakeholders with a confidential and secure way to raise concerns about suspected misconduct, policy breaches, or unethical behaviour. This mechanism encourages early reporting and helps the Company address issues in a timely and appropriate manner. Reports can be submitted via [whistle-blowing@kodaltd.com](mailto:whistle-blowing@kodaltd.com), with the assurance that all cases will be handled sensitively and without retaliation.



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Koda also maintains a zero-tolerance approach to workplace discrimination. The Company strives to provide a respectful, inclusive work environment where individuals are treated fairly, regardless of race, gender, age, religion, sexual orientation, or other personal characteristics. Allegations of discrimination are taken seriously and investigated promptly. Notably, there were no reported incidents of discrimination in FY2025 (FY2024: 0 incidents).

By maintaining these governance practices and fostering a culture of integrity, Koda aims to support long-term business sustainability and responsible stakeholder engagement.

Governance Targets	Unit	FY2022 (Base Year)	FY2025 (Current Year)	FY2030 (Target Year)
Reported incidents of non-compliance	Number	–	–	To maintain zero instances of non-compliance, bribery & corruption, and data breach incidents
Reported incidents of bribery and corruption	Number	–	–	
Reported incidents of data breaches	Number	–	–	

## 7.2 Regulatory Compliance Oversight

At Koda, we are committed to conducting our business with integrity, transparency, and in compliance with applicable laws and regulations. We strive to align our operations with industry standards and ethical business practices, recognising the importance of good corporate governance in supporting sustainable growth.

While our policies and processes continue to evolve, we remain focused on fostering a culture of accountability and strengthening internal controls across the Group. We actively monitor regulatory developments and seek to incorporate sound practices that help manage risks and safeguard the interests of our stakeholders.

As part of our ongoing commitment to integrity and compliance, Koda continues to enhance its governance practices and monitor potential risks within its operations and systems.

There were no reported legal actions in FY2025 (FY2024: 0 reported legal actions) relating to anti-competitive conduct, antitrust violations, or breaches of monopoly regulations.

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## SUSTAINABILITY REPORT

### 7.3 Corporate Governance

Corporate governance is fundamental to Koda's commitment to integrity, transparency, and accountability. To uphold these values, Koda has established a comprehensive set of policies and procedures, including its Whistleblowing Policy. These policies form the foundation of a governance framework that promotes ethical conduct, regulatory compliance, and responsible business practices across all levels of the Group.

Whistleblowing plays a critical role in enabling the early detection and remediation of potential misconduct or unethical behaviour. Koda's Whistleblowing Policy is designed to foster a culture of openness and accountability, encouraging employees and stakeholders to report any concerns related to suspected fraud, corruption, legal violations, or other misconduct without fear of retaliation. All reports are treated seriously and investigated promptly, with appropriate actions taken to address substantiated concerns while ensuring the confidentiality and protection of the whistleblower.

Reports submitted through this channel are reviewed by the Audit Committee and escalated to the Board of Directors, where necessary, ensuring independent oversight and appropriate action. This reflects Koda's ongoing commitment to upholding ethical standards, transparency, and accountability across the Group.

### 7.4 Data Privacy & Cybersecurity

At Koda, data privacy is a key priority and is regarded with the same importance as our product quality and customer service. We are committed to protecting the security and confidentiality of our customers' data and have established clear procedures and controls for handling sensitive and confidential information, including contracts, customer orders, and service delivery records.

Our information security measures are designed to uphold strict confidentiality and integrity when managing client data. We are committed to complying with all relevant data protection laws and regulations, as well as adhering to our internal policies.

By regularly reviewing and strengthening our data protection practices, we aim to maintain the trust of our customers and stakeholders, demonstrating our ongoing commitment to responsible data management and information security.

For FY2025, there were no substantiated complaints (FY2024: 0 complaints) concerning breaches of customer privacy or losses of customer data.

# SUSTAINABILITY REPORT

## 8. GRI Index

<b>Statement of Use</b>	Koda Ltd has reported the information cited in this GRI content index for the period July 1, 2024 to June 30, 2025 with reference to the GRI Standards.
<b>GRI 1 used</b>	GRI 1: Foundation 2021

GRI Reference	Disclosure	Reference
<b>General Standard Disclosure</b>		
General Disclosures 2021	2-1 Organization details	SR Section 1
	2-2 Entities included in the organisation's sustainability reporting	SR Section 1.4
	2-3 Reporting period, frequency and contact point	SR Section 1.1 & 1.7
	2-4 Restatements of information	SR Section 6.3
	2-5 External Assurance	SR Section 1.6
	2-6 Activities, value chain and other business relationships	AR About Koda
	2-7 Employees	SR Section 6.4
	2-8 Workers who are not employees	SR Section 6.4
	2-9 Governance Structure and Composition	SR Section 6.4 CGR Principle 2, 3 & 4
	2-10 Nomination and selection of the highest governance body	CGR Principle 1, 4 & 5
	2-11 Chair of the highest governance body	SR Section 5.8 CGR Principle 3
	2-12 Role of the highest governance body in overseeing the management of impacts	SR Section 5.8 CGR Principle 3
	2-13 Delegation of responsibility for managing impacts	SR Section 5.8
	2-14 Role of the highest governance body in sustainability reporting	SR Section 5.8
	2-15 Conflicts of Interest	CGR Principle 1
	2-16 Communication of critical concerns	SR Section 5.8 & 7.3 CGR Principle 10
	2-17 Collective knowledge of the highest governance body	SR Section 6.3
	2-18 Evaluation of the performance of the highest governance body	CGR Principle 2, 4, 5
	2-19 Remuneration Policies	CGR Principle 6, 7 & 8

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GRI Reference	Disclosure	Reference
	2-20 Process to determine remuneration	CGR Principle 6, 7 & 8
	2-21 Annual Total Compensation Ratio	CGR Principle 8
	2-22 Statement on sustainable development strategy	SR Section 1.1
	2-23 Policy Commitments	SR Section 2 to 7
	2-24 Embedding policy commitments	SR Section 2 to 7
	2-25 Processes to remediate negative impacts	SR Section 7 CGR Principle 10
	2-26 Mechanisms for seeking advice and raising concerns	SR Section 7 CGR Principle 10
	2-27 Compliance with laws and regulations	SR Section 7 CGR Principle 10
	2-28 Membership Associations	SR Section 1.2.2
	2-29 Approach to Stakeholder Management	SR Section 2.2 CGR Principle 12 & 13
	2-30 Collective Bargaining Agreements	SR Section 6.2.1
Material topics 2021	3-1 Process to determine material topics	SR Section 2.3
	3-2 List of material topics	SR Section 2.3
	3-3 Management of material topics	SR Section 2.3 SR Section 2 to 7
<b>Economic</b>		
Economic Performance	201-1 Direct economic value generated and distributed	SR Section 4 AR Financial Performance
	201-2 Financial implications and other risks and opportunities due to climate change	SR Section 5.9
	201-4 Financial assistance received from the government	SR Section 4.3
<b>Environment</b>		
Material	301-1 Material used by weight or volume	SR Section 5.6
Energy	302-1 Energy consumption within the organisation	SR Section 5.3
	302-3 Energy intensity	SR Section 5.3
	302-4 Reduction of energy consumption	SR Section 5.3

## SUSTAINABILITY REPORT

GRI Reference		Disclosure	Reference
Water	303-1	Interaction with water as a shared resource	SR Section 5.5
	303-3	Water withdrawal	SR Section 5.5
Emissions	305-1	Direct (Scope 1) GHG emissions	SR Section 5.2
	305-2	Energy indirect (Scope 2) GHG emissions	SR Section 5.2
	305-4	GHG emissions intensity	SR Section 5.2
	305-5	Reduction of GHG emissions	SR Section 5.2
Waste	306-2	Management of significant waste related impacts	SR Section 5.4
	306-3	Waste generated	SR Section 5.4
	306-4	Waste diverted from disposal	SR Section 5.4
	306-5	Waste directed to disposal	SR Section 5.4
Supplier Environmental Assessment	308-1	New suppliers that were screened using environmental criteria	SR Section 5.7
<b>Social</b>			
Employment	401-1	New employee hires and employee turnover	SR Section 6.4
Occupational Health and Safety	403-1	Workers representation in formal joint management worker health and safety committees	SR Section 6.5
Training and Education	404-1	Average hours of training per year per employee	SR Section 6.3
Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	SR Section 6.4 CGR Principle 2 & 4
Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	SR Section 6.4 & 7.1
Supplier Social Assessment	414-1	New suppliers that were screened using social criteria	SR Section 5.7
Customer Health and Safety	416-1	Assessment of the health and safety impacts of product and service categories	SR Section 6.6.2
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	SR Section 6.6.2
Marketing and Labelling	417-2	Incidents of non-compliance concerning product and service information and labelling	SR Section 6.6.2
	417-3	Incidents of non-compliance concerning marketing communications	SR Section 6.6.2
Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	SR Section 7.4

## SUSTAINABILITY REPORT

### 9. TCFD Index

Topic	Disclosure	Reference
Governance	Describe the board of directors' oversight of climate-related risks and opportunities.	SR Section 5.8
	Describe management's role in assessing and managing risks and opportunities.	
Strategy	Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	SR Section 5.9.1
	Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	
	Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	
Risk Management	Describe the organisation's processes for identifying and assessing climate-related risks.	SR Section 5.9.2
	Describe the organisation's processes for managing climate-related risks.	
	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	
Metrics and Targets	Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	SR Section 5.2, 5.9.2 & 5.9.3
	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	
	Describe the targets used by the organisation to manage climate-related risks and opportunities, and performance against targets.	

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## CORPORATE GOVERNANCE REPORT

The Board of Directors (the "**Board**" or the "**Directors**") and the management (the "**Management**") of Koda Ltd (the "**Company**", and together with its subsidiaries, the "**Group**") are strongly committed to maintaining a high level of corporate governance which is essential to the protection of interests of shareholders of the Company ("**Shareholders**") and enhancing long-term Shareholder value and returns.

Rule 710 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") (the "**Listing Rules**") requires an issuer to outline the corporate governance practices adopted by the Company as prescribed by the revised Code of Corporate Governance 2018 (the "**Code**"). Accordingly, the Company has set in place corporate governance practices to provide the structure through which the objectives of protection of Shareholders' interests and enhancement of long-term Shareholder value and returns are met, and by complying with the principles and provisions of the Code.

This report ("**Corporate Governance Report**") describes the Company's corporate governance practices that were in place during the financial year ended June 30, 2025, with specific reference made to the principles and provisions of the Code and the relevant Listing Rules. The Company has adhered to the principles, provisions, guidelines and/or rules as set out in the Code and the Listing Rules, where applicable. Insofar as any principles, provisions, guidelines and/or rules have not been complied with, appropriate explanations have been provided.

### PRINCIPLE 1: THE BOARD'S CONDUCT OF AFFAIRS

*The Company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.*

The Board is collectively responsible for providing overall strategy and direction to the Management and the Group. The Board works with Management to achieve the long-term success of the Company and the Group.

The principal functions of the Board are:

- (i) protecting the assets of the Company and enhancing the long-term Shareholder value and returns;
- (ii) charting the corporate strategy and direction of the Group, including but not limited to approving broad policies, strategies and financial objectives of the Group, and ensuring that the necessary financial and human resources are in place for the Group to meet its objectives;
- (iii) supervising and monitoring of the Group's Management, including reviewing their performance;
- (iv) establishing a framework of prudent and effective controls which enables risk to be assessed and managed, including safeguarding of shareholders' interests and the Company's assets;
- (v) overseeing the processes for evaluating the adequacy of internal controls, management controls, risk management, financial reporting and compliance with the help of the Audit Committee ("**AC**");
- (vi) approving annual budgets, proposals for acquisitions, investments and disposals;
- (vii) approving nominations of Directors to the Board and appointment of key management personnel;
- (viii) reviewing corporate governance practices;



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## CORPORATE GOVERNANCE REPORT

- (ix) setting the Group's values and standards (including ethical standards), and ensuring that obligations to Shareholders and other stakeholders are understood and met;
- (x) identifying the key stakeholder groups of the Company and recognising that their perceptions affect the Company's reputation; and
- (xi) considering corporate responsibility issues including sustainability issues.

All Directors act objectively and discharge their duties and responsibilities at all times as fiduciaries to make decisions in the best interests of the Company and hold Management accountable for performance. The Board has put in place a code of conduct and ethics, which sets out a code of conduct and ethical standards for Directors, Management and employees to adhere to. The Board has set an appropriate tone-from-the-top and desired organisational culture, and ensures proper accountability within the Company. Directors who face a conflict of interest recuse themselves from discussions and decisions involving the issues of conflict.

Provision 1.1

The Directors understand the Company's business as well as their directorship duties, including their roles as executive, non-executive and independent directors.

Provision 1.2

The Directors are provided with opportunities to develop and maintain their skills and knowledge at the Company's expense. All Directors are encouraged to attend seminars and receive training to improve themselves in the discharge of Directors' duties and responsibilities. To keep pace with regulatory changes, the Directors' own initiatives are supplemented from time to time with information and updates, and seminars conducted by external professionals, including any changes in legislation and financial reporting standards, government policies, and regulations and guidelines from the SGX-ST that affect the Group and/or the Directors in discharging their duties, at the Company's expense. The Directors are also informed of developments relevant to the Group, including changes in laws, regulations and risks that may impact the Group.

In the financial year under review, as prescribed by the SGX-ST, all Directors of the Company have attended the training on the sustainability programme which was jointly organised by the Institute of Singapore Chartered Accountants and SAC Capital Private Limited. The programme for Directors is a prescribed course approved by the Singapore Exchange Regulation that provides an insight to enhance directors' understanding of sustainability reporting and the balancing of financial and non-financial environmental, social and governance ("**ESG**") pressures from its stakeholders and environment. From the programme, the Board and Management is cognizant of the key sustainability trends and the importance of transparency and accountability in furthering the Company's sustainability efforts.

In addition to the above, the Company has arrangements in place for newly appointed Directors with no prior experience as a director of a listed company on the SGX-ST to undergo training in the roles and responsibilities of a director of a listed company on the SGX-ST as prescribed by the SGX-ST. If the Nominating and Governance Committee ("**NGC**") is of the view that training is not required because the Director has other relevant experience, the basis of the Nominating and Governance Committee's assessment will be disclosed.

Listing Rule  
210(5)(a)

## CORPORATE GOVERNANCE REPORT

For new appointments to the Board, the newly-appointed Director will be given a formal letter setting out his duties and obligations. To orientate him, the newly-appointed Director will be briefed by the Lead Independent Director and the Management, and will also be provided with a Director's folder which shall contain information and materials to allow him to be familiar with the Group's history, core values, businesses and governance practices. All Directors are also invited to visit the Group's overseas factories and/or operations and to meet with the overseas management so as to gain a better understanding of the Group's business operations. Where appropriate, the Company will also provide training to first-time Directors of listed companies in areas such as accounting, legal and industry specific knowledge.

The Board has adopted a set of internal guidelines setting forth matters that require Board approval and these internal guidelines have been clearly communicated to the Management in writing.

Provision 1.3

The matters which require the Board's approval include, *inter alia*, the following:

- (i) review of the annual budgets and the performance of the Group;
- (ii) review of key activities and business strategies;
- (iii) approval of the corporate strategy and direction of the Group;
- (iv) approval of transactions involving a conflict of interest for a substantial Shareholder or a Director, or interested person transactions;
- (v) material acquisitions and disposals of assets;
- (vi) acceptance of bank facilities;
- (vii) corporate or financial restructuring and share issuances;
- (viii) declaration of dividends and other returns to Shareholders;
- (ix) appointment of new Directors to the Board; and
- (x) appointment and removal of the Company Secretary.

The Board is supported by the Audit Committee, the Nominating and Governance Committee, and the Remuneration Committee ("RC") (collectively, the "**Board Committees**"), each with specific written terms of reference setting out their compositions, authorities and duties, including reporting back to the Board. The names of the Board Committee members, the terms of reference, any delegation of the Board's authority to make decisions, and a summary of each Board Committee's activities are described separately under the various sections of each Board Committee below. The Board has delegated authority to the Board Committees without abdicating its responsibility.

Provision 1.4

Listing Rule  
210(5)(e)

## CORPORATE GOVERNANCE REPORT

### Executive Committee

In addition to the Board Committees, an Executive Committee ("EC") had been formed to supervise the management of the business and affairs of the Company and to reduce the administrative time, inconvenience and expenses associated with the convening of Board and Board Committee meetings and circulation of Board and Board Committee resolutions, without compromising the Group's corporate objectives or adversely affecting the day-to-day operations of the Company. The Executive Committee comprises Mr James Koh Jyh Gang, Mr Koh Jyh Eng, Mdm Koh Shwu Lee, Mr Teh Wing Kwan and Mr Koh Zhu Xian Joshua.

The Directors attend and actively participate in Board and Board Committee meetings. Provision 1.5  
The Board meets at least four (4) times a year, and the schedule of all regular Board and Board Committee meetings in a year are planned in advance. Additional ad hoc Board and Board Committee meetings are held at such other times as and when warranted by circumstances relating to matters that are material to the Group. The Company's Constitution provides for Board and Board Committee meetings to be held by means of telephone conference, video conference, audio visual, or by other similar communication equipment.

The number of meetings held and the attendance of each Director at every Board, Board Committee and Executive Committee meeting during the financial year ended June 30, 2025 are as follows:

Name of Director	Board		Audit Committee		Nominating and Governance Committee		Remuneration Committee		Executive Committee	
	No. of meetings held	No. of meetings attended	No. of meetings held	No. of meetings attended	No. of meetings held	No. of meetings attended	No. of meetings held	No. of meetings attended	No. of meetings held	No. of meetings attended
James Koh Jyh Gang	4	4	4	4 <sup>^</sup>	2	2 <sup>^</sup>	2	1 <sup>^</sup>	4	4
Koh Shwu Lee	4	4	4	4 <sup>^</sup>	2	2 <sup>^</sup>	2	1 <sup>^</sup>	4	4
Koh Jyh Eng	4	3	4	3 <sup>^</sup>	2	2 <sup>^</sup>	2	1 <sup>^</sup>	4	4
Tan Choon Seng	4	4	4	4	2	2	2	2	0	0
Ying Siew Hon, Francis	4	4	4	4	2	2	2	2	0	0
Phua Boon Huat	4	4	4	4	2	2	2	2	0	0
Ng Li-May Vanessa <sup>(1)</sup>	4	2	4	2	2	1	2	1	0	0
Chan Wah Tiong <sup>(2)</sup>	4	1	4	1	2	1	2	1	0	0

### Notes:

<sup>^</sup> By invitation

(1) Ms Ng Li-May Vanessa was appointed as an Independent Non-Executive Director with effect from December 6, 2024.

(2) Mr Chan Wah Tiong retired as an Independent Non-Executive Director with effect from October 30, 2024.

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## CORPORATE GOVERNANCE REPORT

Directors with multiple board representations ensure that sufficient time and attention are given to the affairs of the Company.

Apart from the formal Board and Board Committee meetings, Directors also speak among themselves on specific subjects. During the year, Directors consulted one another several times with respect to the Group's business plans.

The Management provides the Directors with complete, adequate and timely information prior to meetings and on an on-going basis to enable them to make informed decisions and discharge their duties and responsibilities.

Provision 1.6

The information provided to the Directors includes management reports and all relevant information on material events and transactions, to enable them to be fully cognisant of the decisions and actions of the Management. Detailed Board and Board Committee papers are prepared for each Board and Board Committee meeting. The Board papers include sufficient information from the Management on financial, business and corporate issues and are normally circulated in advance of each Board and Board Committee meeting. This enables the Directors to request for and obtain further explanations, where necessary, in order to be adequately briefed before each Board and Board Committee meeting. In respect of budgets, any material variance between the projections and actual results are also disclosed and explained.

The Directors have separate and independent access to the Management and the Company Secretary. In addition, all Directors have unrestricted access to the Group's records and information, and the Independent Non-Executive Directors have access to all levels of key personnel in the Group. Should the Directors, in furtherance of their duties require independent professional advice, the Directors may, only with the consent of the chairman of the Audit Committee, appoint an independent professional adviser to render advice, at the Company's expense.

Provision 1.7

Pursuant to Regulation 116 of the Company's Constitution, the appointment and removal of the Company Secretary is a matter for the Board to decide as a whole.

## CORPORATE GOVERNANCE REPORT

### PRINCIPLE 2: BOARD COMPOSITION AND GUIDANCE

*The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.*

As at the date of this Corporate Governance Report, the Board comprises seven (7) Directors, four (4) of whom are Independent Non-Executive Directors, namely, Mr Tan Choon Seng (Lead Independent Non-Executive Director), Mr Ying Siew Hon, Francis, Mr Phua Boon Huat and Ms Ng Li-May Vanessa. There is a strong and independent element on the Board with the Independent Non-Executive Directors making up a majority of the Board. Together, the Directors bring a wide range of business and financial experience relevant to the Group.

Name of Directors	Board	AC	NGC	RC	EC
James Koh Jyh Gang	Executive Chairman and CEO	–	–	–	Chairman
Koh Shwu Lee	Executive Director	–	–	–	Member
Koh Jyh Eng	Executive Director	–	–	–	Member
Tan Choon Seng	Lead Independent Non-Executive Director	Member	Member	Member	–
Ying Siew Hon, Francis	Independent Non-Executive Director	Chairman	Member	Member	–
Phua Boon Huat	Independent Non-Executive Director	Member	Member	Chairman	–
Ng Li-May Vanessa	Independent Non-Executive Director	Member	Chairman	Member	–

Listing Rule  
1207(10B)

The Board, taking into account the views of the Nominating and Governance Committee, determines on an annual basis the independence of each Independent Non-Executive Director based on the provisions in the Code, such as one who is independent in conduct, character and judgement, and has no relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement in the best interests of the Company.

Provision 2.1

In determining the independence of each Independent Non-Executive Director, the Board and the Nominating and Governance Committee also consider Listing Rules 210(5)(d)(i) and (ii). Pursuant to Listing Rules 210(5)(d)(i) and (ii), the Board and the Nominating and Governance Committee consider that a director is not independent under any of the following circumstances:

Listing Rule  
210(5)(d)

- (i) if he is employed by the Company or any of its related corporations for the current or any of the past three (3) financial years; and
- (ii) if he has an immediate family member who is employed or has been employed by the Company or any of its related corporations for the past three (3) financial years, and whose remuneration is determined by the Remuneration Committee of the Company.

## CORPORATE GOVERNANCE REPORT

Furthermore, the Board and the Nominating and Governance Committee have considered the new Listing Rule 210(5)(d)(iv) which came into effect on January 11, 2023. Listing Rule 210(5)(d)(iv) provides that a director will not be independent if he or she has been a director of the Company for an aggregate period of more than nine (9) years (whether before or after listing). However, such director may continue to be considered independent until the conclusion of the Company's next annual general meeting.

The Nominating and Governance Committee has also reviewed and determined that Mr Tan Choon Seng, Mr Ying Siew Hon, Francis, Mr Phua Boon Huat and Ms Ng Li-May Vanessa are independent in accordance with Provision 2.1 of the Code and the Listing Rules and are able to exercise independent judgement.

The Nominating and Governance Committee and the Board will continue to search actively for suitable candidates to be appointed to the Board as Independent Non-Executive Directors in order to progressively refresh members of the Board.

Independent Directors make up a majority of the Board and provide a strong and independent element on the Board. The Independent Directors provide independent judgment on the corporate affairs of the Group as well as diverse and objective perspectives to enable balanced and well-considered decisions to be made. In particular, the Independent Directors constructively challenge and help develop proposals on the Group's strategies, and review the performance of the Management in meeting agreed goals and objectives and monitor the reporting of performance.

Provision 2.2

Listing Rule 210(5)(c)

Non-executive Directors make up a majority of the Board.

Provision 2.3

Following the retirement of Mr Tan Choon Seng at the upcoming annual general meeting, the Company's Board will comprise six (6) members, of which three (3) would be Independent and Non-Executive. Therefore, immediately after the upcoming annual general meeting, the number of Independent Directors and Non-Executive Directors would not make up a majority of the Board which would be a deviation from Provision 2.2 and Provision 2.3 of the Code respectively. The Company is in the process of identifying a suitable candidate and will make an announcement once a new Independent Non-Executive Director is appointed.

The Nominating and Governance Committee is responsible for examining the size, composition and diversity of the Board and Board Committees, and believes that the Board and its Board Committees are of an appropriate size, and comprise directors who as a group provide the appropriate balance and mix of skills, knowledge, experience and diversity to oversee the Group's business.

Provision 2.4

Pursuant to Listing Rule 710A(1), the Company has adopted a Board Diversity Policy, with the Nominating and Governance Committee responsible for reviewing and assessing the Board composition on behalf of the Board and recommending the appointment of new Directors.

The criteria for Board diversity includes, among others, whether the Board is equipped with relevant skills and experience, gender composition, age and knowledge of the Company. The Nominating and Governance Committee will review the relevant objectives for promoting and achieving diversity on the Board, the progress made, and make recommendations for approval by the Board.

In identifying potential Director nominees, the Nominating and Governance Committee would consider factors such as relevant background, diversity, experience and knowledge in various categories such as business, finance and management skills which would be valuable to the Group's business to enable the Board to make sound and well-considered decisions.

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## CORPORATE GOVERNANCE REPORT

The composition of the Board is also reviewed on an annual basis by the Nominating and Governance Committee to ensure that the Board has the appropriate mix of expertise and experience, and collectively possesses the necessary core competence for informed decision-making and effective functioning. The Nominating and Governance Committee will, in reviewing and assessing the composition of the Board and recommending the appointment of new Directors to the Board, consider candidates on merit and with due regard for the benefits of diversity on the Board.

The Nominating and Governance Committee considers the Board's present size adequate for effective decision-making, taking into account the nature and scope of the Group's operations.

The Nominating and Governance Committee is also of the view that there is a strong and independent element on the Board, that there is no individual or small group of individuals dominating the Board's decision-making process, and that the Board's current size, taking into account the scope and nature of the operations of the Group and the requirements of the Group's business, is appropriate for facilitating effective decision making.

The Nominating and Governance Committee believes that the Board and its Board Committees have a good balance of Directors in terms of gender, and who have a diverse set of skills, extensive business, financial, accounting, marketing and management experience and knowledge of the Group. Profiles of the Directors are set out under the section entitled "Board of Directors" in this Annual Report. Where appropriate, the Nominating and Governance Committee and the Board will continue to search actively for suitable candidates for appointment to the Board as Independent Non-Executive Director(s).

In recognition of the importance and value of gender diversity in the composition of the Board, the Company currently has two (2) female directors on the Board. Further, the Company has set a target to ensure that the Board has a minimum of one (1) female director on the Board, and as at the date of this Corporate Governance Report, the Company has achieved the said target. In addition, the current Board consists of Directors with ages ranging from 40s to 70s, who have served on the Board for different tenures. The Company will review and work towards having greater diversity in its Board, such as gender and age, if the opportunity arises and as and when required in accordance with the Company's strategic directions.

In view of the foregoing, after considering the current Board composition and experience of the Directors, the Board, in consultation with the Nominating and Governance Committee, is of the view that, for the time being, the Board Diversity Policy has allowed the Company to achieve diversity in the Board.

As the Group's activities continue to grow, the Nominating and Governance Committee will continuously review the composition, size and diversity (including gender diversity) of the Board to ensure that it has the necessary competence for effective decision making.

The Independent Non-Executive Directors are encouraged to communicate among themselves with the Company's internal auditors, external auditors and/or senior management. The Independent Non-Executive Directors have on some occasions met among themselves and with the Company's internal auditors and external auditors of the Group without the presence of Management in FY2025. After the conclusion of the meetings, the Lead Independent Director provides feedback to the Board as appropriate.

Provision 2.5





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## CORPORATE GOVERNANCE REPORT

### PRINCIPLE 3: CHAIRMAN AND CHIEF EXECUTIVE OFFICER

*There is a clear division of responsibilities between the leadership of the Board and Management and no one individual has unfettered powers of decision-making.*

Mr James Koh Jyh Gang is both the Executive Chairman and Chief Executive Officer ("**CEO**") of the Company. Provision 3.1

Although the Executive Chairman and CEO of the Company are the same person, the Board is able to exercise its power objectively and independently from the Management as Independent Non-Executive Directors make up a majority of the Board. In addition, the Company had appointed Mr Tan Choon Seng as the Lead Independent Non-Executive Director of the Company to ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision making.

The division of responsibilities between the Chairman and the CEO is clearly established, set out in writing and agreed by the Board.

The Chairman's responsibilities include: Provision 3.2

- (i) leading the Board to ensure its effectiveness on all aspects of its role;
- (ii) scheduling meetings that enable the Board to perform its duties responsibly while not interfering with the flow of the Group's operations;
- (iii) preparing meeting agendas and ensuring that adequate time is available for discussion of all agenda items, in particular strategic issues;
- (iv) promoting a culture of openness and debate at the Board level;
- (v) ensuring effective communication with Shareholders;
- (vi) encouraging constructive relations within the Board, and between the Board and the Management;
- (vii) facilitating the effective contribution of Independent Non-Executive Directors in particular;
- (viii) exercising control over quality, quantity, adequacy and timeliness of the flow of information within the Board and between the Management and the Board; and
- (ix) promoting high standards of corporate governance, and assist in ensuring compliance with the Group's corporate governance practices.

## CORPORATE GOVERNANCE REPORT

As the Chairman is not independent, the Board has a Lead Independent Non-Executive Director, Mr Tan Choon Seng, to provide leadership in situations where the Chairman is conflicted. In light of the retirement of Mr Tan Choon Seng at the upcoming annual general meeting, the Company is in the process of identifying a suitable candidate and will make an announcement once a new Lead Independent Non-Executive Director of the Company is identified. Provision 3.3

The Lead Independent Non-Executive Director's responsibilities include:

- (i) meeting with the Management regularly, including separate, frank and detailed meetings with the Chief Financial Officer and Group Financial Controller;
- (ii) meeting independently with the Company's internal auditors and external auditors several times a year;
- (iii) arranging conference calls with the other Independent Non-Executive Directors to discuss issues; and
- (iv) being the contact person for Shareholders in situations where Shareholders have concerns or issues and for which communication with the Chairman or the Management is inappropriate or where such communication has failed to resolve the concerns or issues raised.

### PRINCIPLE 4: BOARD MEMBERSHIP

The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

During FY2025, the Nominating and Governance Committee comprises of the following members, all of whom are Independent Non-Executive Directors: Provision 4.2

Ng Li-May Vanessa (Chairman)	Independent Non-Executive Director
Tan Choon Seng (Member)	Lead Independent Non-Executive Director
Ying Siew Hon, Francis (Member)	Independent Non-Executive Director
Phua Boon Huat (Member)	Independent Non-Executive Director

Mr Tan Choon Seng, the Lead Independent Non-Executive Director, is a member of the Nominating and Governance Committee.

The principal functions of the Nominating and Governance Committee, which are regulated by written terms of reference, include, *inter alia*, the following: Provision 4.1

- (i) reviewing and recommending Board succession plans for Directors, and in particular, the Chairman and CEO and key management personnel;
- (ii) developing and recommending to the Board a process for evaluation of the performance of the Board, its Board Committees and Directors;
- (iii) reviewing and recommending to the Board training and professional development programs for the Board and its Directors;

## CORPORATE GOVERNANCE REPORT

- (iv) reviewing and assessing candidates for directorships (including executive directorships) before making recommendations to the Board for the appointment and re-appointment of a Director (including alternate directors, if any);
- (v) reviewing and recommending corporate governance guidelines and policies to the Board;
- (vi) reviewing relevant local and international developments in the area of corporate governance and recommending changes to the Board when necessary;
- (vii) nominating Directors for re-election in accordance with the Company's Constitution at each annual general meeting of the Company taking into consideration the composition and progressive renewal of the Board, and each Director's competencies, commitment, contribution, performance, attendance, preparedness, participation and candour;
- (viii) determining annually, and as and when circumstances require, the independence of Directors;
- (ix) deciding whether or not a Director is able to and has been adequately carrying out his duties as a Director of the Company, taking into consideration the number of his listed company board representations and other principal commitments;
- (x) deciding the assessment process and implementing a set of objective performance criteria for evaluation of the Board's and Board Committee's performance; and
- (xi) evaluating the effectiveness of the Board Committees and the effectiveness of the Board as a whole, and each Director's contribution to the Board's or Board Committee's effectiveness in accordance with the assessment process and performance criteria adopted.

The Nominating and Governance Committee meets, when necessary, to discuss issues of appointment of Directors to the Board and appointment of key management personnel.

For appointment of new Directors to the Board, the Nominating and Governance Committee would, in consultation with the Board, evaluate and determine the selection criteria with due consideration to the mix of skills, experience, gender and knowledge of the existing Board.

Provision 4.3

The Nominating and Governance Committee:

- (i) first evaluates the strengths and capabilities of the existing Board before it proceeds to assess the needs of the future Board;
- (ii) assess whether the needs of the future Board can be fulfilled by the appointment of one (1) person, and if not, to consult the Board with respect to the appointment of two (2) persons;
- (iii) seek out and source for a wide range of suitable candidates and obtain their resumes for review;
- (iv) conduct background checks on the candidates whose resumes the Company has received; and

## CORPORATE GOVERNANCE REPORT

- (v) narrow this list of candidates to a short list, and then invite the shortlisted candidates for an interview which may include a briefing of the duties required to ensure that there are no differences in expectations, and to ensure that any new Director appointed has the ability and capacity to adequately carry out his duties as a Director of the Company, taking into consideration the number of listed company board representations he holds and other principal commitments he may have.

In selecting and appointing potential directors, the Nominating and Governance Committee will seek out and source for a wide range of suitable candidates including persons not directly known to the Directors. In addition, the Nominating and Governance Committee is empowered to engage professional search firms to seek out and source for suitable candidates, at the Company's expense. The Nominating and Governance Committee gives due consideration to all suitable candidates regardless of who identified the candidate. The Nominating and Governance Committee will interview all suitable candidates in frank and detailed meetings, and thereafter make its recommendations to the Board for approval.

In nominating Directors for re-appointment, the Nominating and Governance Committee assesses and recommends to the Board whether the retiring Directors are suitable for re-election, taking into consideration the composition and progressive renewal of the Board and each Director's competencies, commitment, contribution, performance, attendance, preparedness, participation and candour. Subject to the Nominating and Governance Committee's satisfactory assessment of the overall contributions and performance, the Nominating and Governance Committee would recommend the proposed re-appointment to the Board for its consideration and approval.

Regulation 89 of the Company's Constitution requires at least one-third of the Directors, excluding the Managing Director, to retire from office by rotation at each Annual General Meeting of the Company, and for each Director, excluding the Managing Director, to retire at least once every three (3) years. A retiring Director shall be eligible for re-election.

Listing Rule  
720(5)

The Director who is retiring pursuant to Regulation 88 of the Company's Constitution at the forthcoming Annual General Meeting is Ms Ng Li-May Vanessa.

The Directors who are retiring pursuant to Regulation 89 of the Company's Constitution at the forthcoming Annual General Meeting are:

- (i) Mdm Koh Shwu Lee
- (ii) Mr Tan Choon Seng

The Nominating and Governance Committee, with Ms Ng Li-May Vanessa abstaining from deliberations from her own re-appointment, has recommended to the Board that each of Ms Ng Li-May Vanessa and Mdm Koh Shwu Lee be nominated for re-election at the forthcoming Annual General Meeting.

Each of Ms Ng Li-May Vanessa and Mdm Koh Shwu Lee have given their consent to remain in office and will submit themselves for re-election at the forthcoming Annual General Meeting.

Ms Ng Li-May Vanessa, upon her re-election as a Director of the Company, will remain as an Independent Non-Executive Director, the Chairman of the Nominating and Governance Committee, and a member of the Audit Committee as well as the Remuneration Committee of the Company. Ms Ng Li-May Vanessa is considered independent for the purposes of Listing Rule 704(8).

Listing Rule  
704(8)

## CORPORATE GOVERNANCE REPORT

Mdm Koh Shwu Lee, upon her re-election as a Director of the Company, will remain as an Executive Director of the Company.

Please refer to page 125 of this Annual Report for additional information on the Directors seeking re-election.

Listing Rule  
720(6)

Every year, the Nominating and Governance Committee reviews and affirms the independence of the Company's Independent Non-Executive Directors, having regard to the circumstances set forth in Provision 2.1 of the Code. Each Director is required to complete a Director's independence checklist on an annual basis to confirm his/her independence. The Director's independence checklist is drawn up based on the provisions provided in the Code and the Listing Rules, and requires each Director to assess whether he/she considers himself/herself independent despite not being involved in any of the relationships identified in the Code and the Listing Rules. The Nominating and Governance Committee then reviews the Director's independence checklist to determine whether each Director is independent.

Provision 4.4

The Independent Non-Executive Directors have confirmed that they do not have any relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgement in the best interests of the Company.

The Board, having taken into account the views of the Nominating and Governance Committee, considers Mr Tan Choon Seng, Mr Ying Siew Hon, Francis, Mr Phua Boon Huat and Ms Ng Li-May Vanessa to be independent based on the definition of independence as set out in Provision 2.1 of the Code and the Listing Rules.

Currently, the Board does not have any alternate Director and did not appoint any alternate Directors for the financial year ended June 30, 2025. The Board will avoid the appointment of alternate Directors, save for limited periods in exceptional cases such as when a Director has a medical emergency.

The Nominating and Governance Committee ensures that new directors are aware of their duties and obligations.

Provision 4.5

The Nominating and Governance Committee, in determining whether to nominate a Director for re-election, will have regard to the Director's performance and contribution to the Group, and whether the Director has been adequately carrying out his or her duties as a Director of the Company, taking into consideration the Director's number of listed company board representations and other principal commitments. The Nominating and Governance Committee notes that Directors with multiple listed company board representations have been taking independent actions to address the issue. The Nominating and Governance Committee has reviewed the independent actions taken by such Directors to address the issue and assessed the attendance record of such Directors at Board and Board Committee meetings, participation of such Directors in discussions at Board and Board Committee meetings and contributions made by such Directors to the effectiveness of the Board Committees and Board as a whole. After doing so, it is satisfied that adequate time and attention have been given to the affairs of the Company and such Directors have adequately carried out their duties notwithstanding their multiple listed company board representations.

## CORPORATE GOVERNANCE REPORT

The Board has resolved that no Director shall hold more than six (6) listed company board representations concurrently, even if that Director has the capability of managing that many listed company board representations, as the Board is of the view that more than six (6) concurrent listed company board representations will interfere with the Director's ability to devote sufficient time and attention to the affairs of the Company. During the financial year ended June 30, 2025, no Director held more than six (6) listed company board representations concurrently.

Name of Director	Appointment	Date of first appointment	Date of last re-election	Directorships in other listed companies	
				Current	Past five (5) years
James Koh Jyh Gang	Executive Chairman and CEO	April 17, 1980	October 30, 2023	–	–
Koh Shwu Lee	Executive Director	March 30, 2001	October 28, 2022	–	–
Koh Jyh Eng	Executive Director	March 30, 2001	October 30, 2023	–	–
Tan Choon Seng	Lead Independent Non-Executive Director	November 18, 2016	October 30, 2023	Soup Holdings Limited  Listed on the Mainboard of the SGX-ST  Independent Non-Executive Director  Date of appointment: April 27, 2019	–
Ying Siew Hon, Francis	Independent Non-Executive Director	November 18, 2016	October 30, 2024	–	–
Phua Boon Huat	Independent Non-Executive Director	November 1, 2021	October 30, 2024	–	–
Ng Li-May Vanessa	Independent Non-Executive Director	December 6, 2024	–	–	–

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## CORPORATE GOVERNANCE REPORT

### PRINCIPLE 5: BOARD PERFORMANCE

*The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.*

The Nominating and Governance Committee is responsible for recommending for the Board's approval the objective performance criteria and process for the evaluation of the effectiveness of the Board, its Board Committees, the Chairman and each individual Director. Provision 5.1

The performance criteria used by the Nominating and Governance Committee in the evaluation of the Board and Board Committees includes the evaluation of the size and composition of the Board and Board Committees, the Board's and Board Committees' access to information, the Board's and Board Committees' processes and accountability, and the Board's and Board Committees' performance in relation to discharging their principal functions and responsibilities. These performance criteria do not change from year to year unless circumstances deem it necessary, and a decision to change any of the performance criteria will be justified by the Board. The Nominating and Governance Committee also takes into account the Directors' standards of conduct and such financial indicators as the Nominating and Governance Committee considers appropriate in its evaluation of the Board and Board Committees. The Nominating and Governance Committee, however, notes that the financial indicators provide only a snapshot of the Company's performance, and do not fully reflect on-going risk or measure the sustainable long-term wealth and value creation of the Company.

In assessing the effectiveness of the Board and Board Committees, the Nominating and Governance Committee takes into consideration the individual Director's industry knowledge and/or functional expertise, and workload requirements.

The Nominating and Governance Committee also assesses the contribution by the Chairman and each individual Director to the effectiveness of the Board and Board Committees. In addition, the Nominating and Governance Committee considers the attendance, level of preparedness, participation and candour of the Directors in its assessment of each individual Director (including the Chairman), although re-nomination or replacement does not necessarily reflect the Directors' performance or contributions to the Board and Board Committees.

A Board evaluation was conducted whereby Directors completed a self-assessment checklist based on various areas of assessment to assess their views on various aspects of the Board's and Board Committees' performance. The results of these self-assessment checklists were considered by the Nominating and Governance Committee. In particular, the Chairman of the Nominating and Governance Committee would review the results of these self-assessment checklists and, in consultation with the Nominating and Governance Committee, propose to the Board, where appropriate, to make relevant changes to the Board or Board Committee's size and composition. Provision 5.2

The Nominating and Governance Committee has assessed the overall performance to-date of the current Board, Board Committees and each individual Director for the financial year ended June 30, 2025 and was of the view that the performance of the Board as a whole, each Board Committee and each individual Director were satisfactory.

No external facilitator was used in the Nominating and Governance Committee's assessment of the Board, Board Committees and individual Directors.



## CORPORATE GOVERNANCE REPORT

### PRINCIPLE 6: PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

*The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.*

During FY2025, the Remuneration Committee comprises of the following members: Provision 6.2

Phua Boon Huat (Chairman)	Independent Non-Executive Director
Tan Choon Seng (Member)	Lead Independent Non-Executive Director
Ying Siew Hon, Francis (Member)	Independent Non-Executive Director
Ng Li-May Vanessa (Member)	Independent Non-Executive Director

All members of the Remuneration Committee are Independent Non-Executive Directors.

The principal functions of the Remuneration Committee, which are regulated by written terms of reference, include, *inter alia*, the following: Provision 6.1

- (i) reviewing and recommending to the Board a framework of remuneration for the Board and key management personnel; and
- (ii) reviewing and recommending the specific remuneration packages for each director as well as for the key management personnel.

The Remuneration Committee considers all aspects of remuneration, including but not limited to Directors' fees, salaries, allowances, bonuses, options, share-based incentives and awards and benefits-in-kind, as well as termination terms, to ensure they are fair and to avoid rewarding poor performance. Provision 6.3

The Remuneration Committee also performs an annual review of the remuneration of employees related to the Directors and substantial Shareholders to ensure that their remuneration packages are in line with the Group's staff remuneration guidelines and commensurate with their respective job scopes and level of responsibilities.

The Remuneration Committee reviews the Company's obligations arising in the event of the termination of the Executive Directors' and key management personnel's contracts of service.

No member of the Remuneration Committee is involved in any deliberation or decision making in respect of any compensation to be offered or granted to him or in respect of his effectiveness as a Director.

The Remuneration Committee also has access to independent and objective expert advice inside and/or outside the Group, if necessary, on matters of executive compensation. Provision 6.4

No remuneration consultants were engaged by the Company in FY2025.

## CORPORATE GOVERNANCE REPORT

### PRINCIPLE 7: LEVEL AND MIX OF REMUNERATION

*The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.*

The Company is of the view that performance-related elements of remuneration for Executive Directors and key management personnel should form a significant proportion of the total remuneration package of executives so as to link rewards to corporate and individual performance. The Group's performance-related elements of remuneration are designed to align the executive's interests with those of Shareholders and other stakeholders, to promote the long-term success of the Group while taking into account the risk policies of the Group, be symmetric with risk outcomes and be sensitive to time horizon risks.

Provision 7.1

The performance of the Executive Directors and key management personnel is assessed based on a set of performance criteria which includes, among others, the Group's financial performance, and the executive's quality of work and diligence. The Company has in place an employee profit sharing scheme pursuant to which executives and management staff whose job responsibilities have an impact on the performance and profitability of their department or section are eligible. The limit of profit sharing to a maximum of six (6) months of an eligible employee's salary as described in the Company's Prospectus dated January 8, 2002 remains unchanged.

The Company has in place contracts of service for each of its Executive Directors and key management personnel which sets out the framework of their remuneration. The Remuneration Committee will, upon the expiry of such contracts of service, recommend to the Board a general remuneration framework for the Board and key management personnel and determine specific remuneration packages for each Executive Director and key management personnel, to ensure that their service contracts contain fair and reasonable termination clauses and that the remuneration packages are, as a whole, fair and do not reward poor performance. The Remuneration Committee's recommendations will be made in consultation with the Chairman and submitted for endorsement by the entire Board. The Company currently does not use contractual provisions to reclaim incentive components of the remuneration of Executive Directors and key management personnel in exceptional circumstances of misstatement of financial results or misconduct resulting in financial loss to the Group. The Executive Directors owe a fiduciary duty to the Company and the Company should be able to avail itself to remedies against the Executive Directors in the event of such breach of fiduciary duties. The Company shall also review the feasibility of having such contractual provisions in future contracts of service as recommended by the Code upon the expiry of the current contracts of service of its Executive Directors and key management personnel.

The remuneration of Non-Executive Directors is appropriate to the level of contribution, taking into account factors such as effort and time spent, and responsibilities of the Non-Executive Directors. The Independent Non-Executive Directors are not over-compensated to the extent that their independence may be compromised. The Board will, if necessary, consult experts on the remuneration of Independent Non-Executive Directors. The Board will recommend the remuneration of the Independent Non-Executive Directors for approval at the forthcoming Annual General Meeting. Going forward, the Remuneration Committee will consider amending the performance share plan to allow Independent Non-Executive Directors to participate and awarding shares to Independent Non-Executive Directors under the performance share plan so as to better align the interests of Independent Non-Executive Directors with the interests of Shareholders.

Provision 7.2

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## CORPORATE GOVERNANCE REPORT

The Remuneration Committee has reviewed and considered the remuneration framework for Directors and key management personnel and is of the view that the remuneration framework is aligned with the interests of the shareholders and other relevant stakeholders and appropriate to attract, retain and motivate them to provide good stewardship of the Company for the long-term success of the Company. Provision 7.3

### **PRINCIPLE 8: DISCLOSURE ON REMUNERATION**

*The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.*

#### **Policy and criteria for setting remuneration**

Provision 8.1

The Group has adopted qualitative performance conditions such as leadership, people development, commitment, teamwork, and current and industry practices as well as quantitative performance conditions such as profit before tax, relative financial performance of the Group to its industry peers, order book and sales growth to assess an individual's performance. Such performance conditions are designed to align Executive Directors' and key management personnel's interests with those of Shareholders and to motivate them to strive for the Group's long-term prosperity. In particular, the Company has in place the Koda Performance Share Plan 2018 to recognise and reward past contributions and services, to ensure Executive Directors' and key performance personnel's remuneration packages remain competitive and ultimately, to foster an ownership culture within the Group. The Executive Directors and key management personnel have met their qualitative and quantitative performance conditions in the financial year ended June 30, 2025.

Considering the economic climate and industry performance, the Board, in consultation with the Remuneration Committee, is of the view that the performance of the Executive Directors and key management personnel for the financial year ended June 30, 2025 was satisfactory. The contracts of service entered into with the Executive Directors are automatically renewable on a yearly basis unless terminated by either party giving written notice of not less than three (3) months.

The Executive Directors do not receive Directors' fees. The remuneration for the Executive Directors and key management personnel comprises primarily a basic salary component and a variable bonus component, which are determined based on the performance of the Group as a whole and their individual performance.

The Directors' fees paid to the Independent Non-Executive Directors are in accordance with their credentials, qualifications, experience and contributions. Other factors such as responsibilities, effort and time spent for serving on the Board and Board Committees also form part of the consideration in the determination of the Directors' fees. The Company does not have contracts of service with the Independent Non-Executive Directors. Directors' fees are recommended by the Board and are subject to the approval of Shareholders at the forthcoming Annual General Meeting.

## CORPORATE GOVERNANCE REPORT

A breakdown showing the level and mix of the remuneration of the Directors and key management personnel during the financial year ended June 30, 2025 is as follows:

### Remuneration of Directors

Name of Director/ Remuneration Band	Total Remuneration (S\$'000)	Salary (%)	Bonus (%)	Allowance and other benefits (%) <sup>(1)</sup>	Director's Fees (%)	Total (%)
James Koh Jyh Gang	516	77.2	11.2	11.6	–	100.0
Koh Jyh Eng	414	74.8	12.2	13.0	–	100.0
Koh Shwu Lee	399	75.5	11.9	12.6	–	100.0
Tan Choon Seng	40	–	–	–	100.0	100.0
Chan Wah Tong <sup>(2)</sup>	13	–	–	–	100.0	100.0
Ying Siew Hon, Francis	33	–	–	–	100.0	100.0
Phua Boon Huat	28	–	–	–	100.0	100.0
Ng Li-May Vanessa <sup>(3)</sup>	17	–	–	–	100.0	100.0

(1) Allowance and other benefits shown are inclusive of Singapore Central Provident Fund (CPF) contributions and benefits in kind.

(2) Mr Chan Wah Tong retired as an Independent Non-Executive Director with effect from October 30, 2024.

(3) Ms Ng Li-May Vanessa was appointed as an Independent Non-Executive Director with effect from December 6, 2024.

### Remuneration of key management personnel

	Remuneration S\$	Salary %	Bonus %	Allowance and other benefits %	Directors' fee %	Total %
<b>Key Management Personnel</b>						
Gan Shee Wen	200,000 to 300,000	76.1	6.3	17.6	–	100.0
Yang Ee	100,000 to 200,000	85.1	7.1	7.8	–	100.0
Tan Kian Peng	100,000 to 200,000	87.1	7.3	5.6	–	100.0
<b>Key Management Personnel who are immediate family members of a Director</b>						
Koh Zhu Xian Joshua <sup>(1)</sup>	200,000 to 300,000	81.2	6.8	12.0	–	100.0
Koh Zhu Lian Julian <sup>(1)</sup>	100,000 to 200,000	75.8	6.3	17.9	–	100.0
Seow Soo Yeow Kevin <sup>(2)</sup>	200,000 to 300,000	87.1	7.3	5.6	–	100.0

### Notes:

(1) Koh Zhu Xian Joshua and Koh Zhu Lian Julian are the sons of Mr James Koh Jyh Gang, the Executive Chairman and CEO of the Company.

(2) Seow Soo Yeow Kevin is the spouse of Koh Shwu Lee.

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## CORPORATE GOVERNANCE REPORT

For the financial year ended June 30, 2025, the total remuneration payable to the Directors (including Directors' fees payable to the Independent Non-Executive Directors) was S\$1,460,000 and the total remuneration for the key management personnel (who are not Directors or the CEO set out in the table above) was S\$1,217,000.

Save for Mr Koh Zhu Xian Joshua and Mr Koh Zhu Lian Julian, who are the sons of Mr James Koh Jyh Gang, the Executive Chairman and CEO of the Company, and Mr Seow Soo Yeow Kavin, who is the spouse of Mdm Koh Shwu Lee, the Executive Director of the Company, there are no other employees who are substantial shareholders of the Company, or who are immediate family members of a Director, the CEO or a substantial shareholder of the Company, and whose remuneration exceeded S\$100,000 in the financial year ended June 30, 2025.

Provision 8.2

### **Koda Performance Share Plan 2018**

Provision 8.3

Currently, the Company has in place a performance share plan that was adopted at an extraordinary general meeting of the Company held on October 31, 2018 (the "**Koda Performance Share Plan 2018**"). The Koda Performance Share Plan 2018 is administered by the Remuneration Committee, comprising the Independent Directors Phua Boon Huat, Tan Choon Seng, Ying Siew Hon, Francis and Ng Li-May Vanessa.

The Koda Performance Share Plan 2018 aims to provide an opportunity for employees to be remunerated not just through cash bonuses but also an equity stake in the Company. The Koda Performance Share Plan 2018 further allows the Company to recognise and reward past contributions and services and incentivises them to contribute to the long-term growth and profitability of the Group.

Subject to the rules of the Koda Performance Share Plan 2018, the following persons are eligible to participate in the Koda Performance Share Plan 2018:

- (i) a confirmed full-time employee of the Group ("**Group Employee**");
- (ii) a Director and/or a director of the Company's subsidiaries, as the case may be, who performs an executive function ("**Group Executive Director**"); and
- (iii) controlling Shareholders and/or their associates who are either Group Employees or Group Executive Directors, provided that their participation in the Koda Performance Share Plan 2018 and the grant of awards to them, including the actual number of performance shares and the terms of any award, have been approved by independent Shareholders at a general meeting of the Company in separate resolutions.

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## CORPORATE GOVERNANCE REPORT

Other salient information relating to the Koda Performance Share Plan 2018 is set out below:

- (i) The selection of a participant and the aggregate number of performance shares which are the subject of each award to be granted to a participant in accordance with the Koda Performance Share Plan 2018 shall be determined at the absolute discretion of the Remuneration Committee and recommended by the Remuneration Committee to the Board for approval. In so doing, the Remuneration Committee shall consider, among others, the financial performance of the Group, the participant's rank, length of service, achievements, job performance, potential for future development, his contribution to the success and development of the Group, and the extent of effort and resourcefulness required to achieve the performance target(s) within the performance period(s). The performance target(s) will be set by the Remuneration Committee depending on each individual participant's job scope and responsibilities.
- (ii) The aggregate number of performance shares available under the Koda Performance Share Plan 2018, when added to all shares, options or awards granted under any other share based incentive schemes of the Company, shall not exceed 15% (or such other percentage as may be prescribed or permitted from time to time by the SGX-ST) of the total number of issued shares of the Company from time to time. Additionally, the grant of awards of performance shares to participants who are controlling Shareholders or associates of controlling Shareholders shall be subject to independent Shareholders' approval at a general meeting in separate resolutions for the grant of awards to each controlling Shareholder or associate of a controlling Shareholder, and the actual number of performance shares which are the subject of such awards shall comply with the following limits: (i) the aggregate number of performance shares which may be awarded to participants who are controlling Shareholders and/or their associates under the Koda Performance Share Plan 2018 shall not exceed 25% of the total number of shares available under the Koda Performance Share Plan 2018; and (ii) the aggregate number of performance shares which may be awarded to each participant who is a controlling Shareholder and/or an associate of a controlling Shareholder under the Koda Performance Share Plan 2018 shall not exceed 10% of the total number of shares available under the Koda Performance Share Plan 2018.
- (iii) Awards represent the right of a participant to receive fully-paid ordinary shares in the capital of the Company free of charge, upon the participant satisfying or exceeding the prescribed performance target(s) at the end of the performance period(s) and/or otherwise having performed well and/or made a significant contribution to the Group. Awards are vested and the performance shares which are the subject of the awards are delivered to the participants at the end of the performance period(s) once the Remuneration Committee is, at its sole discretion, satisfied that the prescribed performance target(s) have been satisfied. The Remuneration Committee may also grant an award where, in its opinion, a participant has performed well and/or made a significant contribution to the Group.

The Koda Performance Share Plan 2018 shall continue in force at the absolute discretion of the Remuneration Committee, subject to a maximum period of 10 years commencing from the date it was adopted.

Further details are set out in the Company's Circular dated October 15, 2018.

## CORPORATE GOVERNANCE REPORT

Since the implementation of the Koda Performance Share Plan 2018 until June 30, 2025, the following share awards have been granted:

Date of grant	Number of shares granted	Market price of securities on date of grant	Vesting period
November 17, 2022	84,000 <sup>(1)</sup>	S\$0.415	Vested on date of grant
November 15, 2021	303,861 <sup>(2)</sup>	S\$0.80	Vested on date of grant
November 12, 2020	211,919	S\$0.48	Vested on date of grant
December 19, 2019	225,382	S\$0.595	Vested on date of grant

**Notes:**

- (1) Of the 84,000 share awards, 28,000 share awards were granted to Koh Zhu Xian Joshua and Koh Zhu Lian Julian respectively, both of whom are associates of a controlling shareholder. The remaining 28,000 share awards were awarded to selected employee(s) of the Group who are not directors and controlling shareholders (and each of their associates) of the Company.
- (2) Of the 303,861 share awards, 39,669 share awards were granted to Koh Zhu Xian Joshua and Koh Zhu Lian Julian respectively, both of whom are associates of a controlling shareholder. The remaining 224,523 share awards were awarded to selected employees of the Group who are not directors and controlling shareholders (and each of their associates) of the Company.

Save as disclosed above, no award of performance shares under the Koda Performance Share Plan 2018 has been granted to Directors, controlling Shareholders of the Company or associates of controlling Shareholders of the Company, and no employee of the Group has received 5% or more of the total number of performance shares available under the Koda Performance Share Plan 2018.

Other than statutory defined contribution plans such as Singapore's Central Provident Fund ("CPF") and the disclosures set out in the table under Provision 8.1 above, there were no termination, retirement and post-employment benefits that were granted to the Directors, the CEO and key management personnel in the financial year ended June 30, 2025.

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## CORPORATE GOVERNANCE REPORT

### PRINCIPLE 9: ACCOUNTABILITY AND AUDIT – RISK MANAGEMENT AND INTERNAL CONTROLS

*The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.*

The Board affirms its overall responsibilities for the Group's risk management and internal controls to safeguard the interests of the Group and its shareholders. In order to streamline the functions of the Board and the Board Committees, the Audit Committee assists the Board in the role of overseeing the Group's risk management and internal control systems. As such, the Board is of the view that it is not necessary to set up a Board Risk Committee to assist the Board in determining the nature and extent of the significant risks which the Company is willing to take in achieving its strategic objectives and value creation. Provision 9.1

The Group has a risk management and internal control system designed to provide reasonable assurance that assets are safeguarded, proper accounting records are maintained and that financial information used for financial reporting is reliable. The Board recognises that no risk management and internal control system could provide absolute assurance against the occurrence of material errors, poor judgment in decision making, human errors, losses, fraud or other irregularities. The risk management and internal control system is designed to manage rather than eliminate the risk of failure to achieve the business objectives.

Under the Group's risk management and internal control system, risks which the Group faces are periodically identified, evaluated and ranked based on the likelihood and magnitude of eventuation. The Company's internal auditors will assess these risks and recommend internal controls to be implemented by the Management to address these risks.

The Board, in consultation with the Audit Committee, has established risk tolerance levels to provide guidance to the Management on key risk parameters set out in the risk registers of the Group, and has adopted and circulated a sound system of risk management and internal controls recommended by the internal auditors to be implemented by the Management to manage and mitigate these risks.

The Audit Committee assists the Board in overseeing the Group's risk management and internal control system. The Audit Committee reviews the adequacy and effectiveness of the Group's risk management and internal control system annually. In particular, internal and external audit reports on any material non-compliance or internal control weaknesses, including financial, operational, compliance and information technology controls and recommendations for improvements are submitted to the Audit Committee for review at least annually.

The Audit Committee reviews the adequacy and effectiveness of the actions taken by the Management based on the recommendations made by the Company's internal auditors and external auditors to the Audit Committee. The Audit Committee is satisfied that there are adequate internal controls within the Group taking into account the nature and size of the Group's business and operations.



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## CORPORATE GOVERNANCE REPORT

Based on the internal controls established and maintained by the Group, work performed by the Company's internal auditors and external auditors and reviews performed by the Management, the various Board Committees and the Board, as well as the positive assurance from the CEO and the Chief Financial Officer as to the adequacy and effectiveness of the Group's risk management and internal control system, the Board and the Audit Committee are satisfied that the Company has adequate and effective systems of internal controls (including financial, operational, compliance and information technology controls) and risk management systems, taking into account the nature and size of the Group's business and operations.

Listing Rule  
1207(10)

The Board and the Audit Committee have received positive assurance from:

Provision 9.2

- (i) the CEO and Chief Financial Officer that the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and
- (ii) the CEO and key management personnel who are responsible, regarding the adequacy and effectiveness of the Company's risk management and internal control systems.

### Key operational risks

The Board is aware of the operational risks that may adversely affect the Group's operating results if any of these risk factors and uncertainties develops into actual events. The following is a non-exhaustive list of some of the key operational risks that may affect the Group.

*Macroeconomic risk* – The Group's business is sensitive to global economic conditions. The global economic slowdown has resulted in lower consumer confidence and reduced purchasing power with consumers changing their spending pattern to save more for necessities. Furniture purchase is discretionary and has inevitably been affected by the generally weak economic factors and such market uncertainties. In the event of a prolonged economic downturn, demand for the Group's furniture is likely to be affected and this may have an adverse impact on the Group's operating results.

*Design risk* – The Group's business segments have been design-intensive and its operating results depend heavily on the Group's ability to continually design products which are market-oriented and production-feasible, failing which the Group's operating results may be adversely affected.

*Change in customers' ordering pattern* – As a result of recent market uncertainties, the Group's clients have now placed orders in smaller batches and expect goods to be delivered faster; switching part of the stock holding risks to the suppliers. To meet shorter lead times, the Group would have to increase raw material stocks and produce semi-finished components ahead of confirmed orders in accordance with its internal order projections, which means investment in inventories would be higher and warehousing facilities would be larger. In the event that the Group's customers do not order goods in quantities and specifications as projected, the Group may have to make provisions for slow-moving stocks or stock obsolescence and its operating results may be affected by such provisions.

*Increasing credit risks* – Whilst the Group's current bad debts risk is currently low and existing receivables turnover period remains manageable, clients expect longer credit terms as a result of changing market conditions in the countries that the Group has been selling to. The extension of credit terms means increasing credit risk which needs to be closely monitored. The increasing credit risk may result in the Group having a need to make provision for doubtful debts and incur additional costs in collecting payments. Any bad debt provisions and write-offs may have a negative impact on the Group's net operating margins.

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## CORPORATE GOVERNANCE REPORT

*Supplies of raw materials* – The Group purchases raw materials such as wood, leather, fabrics and finishes for its production. The supply and prices of wood based raw materials are affected by the weather conditions in the region in which they are sourced. Adverse weather may reduce the supply availability, driving up purchase prices which may have a negative impact on gross margins. The production cycles are also dependent on the ability of the Group's suppliers to supply raw materials at acceptable terms – such as quantity, quality, prices, specifications and lead times – failing which the Group's production cycles may be disrupted and its operating results may also be adversely affected.

*Risk of stock obsolescence and slow-moving inventories* – The Group's international clients have not been able to provide firm order projections due to market uncertainty but these clients expect their goods to be shipped faster. Given the low orders' visibility and short delivery lead times, the Group needs to make certain commercial assumptions and rely on its internal projections while investing in inventories of raw materials and producing semi-finished components ahead of confirmed orders. In the event that such commercial assumptions are inaccurate and/or the internal projections do not materialise, the Group may either have to sell off such inventories at a lower value or write-off such inventories completely. In such a case, the Group's operating results may be adversely affected.

*Risk of fire* – The extensive use of wood, chemicals, lacquers and solvents increase the risk of fire. Several fires have occurred at the Group's factories in the past (the risk of fire in those instances were fully insured). Whilst the Group takes every precaution against fire, there is no assurance there will be no major fire occurrence in the future and the occurrence of a major fire may adversely affect the Group's operations.

*Labour supply* – Approximately twenty percent of the Group's production capacity is located in Malaysia for which the workers are mainly from Bangladesh, Myanmar and Nepal. The employment of these foreign workers is subject to quota and other immigration rules as imposed by the Malaysian government. Tightening of and adverse changes made to such rules may result in the Group not being able to source sufficient workers and find suitable replacements for its Malaysia operations and the operating results of the Group may be partially affected.

*Changes in tax legislation (Vietnam)* – There were previously changes made to the tax legislations in Vietnam resulting in additional and retrospective tax liabilities incurred by the Group's subsidiaries in Vietnam. If the Vietnamese government were to change tax legislations, the effective tax rates would be significantly higher and this may adversely affect the Group's net profit margin.

*Currency risk* – Foreign currency exchange effects could be volatile. For example, if the US\$ appreciates against the RM, it will mean lower RM-denominated expenses in US\$ terms or higher US\$-denominated receivables. As the currencies market is volatile and uncertain, this may affect the Group's financial performance one way or the other. The Group generally relies on natural hedge but will also monitor the foreign exchange exposure closely and may hedge the exposure by entering into relevant foreign exchange forward contracts or continue to rely on natural hedge or a combination of both.

## CORPORATE GOVERNANCE REPORT

### PRINCIPLE 10: AUDIT COMMITTEE

*The Board has an Audit Committee which discharges its duties objectively.*

The duties of the Audit Committee as set out in its written terms of reference include, among others, reviewing, with the Company's internal auditors, external auditors and the Management, the Group's policies and control procedures, interested person transactions, as well as any financial information presented to Shareholders. Provision 10.1

Specifically, the Audit Committee:

- (i) reviews the adequacy, effectiveness, scope and results of the external audit, the independence and objectivity of the external auditors and the nature and extent of non-audit services provided by the external auditors;
- (ii) reviews the adequacy and effectiveness of the Group's internal controls and risk management systems at least annually;
- (iii) reviews the assurance from the CEO and Chief Financial Officer on the financial records and financial statements;
- (iv) reviews the quarterly and full year financial statements announcements before submission to the Board for adoption;
- (v) reviews the significant financial reporting issues and judgments so as to ensure the integrity of the financial statements of the Group and any announcements relating to the Group's financial performance;
- (vi) reviews the financial statements of the Group, accounting principles and policies thereto and the management of financial matters before submission to the Board for endorsement;
- (vii) reviews and reports to the Board on the adequacy, effectiveness, independence, scope and results of the internal audit procedures, the internal control procedures and the internal audit function;
- (viii) reviews the audit plans and reports of the internal auditors and external auditors and reports to the Board at least annually on the adequacy and effectiveness of the internal control systems of the Group, including financial, operational, compliance and information technology controls and the Management's responses and actions to correct any deficiencies;
- (ix) reviews the co-operation given by the Company's officers to the internal auditors and external auditors;
- (x) recommends to the Board on the appointment, re-appointment or removal of external auditors and their remuneration and terms of engagement fees for Shareholders' approval;
- (xi) approves the remuneration and terms of engagement of external auditors;
- (xii) reviews interested person transactions in accordance with the requirements of the Listing Rules; and

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## CORPORATE GOVERNANCE REPORT

- (xiii) reviews the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on.

### **Whistle-blowing policy**

The Company has put in place a whistle-blowing policy and procedures duly endorsed by the Audit Committee, where employees of the Group may, in confidence, raise concerns about possible corporate improprieties in financial reporting or other matters such as suspected fraud, corruption, dishonest practices etc. The Company ensures that the identity of the whistleblower is kept confidential. All reports including unsigned reports, reports weak in details and verbal reports are considered.

To ensure independent investigation into such matters and for appropriate follow up action, all whistle-blowing reports are reviewed by the Audit Committee and the Board. In the event that the whistle-blowing report is about a Director, that Director shall not be involved in the review and any decisions with respect to that whistle-blowing report. The whistle-blowing policy aims to encourage the reporting of such matters in good faith, with the confidence that any employees of the Group making such reports will be treated fairly and be protected from reprisals. Details on the whistle-blowing policy have been made available to all employees of the Group.

There were no whistle-blowing reports received by the Company for the financial year ended June 30, 2025.

During FY2025, the Audit Committee comprises of the following members:

Provision 10.2

Ying Siew Hon, Francis (Chairman)  
Tan Choon Seng (Member)  
Phua Boon Huat (Member)  
Ng Li-May Vanessa (Member)

Independent Non-Executive Director  
Lead Independent Non-Executive Director  
Independent Non-Executive Director  
Independent Non-Executive Director

All members of the Audit Committee are Independent Non-Executive Directors.

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## CORPORATE GOVERNANCE REPORT

The Board is of the opinion that the members of the Audit Committee have relevant accounting or related financial management expertise as well as business experience to discharge their duties. Mr Ying Siew Hon, Francis is a Fellow of the Association of Chartered Certified Accountants (United Kingdom) and has considerable experience in investment and corporate banking as well as the securities industry; Mr Tan Choon Seng is a non-practising Fellow Chartered Accountant of Singapore, holds a Bachelor of Accountancy from the University of Singapore, and has over 20 years of experience in audit and tax, oil services and information technology industries, where he held a number of senior leadership positions in operations, sales, strategy and business development; Mr Phua Boon Huat holds a Bachelor of Economics (Honours) degree from the University of Newcastle, Australia and a Master of Business Administration degree from the University of Adelaide, Australia and was previously the Director, Europe of HTL International Holdings Pte Ltd, a furniture manufacturing company, listed on the Mainboard of the SGX-ST previously, where he was responsible for managing the overall commercial activities in the European markets; and Ms Ng Li-May Vanessa holds a Bachelor of Laws (Honours) degree from the National University of Singapore. She has over 22 years of experience in corporate advisory, mergers & acquisitions, investments, fund-raising, series financing, and capital markets. She is a seasoned legal practitioner who has advised on a wide range of corporate matters ranging from corporate advisory, mergers & acquisitions, investments, fund-raising, and series financing work and capital market transactions. Vanessa was a Registered Professional under the Sponsorship regime of the Catalist board of the Singapore Exchange, where she was involved in the full spectrum of continuing sponsorship activities for companies under the Catalist regime.

To ensure that the Audit Committee keeps abreast of changes that may impact the financial statements of the Company, the Chairman of the Audit Committee regularly receives and circulates updates from the Company's external auditors to members of the Audit Committee. The Chairman of the Audit Committee has also informed the Board that he also receives regular updates from other audit firms, The Institute of Singapore Chartered Accountants and other regulatory bodies also circulates these updates to the members of the Audit Committee. The operations of the Audit Committee are regulated by its written terms of reference, which were approved and are subject to periodic review by the Board. The Audit Committee meets at least four (4) times a year. Where appropriate, the Audit Committee may undertake activities and seminars as it considers necessary to keep itself abreast of changes to accounting standards and issues which have a direct impact on financial statements, at the Company's expense.

The Audit Committee has explicit authority to investigate any matter within its terms of reference, and is authorised to obtain independent professional advice at the Company's expense. It has full access to and co-operation of the Management and reasonable resources to enable it to discharge its duties properly. It also has full discretion to invite any Executive Director or executive officer or any other person to attend its meetings.

## CORPORATE GOVERNANCE REPORT

The aggregate amount of fees paid or payable to the Company's external auditors for the financial year ended June 30, 2025 is as follows:

Listing Rule  
1207(6)(a)

Fees for audit services:	US\$179,000	(FY2024: US\$138,000)
Fees for non-audit services:	Nil	(FY2024: Nil)

The Audit Committee reviews the independence of the Company's external auditors annually. The Audit Committee confirms that no non-audit services have been provided by the external auditors for the financial year ended June 30, 2025 and was satisfied that the independence of the external auditors was not affected by any provision of non-audit services by the external auditors.

Listing Rule  
1207(6)(b)

None of the Audit Committee members was a former partner or director of the Company's existing auditing firm or auditing corporation (a) within a period of two (2) years commencing on the date of their ceasing to be a partner of the auditing firm or director of the auditing corporation; and in any case, (b) for as long as they have any financial interest in the auditing firm or auditing corporation.

Provision 10.3

### Internal Audit

Provision 10.4

The primary reporting line of the internal audit function is to the Audit Committee, which also decides on the appointment, termination and remuneration of the head of the internal audit function.

Listing Rule  
719(3)

The Company has appointed Messrs Crowe Horwath First Trust Risk Advisory Pte. Ltd. as the Company's internal auditors to review the Group's internal control systems. The internal audit partner is Mr Goh Sia who is a Certified Internal Auditor with the Institute of Internal Auditors. Mr Goh Sia has over 20 years of experience in providing external and internal audit, and consultancy services.

The internal auditors will plan its internal audit in consultation with, but independent of the Management, and has unfettered access to all the Group's documents, records, properties and personnel, including access to the Audit Committee. The internal auditor's primary line of reporting is to the Audit Committee Chairman, and the internal audit plan will be submitted to the Audit Committee for approval prior to the commencement of the internal audit.

The Audit Committee will review the activities of the internal auditors on a regular basis, including overseeing and monitoring of the implementation of improvements required on internal control weaknesses identified. The Audit Committee will, at least annually, review the adequacy and effectiveness of the internal audit function and whether the internal audit function is staffed with persons with the relevant qualifications and experience. The internal auditors adopt the Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors. The internal auditors report directly to the Audit Committee, which approves the hiring, removal, evaluation and compensation of the head of the internal control function.

The Audit Committee ensures that the internal audit function is adequately resourced and has appropriate standing within the Group. In relation to the financial year ended June 30, 2025, the Audit Committee is of the view that the internal audit function is independent of the activities it audits, effective and adequately resourced.

Listing Rule  
1207(10C)

## CORPORATE GOVERNANCE REPORT

The Audit Committee meets with the Company's internal auditors and external auditors separately, at least once a year, without the presence of the Management to review any areas of audit concern. Individual members of the Audit Committee also engage the internal auditors and external auditors separately in ad hoc meetings. The external auditors have unrestricted access to the Audit Committee. Provision 10.5

In the review of the financial statements for FY2025, the Audit Committee had discussed with the Management and the external auditors on changes to accounting standards and significant issues and assumptions that impact the financial statements. The most significant matters had also been included in the Independent Auditor's Report to the members of the Company under "Key Audit Matters". Following the review, the Audit Committee is satisfied that those matters had been properly dealt with. The Board had approved the financial statements.

In respect of appointments and re-appointments of external auditors, the Audit Committee evaluates the performance of the external auditors taking into consideration the Audit Quality Indicators Disclosure Framework published by the Accounting and Corporate Regulatory Authority ("ACRA"). The Audit Committee recommends to the Board on the proposals to the shareholders on the appointment, re-appointment and removal of the external auditors and approves the remuneration of the external auditors.

The Audit Committee has recommended to the Board that Messrs Deloitte & Touche LLP be nominated for re-appointment as external auditors at the forthcoming Annual General Meeting of the Company.

In appointing the audit firms for the Group, the Company has complied with the requirements of Listing Rules 712 and 715. Listing Rule 1207(6)(c)

### **PRINCIPLE 11: SHAREHOLDER RIGHTS AND ENGAGEMENT – SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS**

*The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.*

In line with the continuous obligations of the Company under the Listing Rules and the Companies Act 1967 of Singapore, the Board's policy is that all Shareholders should equally and on a timely basis be informed of all major developments that impact the Group via SGXNet. The Company does not practice selective disclosure. Provision 11.1

The Board regards general meetings of the Company as an opportunity to communicate directly with Shareholders and encourages Shareholders to attend the general meetings of the Company to achieve a greater level of Shareholder participation. The Company provides Shareholders with the opportunity to participate effectively in and vote at general meetings and informs them of the rules governing general meetings prior to the meetings.

Shareholders are informed of general meetings through reports/circulars/letters made available to shareholders via SGXNet in addition to notices published in the newspapers, the Company's announcements via SGXNet and the Company's website. The Company's website provides, among others, all publicly disclosed financial information, corporate announcements, press releases, annual reports and profiles of the Group.

## CORPORATE GOVERNANCE REPORT

All Shareholders will receive the Annual Report of the Company by electronic means. However, Shareholders may elect to receive a physical copy of the Annual Report by submitting a request form which has been provided to Shareholders.

The forthcoming Annual General Meeting of the Company will be held entirely physically and Shareholders will be able to attend the AGM in person. To enable Shareholders to participate in and vote effectively at the forthcoming Annual General Meeting, a Scrutineer has been appointed by the Company to explain the rules, including the voting procedures to the Shareholders.

Separate resolutions on each distinct issue are tabled at the general meetings of the Company. "Bundling" of resolutions will be done only where resolutions are interdependent and linked so as to form one significant proposal, and the Company explains the reasons and material implications in the notice of meeting.

Provision 11.2

All resolutions at general meetings of the Company are put to vote by poll so as to better reflect Shareholders' shareholding interest and ensure transparency. The detailed results of the number of votes cast for and against each resolution tabled at the general meetings of the Company and the respective percentages are announced after the general meetings of the Company via SGXNet.

The Company relies on the advice of the independent scrutineers to determine the need for electronic voting, taking into consideration, among others, the logistics involved, costs, and number of Shareholders.

The Chairman and the other Directors (which includes the Chairman of each Board Committee) attend the general meetings of the Company and are available to answer questions from Shareholders at the general meetings of the Company.

The attendance of the Directors at the general meetings of the Company held on October 30, 2024 are set out below:

Provision 11.3

Name of Director	Annual General Meeting		Extraordinary General Meeting	
	Number of meetings held	Number of meetings attended	Number of meetings held	Number of meetings attended
James Koh Jyh Gang	1	1	0	0
Koh Jyh Eng	1	1	0	0
Koh Shwu Lee	1	1	0	0
Tan Choon Seng	1	1	0	0
Ying Siew Hon, Francis	1	0	0	0
Phua Boon Huat	1	0	0	0
Ng Li-May Vanessa <sup>(1)</sup>	1	0	0	0
Chan Wah Tiong <sup>(2)</sup>	1	1	0	0

### Notes:

- (1) Ms Ng Li-May Vanessa was appointed as an Independent Non-Executive Director with effect from December 6, 2024.
- (2) Mr Chan Wah Tiong retired as an Independent Non-Executive Director with effect from October 30, 2024.



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## CORPORATE GOVERNANCE REPORT

The Company's external auditors are also present to assist Directors in addressing any relevant queries from Shareholders about the conduct of the audit and the preparation and content of the auditor's report.

The Company has also taken steps to ensure that Shareholders have the opportunity to participate effectively in, and vote at the general meetings of the Company. The Company's Constitution has been amended on October 28, 2016 to allow Shareholders who are unable to vote in person at the general meetings of the Company to vote in absentia, including but not limited to voting by mail, email or facsimile, subject to such security measures as may be deemed necessary or expedient. Provision 11.4

Minutes of the general meetings of the Company, which include substantial comments or queries from Shareholders and responses from the Board and the Management, are published on SGXNet and the Company's website within one month after each general meeting. Provision 11.5

**Dividend Policy** Provision 11.6

Although the Company does not have a fixed dividend policy, the Company has consistently been paying out dividends to its Shareholders over the years. The form, frequency and amount of future dividends on the Company's shares will depend on the Group's earnings, cash flow, financial condition and other factors. Not having a fixed dividend policy gives the Company flexibility to manage its available cash and working capital, and in particular, retain profits for future investment as part of the Company's efforts to achieve long-term growth for the benefit of Shareholders.

No dividend has been declared or recommended for the financial year ended June 30, 2025 as the Group manages its cash flows more prudently amidst market uncertainty.

### PRINCIPLE 12: ENGAGEMENT WITH SHAREHOLDERS

*The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.*

The Company solicits feedback from and addresses the concerns of shareholders via the following: Provision 12.1

- (a) a dedicated investor relations page on the Company's website;
- (b) an investor relations policy; and
- (c) annual general meetings.

## CORPORATE GOVERNANCE REPORT

The Directors are mindful of their obligation to provide Shareholders with regular and timely disclosure of material information that is presented in a fair and objective manner. Shareholders and other investors are provided regularly with:

- (i) Annual Reports;
- (ii) half-year and full year financial statements and other financial announcements as required under the Listing Rules;
- (iii) presentations on the state of the Company (available when the Company holds a results briefing after the announcement of its financial statements);
- (iv) press releases and other announcements on important developments;
- (v) a website ([www.kodaonline.com](http://www.kodaonline.com)); and
- (vi) replies to email queries from Shareholders.

On the Company's website, investors will find information about the Company, its products, its Directors and their contact details, and under the "Investor Relation" link, investors will find all information the Company has released.

### **Investor Relations Policy**

Provision 12.2

In line with the continuous disclosure obligations of the Company under the Listing Rules, the Company has put in place an investor relations policy which allows for an ongoing exchange of views so as to promote regular, effective and fair communication with Shareholders.

Provision 12.3

As part of the Company's investor relations policy to inform all Shareholders in a comprehensive manner and on a timely basis of all material developments that impact the Group and in particular, changes in the Group or its business which would be likely to materially affect the price or value of the Company's shares, the Company releases financial statements, annual reports, notices of general meetings, press releases, material developments in the business and operations of the Group and any other material announcements on a timely basis via SGXNet and on the Company's website. A copy of this Annual Report and Notice of AGM will be made available to Shareholders via SGXNet. Physical copies of the Notice of AGM for the forthcoming Annual General Meeting have also been sent to Shareholders.

The Company does not practice selective disclosure and price sensitive information is publicly released on an immediate basis where required under the Listing Rules. In the event that inadvertent disclosure is made to a selected group, the Company will make the same disclosure publicly to all Shareholders as soon as practicable.

In addition, to encourage and promote the communication with Shareholders and the investment community, the Management has provided their email addresses in the Annual Report. Shareholders and the investment community are thus invited to send emails to the Management to share their views or inputs, raise any concerns they might have, or make enquiries on various matters relating to the Company or the Group. The Company meets with institutional and retail investors at least once a year at Annual General Meetings and will also consider holding analysts' briefings and investor roadshows in the future to understand the views of Shareholders on various matters relating to the Company or the Group.

## CORPORATE GOVERNANCE REPORT

### PRINCIPLE 13: MANAGING STAKEHOLDER RELATIONSHIPS – ENGAGING WITH STAKEHOLDERS

*The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.*

The Company understands the need for engagement with the Company's material stakeholder groups and to understand their expectations and concerns, which are relevant to the long-term sustainability of the Company. Stakeholder engagement forms a key aspect of the Company's sustainability approach, as the success of the Company's business depends on the relationship with the Company's material stakeholders that include customers, suppliers, employees and the community at large. Provision 13.1

The Company has arrangements in place to identify and engage with its material stakeholder groups and to manage its relationships with such groups.

The Company's strategy and key areas of focus in relation to the management of stakeholder relationships is set out separately in the Company's Sustainability Report. Provision 13.2

The Company maintains a current corporate website, [www.kodaonline.com](http://www.kodaonline.com), to communicate and engage with stakeholders. Provision 13.3

### DEALING IN COMPANY'S SECURITIES

In compliance with the best practices on dealings in securities set out in the Listing Rules, the Company has adopted its own internal compliance code to provide guidance to its officers with regard to dealing by the Company and its officers in the Company's securities. Directors, officers and employees of the Company have been advised not to deal in the Company's securities on short-term considerations or when they are in the possession of unpublished price-sensitive information. In addition, dealings in the Company's securities during the period commencing two (2) weeks before the announcement of the Company's financial statements for the first three quarters of its financial year and one (1) month before the announcement of the Company's full year financial statements (if the Company announces its quarterly financial statements, whether required by the SGX-ST or otherwise), or one (1) month before the announcement of the Company's half year and full year financial statements (if the Company does not announce its quarterly financial statements), and ending on the date of the announcement of the Company's financial statements are prohibited. Directors, officers and employees of the Company have also been advised to observe insider trading laws when dealing in the Company's securities within the permitted trading period. Listing Rule 1207(19)

### SUSTAINABILITY REPORTING

The Company's Sustainability report can be found on pages 24 to 79 of this Annual Report. Listing Rule 711(A)

## CORPORATE GOVERNANCE REPORT

### INTERESTED PERSON TRANSACTIONS ("IPTs")

The Group has set up a procedure to record and report IPTs. All IPTs are reported in a timely manner to the Audit Committee and the Group ensures that all such transactions are conducted on an arm's length basis and are not prejudicial to the interests of the Company and its minority Shareholders.

The aggregate value of significant IPTs entered into by all interested persons during the financial year under review (i.e. FY2025) was S\$89,000. Listing Rule 1207(17)

The information required pursuant to Listing Rules 907 and 1207(17) is set out in the table below. Save as disclosed in the table below, there were no IPTs exceeding S\$100,000 in value during the financial year under review (i.e. FY2025).

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under Shareholders' mandate pursuant to Listing Rule 920)	Aggregate value of all interested person transactions conducted under Shareholders' mandate pursuant to Listing Rule 920 (excluding transactions less than S\$100,000)
Koh Jyh Eng	Koh Jyh Eng is an Executive Director of the Company.	S\$89,000 <sup>(1)</sup>	Not applicable <sup>(2)</sup>
Koh Shwu Lee	Koh Shwu Lee is an Executive Director of the Company.		

#### Notes:

- (1) The Group had, in June 2016, entered a 10-year long-term lease with Zenith Heights Sdn Bhd, of which Ernie Koh Jyh Eng and Koh Shwu Lee are Directors, for land owned by Zenith Heights Sdn Bhd to build warehousing facilities in Malaysia (the "Lease"). The lease was terminated in June 2023. Subsequently, in August 2023, the Group entered a new lease to lease the land for 3 years, with an extension option to renew for 3 years, totaling 18 years upon expiry of the initial lease. The IPTs in the financial year ended June 30, 2025 with regard to the Lease is were rental expense RM296,382 (equivalent to approximately S\$89,000 based on the average exchange rate for FY2025 of S\$1: RM3.3212) which was approximately 0.15% of the Group's latest audited Net Tangible Asset as at June 30, 2025.
- (2) The Group does not have a general mandate from Shareholders for IPTs pursuant to Listing Rule 920(1)(a).

## CORPORATE GOVERNANCE REPORT

### MATERIAL CONTRACTS

Save as disclosed in the “Interested Person Transactions” section of this Corporate Governance Report, since the end of the previous financial year, the Company and/or its subsidiaries did not enter into any material contracts involving the interests of any Directors or any controlling Shareholders or their associates and there are no such material contracts still subsisting at the end of the financial year ended June 30, 2025.

The Summary of Corporate Governance Disclosures Table below describes the Company’s corporate governance practices with specific reference to the express disclosure requirements in the provisions of the Code.

Provision	Express disclosure requirement	How has the Company complied?
<b>The Board’s Conduct of Affairs</b>		
Provision 1.2	The induction, training and development provided to new and existing Directors.	<p>For new appointments to the Board, the newly-appointed Director will be given a formal letter setting out his duties and obligations. To orientate him, the newly-appointed Director will be briefed by the Lead Independent Director and the Management, and will also be provided with a Director’s folder which shall contain information and materials to allow him to be familiar with the Group’s history, core values, businesses and governance practices. All Directors are also invited to visit the Group’s local and overseas factories and/or operations and to meet with the local and overseas management so as to gain a better understanding of the Group’s business operations. Where appropriate, the Company will also provide training to first-time Directors of a listed companies in areas such as accounting, legal and industry specific knowledge.</p> <p>In addition to the above, the Company has arrangements in place for newly appointed Directors with no prior experience as a director of a listed company on the SGX-ST to undergo training in the roles and responsibilities of a director of a listed company on the SGX-ST as prescribed by the SGX-ST. If the Nominating and Governance Committee is of the view that training is not required because the Director has other relevant experience, the basis of the Nominating and Governance Committee’s assessment will be disclosed.</p>

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## CORPORATE GOVERNANCE REPORT

Provision	Express disclosure requirement	How has the Company complied?
Provision 1.3	Matters that require Board approval.	<p>Matters which require the Board's approval include the following:</p> <ul style="list-style-type: none"><li>(i) review of the annual budgets and the performance of the Group;</li><li>(ii) review of key activities and business strategies;</li><li>(iii) approval of the corporate strategy and direction of the Group;</li><li>(iv) approval of transactions involving a conflict of interest for a substantial Shareholder or a Director, or interested person transactions;</li><li>(v) material acquisitions and disposals of assets;</li><li>(vi) acceptance of bank facilities;</li><li>(vii) corporate or financial restructuring and share issuances;</li><li>(viii) declaration of dividends and other returns to Shareholders;</li><li>(ix) appointment of new Directors to the Board; and</li><li>(x) appointment and removal of the Company Secretary.</li></ul>

## CORPORATE GOVERNANCE REPORT

Provision	Express disclosure requirement	How has the Company complied?
Provision 1.4	Names of the members of the Board Committees, the terms of reference of the Board Committees, any delegation of the Board's authority to make decisions, and a summary of each Board Committee's activities.	<p>Please refer to the table in the section titled "Principle 2: Board Composition and Guidance" of this Corporate Governance Report for a summary of the names of the members of the various Board Committees.</p> <p><u>Nominating and Governance Committee</u> Please refer to the section titled "Principle 4: Board Membership" of this Corporate Governance Report.</p> <p><u>Remuneration Committee</u> Please refer to the section titled "Principle 6: Procedures for Developing Remuneration Policies" of this Corporate Governance Report.</p> <p><u>Audit Committee</u> Please refer to the section titled "Principle 10: Audit Committee" of this Corporate Governance Report.</p>
Provision 1.5	The number of meetings of the Board and Board Committees held in the year, as well as the attendance of every Board member at these meetings.	Please refer to the table under Provision 1.5 in the section titled "Principle 1: The Board's Conduct of Affairs" of this Corporate Governance Report.
<b>Board Composition and Guidance</b>		
Provision 2.4	The board diversity policy and progress made towards implementing the board diversity policy, including objectives.	<p>Pursuant to Listing Rule 710A(1), the Company has adopted a Board Diversity Policy, with the Nominating and Governance Committee responsible for reviewing and assessing the Board composition on behalf of the Board and recommending the appointment of new Directors.</p> <p>The criteria for Board diversity includes, among others, whether the Board is equipped with relevant skills and experience, gender composition, age and knowledge of the Company. The Nominating and Governance Committee will review the relevant objectives for promoting and achieving diversity on the Board, the progress made, and make recommendations for approval by the Board.</p> <p>In identifying potential Director nominees, the Nominating and Governance Committee would consider factors such as relevant background, diversity, experience and knowledge in various categories such as business, finance and management skills which would be valuable to the Group's business to enable the Board to make sound and well-considered decisions.</p>

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## CORPORATE GOVERNANCE REPORT

Provision	Express disclosure requirement	How has the Company complied?
		<p>The composition of the Board is also reviewed on an annual basis by the Nominating and Governance Committee to ensure that the Board has the appropriate mix of expertise and experience, and collectively possesses the necessary core competence for informed decision-making and effective functioning. The Nominating and Governance Committee will, in reviewing and assessing the composition of the Board and recommending the appointment of new Directors to the Board, consider candidates on merit and with due regard for the benefits of diversity on the Board.</p> <p>The Nominating and Governance Committee believes that the Board and its Board Committees have a good balance of Directors in terms of gender, and who have a diverse set of skills, extensive business, financial, accounting, marketing and management experience and knowledge of the Group. Profiles of the Directors are set out under the section entitled "Board of Directors" in this Annual Report. Where appropriate, the Nominating and Governance Committee and the Board will continue to search actively for suitable candidates for appointment to the Board as Independent Non-Executive Director(s).</p> <p>In recognition of the importance and value of gender diversity in the composition of the Board, the Company currently has two (2) female directors on the Board. Further, the Company has set a target to ensure that the Board has a minimum of one (1) female director on the Board, and as at the date of this Corporate Governance Report, the Company has achieved the said target. In addition, the current Board consists of Directors with ages ranging from 40s to 70s, who have served on the Board for different tenures. The Company will review and work towards having greater diversity in its Board, such as gender and age, if the opportunity arises and as and when required in accordance with the Company's strategic directions.</p>



## CORPORATE GOVERNANCE REPORT

Provision	Express disclosure requirement	How has the Company complied?
		<p>In view of the foregoing, after considering the current Board composition and experience of the Directors, the Board, in consultation with the Nominating and Governance Committee, is of the view that, for the time being, the Board Diversity Policy has allowed the Company to achieve diversity in the Board.</p> <p>As the Group's activities continue to grow, the Nominating and Governance Committee will continuously review the composition, size and diversity (including gender diversity) of the Board to ensure that it has the necessary competence for effective decision making.</p>
<b>Board Membership</b>		
Provision 4.3	Process for the selection, appointment and reappointment of Directors to the Board, including the criteria used to identify and evaluate potential new directors and channels used in searching for appropriate candidates.	<p>The Nominating and Governance Committee:</p> <ul style="list-style-type: none"> <li>(i) first evaluates the strengths and capabilities of the existing Board before it proceeds to assess the needs of the future Board;</li> <li>(ii) assess whether the needs of the future Board can be fulfilled by the appointment of one (1) person, and if not, to consult the Board with respect to the appointment of two (2) persons;</li> <li>(iii) seek out and source for a wide range of suitable candidates and obtain their resumes for review;</li> <li>(iv) conduct background checks on the candidates whose resumes the Company has received; and</li> <li>(v) narrow this list of candidates to a short list, and then invite the shortlisted candidates for an interview which may include a briefing of the duties required to ensure that there are no differences in expectations, and to ensure that any new Director appointed has the ability and capacity to adequately carry out his duties as a Director of the Company, taking into consideration the number of listed company board representations he holds and other principal commitments he may have.</li> </ul>

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## CORPORATE GOVERNANCE REPORT

Provision	Express disclosure requirement	How has the Company complied?
		<p>In selecting and appointing potential directors, the Nominating and Governance Committee will seek out and source for a wide range of suitable candidates including persons not directly known to the Directors. In addition, the Nominating and Governance Committee is empowered to engage professional search firms to seek out and source for suitable candidates, at the Company's expense. The Nominating and Governance Committee gives due consideration to all suitable candidates regardless of who identified the candidate. The Nominating and Governance Committee will interview all suitable candidates in frank and detailed meetings, and thereafter make its recommendations to the Board for approval.</p> <p>In nominating Directors for re-appointment, the Nominating and Governance Committee assesses and recommends to the Board whether the retiring Directors are suitable for re-election, taking into consideration the composition and progressive renewal of the Board and each Director's competencies, commitment, contribution, performance, attendance, preparedness, participation and candour. Subject to the Nominating and Governance Committee's satisfactory assessment of the overall contributions and performance, the Nominating and Governance Committee would recommend the proposed re-appointment to the Board for its consideration and approval.</p>
Provision 4.4	Where the Board considers a Director to be independent in spite of the existence of a relationship which may affect his or her independence, the nature of the Director's relationship and the reasons for considering him or her as independent should be disclosed.	No Director falls under this category.

## CORPORATE GOVERNANCE REPORT

Provision	Express disclosure requirement	How has the Company complied?
Provision 4.5	The listed company directorships and principal commitments of each director, and where a director holds a significant number of such directorships and commitments, the Nominating and Governance Committee's and Board's reasoned assessment of the ability of the Director to diligently discharge his or her duties are disclosed.	<p>The Board has resolved that no Director shall hold more than six (6) listed company board representations concurrently, even if that Director has the capability of managing that many listed company board representations, as the Board is of the view that more than six (6) concurrent listed company board representations will interfere with the Director's ability to devote sufficient time and attention to the affairs of the Company. During the financial year ended June 30, 2025, no Director held more than six (6) listed company board representations concurrently.</p> <p>Please refer to the table under Provision 4.5 in the section titled "Principle 4: Board Membership" of this Corporate Governance Report for a summary of listed company directorships of each Director.</p> <p>Please refer to the profiles of the Directors which are set out under the section titled "Board of Directors" in this Annual Report for key information on the Directors' principal commitments.</p>
<b>Board Performance</b>		
Provision 5.2	How the assessments of the Board, its Board Committees and each Director have been conducted, including the identity of any facilitator and its connection, if any, with the Company or any of its Directors.	A Board evaluation was conducted whereby Directors completed a self-assessment checklist based on various areas of assessment to assess their views on various aspects of the Board's and Board Committees' performance. The results of these self-assessment checklists were considered by the Nominating and Governance Committee. In particular, the Chairman of the Nominating and Governance Committee would review the results of these self-assessment checklists and, in consultation with the Nominating and Governance Committee, propose to the Board, where appropriate, to make relevant changes to the Board or Board Committee's size and composition.

## CORPORATE GOVERNANCE REPORT

Provision	Express disclosure requirement	How has the Company complied?
		<p>The Nominating and Governance Committee has assessed the overall performance to-date of the current Board, Board Committees and each individual Director for the financial year ended June 30, 2025 and was of the view that the performance of the Board as a whole, each Board Committee and each individual Director were satisfactory.</p> <p>No external facilitator was used in the Nominating and Governance Committee's assessment of the Board, Board Committees and individual Directors.</p>
<b>Procedures for Developing Remuneration Policies</b>		
Provision 6.4	The Company discloses the engagement of any remuneration consultants and their independence.	No remuneration consultants were engaged by the Company in FY2025.
<b>Disclosure on Remuneration</b>		
Provision 8.2	Names and remuneration of employees who are substantial shareholders of the Company, or are immediate family members of a Director, the CEO or a substantial shareholder of the Company, and whose remuneration exceeds S\$100,000 during the year, in bands no wider than S\$100,000. The disclosure states clearly the employee's relationship with the relevant Director or CEO or substantial shareholder.	<p>Mr Koh Zhu Xian Joshua and Mr Koh Zhu Lian Julian are the sons of Mr James Koh Jyh Gang, the Executive Chairman and CEO of the Company, and their remuneration exceeded S\$100,000 during the financial year ended June 30, 2025. Details of their remuneration in bands of S\$100,000 as well as the breakdown of their remuneration (in percentage terms) into salary, bonus, allowance and other benefits are set out in the table under Provision 8.1 in the section titled "Principle 8: Disclosure on Remuneration" of this Corporate Governance Report.</p> <p>Save for Mr Koh Zhu Xian Joshua and Mr Koh Zhu Lian Julian, who are the sons of Mr James Koh Jyh Gang, the Executive Chairman and CEO of the Company, and Mr Seow Soo Yeow Kavin, who is the spouse of Mdm Koh Shwu Lee, the Executive Director of the Company, there are no other employees who are substantial shareholders of the Company, or who are immediate family members of a Director, the CEO or a substantial shareholder of the Company, and whose remuneration exceeded S\$100,000 in the financial year ended June 30, 2025.</p>

## CORPORATE GOVERNANCE REPORT

Provision	Express disclosure requirement	How has the Company complied?
Provision 8.3	The Company discloses all forms of remuneration and other payments and benefits, paid by the Company and its subsidiaries to Directors and key management personnel of the Company. It also discloses details of employee share schemes.	Currently, the Company has in place a performance share plan which was adopted at an extraordinary general meeting of the Company held on October 31, 2018 (the " <b>Koda Performance Share Plan 2018</b> ").  Please refer to Provision 8.3 in the section titled "Principle 8: Disclosure on Remuneration" of this Corporate Governance Report for details of the Koda Performance Share Plan 2018.
<b>Risk Management and Internal Controls</b>		
Provision 9.2	Whether the Board has received assurance from (a) the CEO and the Chief Financial Officer that the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and (b) the CEO and other key management personnel who are responsible, regarding the adequacy and effectiveness of the Company's risk management and internal control systems.	The Board and the Audit Committee have received positive assurance from:  (i) the CEO and Chief Financial Officer that the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and  (ii) the CEO and key management personnel who are responsible, regarding the adequacy and effectiveness of the Company's risk management and internal control systems.
<b>Shareholder Rights and Conduct of General Meetings</b>		
Provision 11.3	Directors' attendance at general meetings of shareholders held during the financial year.	Please refer to the table under Provision 11.3 in the section titled "Principle 11: Shareholder Rights and Conduct of General Meetings" for the attendance of the Directors at general meetings of the Company held in FY2025.

## CORPORATE GOVERNANCE REPORT

Provision	Express disclosure requirement	How has the Company complied?
<b>Engagement with Shareholders</b>		
Provision 12.1	The steps taken to solicit and understand the views of shareholders.	<p>The Company solicits feedback from and addresses the concerns of shareholders via the following:</p> <ul style="list-style-type: none"> <li>(a) a dedicated investor relations page on the Company's website;</li> <li>(b) an investor relations policy; and</li> <li>(c) annual general meetings.</li> </ul> <p>The Directors are mindful of their obligation to provide Shareholders with regular and timely disclosure of material information that is presented in a fair and objective manner. Shareholders and other investors are provided regularly with:</p> <ul style="list-style-type: none"> <li>(i) Annual Reports;</li> <li>(ii) half year and full year financial statements and other financial announcements as required under the Listing Rules;</li> <li>(iii) presentations on the state of the Company (available when the Company holds a results briefing after the announcement of its financial statements);</li> <li>(iv) press releases and other announcements on important developments;</li> <li>(v) a website (<a href="http://www.kodaonline.com">www.kodaonline.com</a>); and</li> <li>(vi) replies to email queries from Shareholders.</li> </ul>
<b>Engagement with Stakeholders</b>		
Provision 13.2	The strategy and key areas of focus in relation to the management of stakeholder relationships during the reporting period.	The Company's strategy and key areas of focus in relation to the management of stakeholder relationships is set out separately in the Company's Sustainability Report.

## CORPORATE GOVERNANCE REPORT

### Additional information on Directors seeking re-election

Key Information	Name of Director	
	Mdm Koh Shwu Lee	Ms Ng Li-May Vanessa
Date of Appointment	March 30, 2001	December 6, 2024
Date of last re-appointment (if applicable)	October 28, 2022	N/A
Name of person	Koh Shwu Lee	Ng Li-May Vanessa ("Vanessa Ng")
Age	64	46
Country of principal residence	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	<p>The Board of Directors, having considered the recommendation of the Nominating and Governance Committee, and having reviewed the qualifications and working experience of Mdm Koh Shwu Lee, is of the view that she has the requisite experience and capabilities to assume the responsibilities as an Executive Director of the Company.</p> <p>Accordingly, the Board of Directors has approved the appointment of Mdm Koh Shwu Lee as an Executive Director of the Company.</p>	<p>The Board of Directors, having considered the recommendation of the Nominating and Governance Committee, and having reviewed the qualifications and working experience of Vanessa Ng, is of the view that she has the requisite experience and capabilities to assume the responsibilities as an Independent Non-Executive Director of the Company.</p> <p>Accordingly, the Board of Directors has approved the appointment of Vanessa Ng as an Independent Non-Executive Director of the Company.</p>
Whether appointment is executive, and if so, the area of responsibility	Executive Director, Finance, Administration and Operations – Manages the Group's daily operations, logistics, sourcing, payments, human resource and administrative functions. More specifically, she is responsible for the Group's capital investment evaluation, credit control management, cash flow planning, budgetary control.	Non-Executive Director
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Executive Director	Independent Non-Executive Director, Chairman of the Nominating and Governance Committee, member of the Audit Committee and the Remuneration Committee of the Company

## CORPORATE GOVERNANCE REPORT

Key Information	Name of Director	
	Mdm Koh Shwu Lee	Ms Ng Li-May Vanessa
Professional qualifications	B.A., National University of Singapore	Bachelor of Laws (Honours), Second Upper, National University of Singapore
Working experience and occupation(s) during the past 10 years	<p>Current:</p> <p>Koda Ltd, Executive Director</p> <p>Jatat Furniture Industries Sdn Bhd, Director</p> <p>Zenith Heights Sdn Bhd, Director</p>	<p>Fortis Law Corporation Oct 2024 – Present Consultant, Corporate Commercial</p> <p>Morgan Lewis Stamford LLC Feb 2019 – Sept 2024 Director in the Corporate Business Transactions group, Registered Professional under Stamford Corporate Services Pte Ltd</p> <p>Fortis Law Corporation Oct 2013 – Feb 2019 Director, Corporate Commercial</p>
Shareholding interest in the listed issuer and its subsidiaries	As at June 30, 2025, 8,285,226 shares in the Company and is deemed interested in 259,200 shares in the Company held by her spouse.	As at June 30, 2025, none.
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	<p><u>Mr Koh Teng Kwee</u> Mr Koh Teng Kwee, a substantial shareholder of the Company, is the father of Mdm Koh Shwu Lee</p> <p><u>Mr James Koh Jyh Gang</u> Mr James Koh Jyh Gang, the Executive Chairman and CEO of the Company, is the brother of Mdm Koh Shwu Lee</p> <p><u>Mr Koh Jyh Eng</u> Mr Koh Jyh Eng, Executive Director of the Company, is the brother of Mdm Koh Shwu Lee</p> <p><u>Others</u> Key Management Personnel, (1) Mr Koh Zhu Xian Joshua; (2) Mr Gan Shee Wen; and (3) Mr Koh Zhu Lian Julian are the nephews of Mdm Koh Shwu Lee</p> <p>Key Management Personnel, Mr Seow Soo Yeow Kevin is the spouse of Mdm Koh Shwu Lee</p>	No
Conflict of interest (including any competing business)	No	No



## CORPORATE GOVERNANCE REPORT

Key Information	Name of Director	
	Mdm Koh Shwu Lee	Ms Ng Li-May Vanessa
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes
Past (for the last 5 years)	Not applicable	None
Present	Koda Ltd, Executive Director  Jatat Furniture Industries Sdn Bhd, Director  Zenith Heights Sdn Bhd, Director	Fortis Law Corporation Oct 2024 – Present Consultant, Corporate Commercial
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No

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## CORPORATE GOVERNANCE REPORT

Key Information	Name of Director	
	Mdm Koh Shwu Lee	Ms Ng Li-May Vanessa
(c) Whether there is any unsatisfied judgment against him?	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No

## CORPORATE GOVERNANCE REPORT

Key Information	Name of Director	
	Mdm Koh Shwu Lee	Ms Ng Li-May Vanessa
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:—	No	No
(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No
(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No

## CORPORATE GOVERNANCE REPORT

Key Information	Name of Director	
	Mdm Koh Shwu Lee	Ms Ng Li-May Vanessa
(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No
(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	Yes  1. Ms Ng was a Registered Professional involved in continuing activities undertaken by the continuing sponsor of a Catalist-listed company (the "ListCo"). Ms Ng received enquiries from the Singapore Exchange Regulation Pte. Ltd. ("SGX RegCo") in relation to the obligations of a registered professional under the Catalist Rules. This arose from the disbursement of funds by the Listco during certain time periods for which no queries or discussions were raised on making immediate disclosure for the said disbursements. This matter concluded in April 2023 with a private warning from the SGX RegCo to Ms Ng.

## CORPORATE GOVERNANCE REPORT

Key Information	Name of Director	
	Mdm Koh Shwu Lee	Ms Ng Li-May Vanessa
		<p>2. Ms Ng received enquiries from the Attorney General's Chambers in July 2024 in relation to an application made in 2020 for her practicing certificate. On 3 April 2020, Ms Ng had submitted her annual application for a practice certificate ("PC Application") but the PC Application was rejected ("Rejection") for the following administrative and clerical reasons: (a) the PC Application should have stated her title as "Director" instead of "Partner", and (b) due to clerical errors in the dates of the accountant reports submitted for the PC Application, (collectively, the "Reasons for Rejection"). The Rejection and Reasons for Rejection were uploaded in the eLitigation web portal on 6 April 2020. However, Ms Ng only became aware of the Rejection on 13 May 2020 as the Rejection was uploaded onto the eLitigation web portal and was not looked at, as the PC Application was a standard procedural matter carried out annually and it had occurred during the Covid-19 circuit breaker lockdown and transitional period. Upon becoming aware of the Rejection on 13 May 2020, Ms. Ng took immediate steps on the same day to rectify the Reasons for Rejection, which were purely clerical and administrative in nature. Ms. Ng's PC Application was then approved the next day on 14 May 2020. In connection with this, Ms. Ng was issued a warning by the Attorney General's Chambers in September 2024 to refrain from such conduct under Section 33(1) of the Legal Profession Act.</p>

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## CORPORATE GOVERNANCE REPORT

Key Information	Name of Director	
	Mdm Koh Shwu Lee	Ms Ng Li-May Vanessa
Any prior experience as a director of an issuer listed on the Exchange?	Not applicable as this is in relation to re-election of director	Not applicable as this is in relation to re-election of director
If yes, please provide details of prior experience.	N/A	N/A
If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange.	N/A	N/A
Please provide details of relevant experience and the Nominating and Governance Committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).		

## DIRECTORS' STATEMENT

The directors present their statement together with the audited consolidated financial statements of the Group and statement of financial position and statement of changes in equity of the Company for the financial year ended June 30, 2025.

In the opinion of the directors, the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company as set out on pages 142 to 196 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at June 30, 2025, and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year then ended and at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts when they fall due.

### 1 DIRECTORS

The directors of the Company in office at the date of this statement are:

James Koh Jyh Gang  
Koh Jyh Eng  
Koh Shwu Lee  
Tan Choon Seng  
Ying Siew Hon, Francis  
Phua Boon Huat  
Ng Li-May, Vanessa (Appointed on December 6, 2024)

### 2 ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE BENEFITS BY MEANS OF THE ACQUISITION OF SHARES AND DEBENTURES

Neither at the end of the financial year nor at any time during the financial year did there subsist any arrangement whose object is to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures in the Company or any other body corporate, except as disclosed in this statement.

### 3 DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The directors of the Company holding office at the end of the financial year had no interests in the share capital and debentures of the Company and related corporations as recorded in the register of directors' shareholdings kept by the Company under Section 164 of the Companies Act 1967 except as follows:

Name of directors and Company in which interests are held	Direct interests		Indirect interests	
	At beginning of year	At end of year	At beginning of year	At end of year
Koda Ltd				
– Ordinary shares				
James Koh Jyh Gang <sup>(1)</sup>	11,023,094	11,023,094	2,500,000	2,500,000
Koh Jyh Eng <sup>(2)</sup>	3,433,388	1,433,388	5,521,600	7,521,600
Koh Shwu Lee <sup>(3)</sup>	8,285,226	8,285,226	259,200	259,200
Tan Choon Seng	100,000	100,000	–	–
Phua Boon Huat <sup>(4)</sup>	–	–	100,000	100,000

(1) Mr. James Koh Jyh Gang is deemed interested in 2,500,000 shares in the Company held in the name of DBS Nominees (Private) Limited by virtue of Section 7 of the Companies Act 1967 of Singapore.

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## DIRECTORS' STATEMENT

### 3 DIRECTORS' INTERESTS IN SHARES AND DEBENTURES (CONTINUED)

- (2) Mr. Koh Jyh Eng is deemed interested in 7,500,000 shares in the Company held in the name of DBS Nominees (Private) Limited by virtue of Section 7 of the Companies Act 1967 of Singapore and 21,600 shares in the Company held by his spouse, Mdm Wong Sau Wai.
- (3) Mdm. Koh Shwu Lee is deemed interested in 259,200 shares in the Company held by her spouse, Mr. Kavin Seow Soo Yeow.
- (4) Mr. Phua Boon Huat is deemed interested in 100,000 shares in the Company held in the name of Citibank N.A. Singapore by virtue of Section 7 of the Companies Act 1967 of Singapore.

By virtue of Section 7 of the Companies Act 1967, James Koh Jyh Gang, Koh Jyh Eng and Koh Shwu Lee are deemed to have an interest in the Company and in all the related corporations of the Company.

Except as disclosed in this statement, no directors who held office at the end of the financial year are deemed to have an interest in the Company and in all the related corporations of the Company.

The directors' interests as at July 21, 2025 were the same as those at the end of the financial year.

### 4 SHARE OPTIONS AND PERFORMANCE SHARE PLAN

Save as disclosed in this Directors' Statement, including the Koda Performance Share Plan 2018 elaborated upon below, the Company and corporations in the Group did not have any share incentive schemes in force during the financial year.

#### Koda Performance Share Plan 2018

Currently, the Company has in place a performance share plan that was adopted at an extraordinary general meeting of the Company held on October 31, 2018 (the "Koda Performance Share Plan 2018"). The Koda Performance Share Plan 2018 is administered by the Remuneration Committee, comprising the Independent Directors, namely, Phua Boon Huat, Tan Choon Seng, Ying Siew Hon, Francis and Ng Li-May, Vanessa.

Subject to the rules of the Koda Performance Share Plan 2018, the following persons are eligible to participate in the Koda Performance Share Plan 2018:

- a confirmed full-time employee of the Group ("Group Employee");
- a Director and/or a director of the Company's subsidiaries, as the case may be, who performs an executive function ("Group Executive Director"); and
- controlling Shareholders and/or their associates who are either Group Employees or Group Executive Directors, provided that their participation in the Koda Performance Share Plan 2018 and the grant of awards to them, including the actual number of performance shares and the terms of any award, have been approved by independent Shareholders at a general meeting of the Company in separate resolutions.



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## DIRECTORS' STATEMENT

### 4 SHARE OPTIONS AND PERFORMANCE SHARE PLAN (CONTINUED)

Other salient information relating to the Koda Performance Share Plan 2018 is set out below:

- The selection of a participant and the aggregate number of performance shares which are the subject of each award to be granted to a participant in accordance with the Koda Performance Share Plan 2018 shall be determined at the absolute discretion of the Remuneration Committee and recommended by the Remuneration Committee to the Board for approval. In so doing, the Remuneration Committee shall consider, among others, the financial performance of the Group, the participant's rank, length of service, achievements, job performance, potential for future development, his contribution to the success and development of the Group, and the extent of effort and resourcefulness required to achieve the performance targets within the performance periods. The performance targets will be set by the Remuneration Committee depending on each individual participant's job scope and responsibilities.
- The aggregate number of performance shares available under the Koda Performance Share Plan 2018, when added to all shares, options or awards granted under any other share based incentive schemes of the Company, shall not exceed 15% (or such other percentage as may be prescribed or permitted from time to time by the SGX-ST) of the total number of issued shares of the Company from time to time. Additionally, the grant of awards of performance shares to participants who are controlling Shareholders or associates of controlling Shareholders shall be subject to independent Shareholders' approval at a general meeting in separate resolutions for the grant of awards to each controlling Shareholder or associate of a controlling Shareholder, and the actual number of performance shares which are the subject of such awards shall comply with the following limits:
  - (i) the aggregate number of performance shares which may be awarded to participants who are controlling Shareholders and/or their associates under the Koda Performance Share Plan 2018 shall not exceed 25% of the total number of shares available under the Koda Performance Share Plan 2018; and (ii) the aggregate number of performance shares which may be awarded to each participant who is a controlling Shareholder and/or an associate of a controlling Shareholder under the Koda Performance Share Plan 2018 shall not exceed 10% of the total number of shares available under the Koda Performance Share Plan 2018.
- Awards represent the right of a participant to receive fully-paid ordinary shares in the capital of the Company free of charge, upon the participant satisfying or exceeding the prescribed performance targets at the end of the performance periods and/or otherwise having performed well and/or made a significant contribution to the Group. Awards are vested and the performance shares which are the subject of the awards are delivered to the participants at the end of the performance periods once the Remuneration Committee is, at its sole discretion, satisfied that the prescribed performance targets have been satisfied. The Remuneration Committee may also grant an award where, in its opinion, a participant has performed well and/or made a significant contribution to the Group.

The Koda Performance Share Plan 2018 shall continue in force at the absolute discretion of the Remuneration Committee, subject to a maximum period of 10 years commencing from the date it was adopted.

### 5 OPTIONS EXERCISED

During the financial year, there were no shares of the Company or any corporation in the Group issued by virtue of the exercise of an option to take up unissued shares.

### 6 UNISSUED SHARES UNDER OPTIONS

At the end of the financial year, there were no unissued shares of the Company or any corporation in the Group under option.

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## DIRECTORS' STATEMENT

### 7 AUDIT COMMITTEE

The Audit Committee of the Company, consisting of all non-executive directors, is chaired by Ying Siew Hon, Francis, an independent director, and includes Tan Choon Seng, an independent director, Phua Boon Huat, an independent director and Ng Li-May, Vanessa, an independent director. The Audit Committee has met four times since the last Annual General Meeting ("AGM") and has reviewed the following, where relevant, with the executive directors and external and internal auditors of the Company:

- a) the audit plans and results of the internal auditors' examination and evaluation of the Group's systems of internal accounting controls;
- b) the Group's financial and operating results and accounting policies;
- c) the audit plan of the external auditors;
- d) the financial statements of the Company and the consolidated financial statements of the Group before their submission to the directors of the Company and external auditors' report on those financial statements;
- e) the half-yearly and annual announcements as well as the related press releases on the results and financial positions of the Company and the Group;
- f) the co-operation and assistance given by the management to the Group's external and internal auditors; and
- g) the re-appointment of the external auditors of the Group.

The Audit Committee has full access to and has the co-operation of the management and has been given the resources required for it to discharge its function properly. It also has full discretion to invite any director and executive officer to attend its meetings. The external and internal auditors have unrestricted access to the Audit Committee.

The Audit Committee has recommended to the directors the nomination of Deloitte & Touche LLP for re-appointment as external auditors at the forthcoming AGM of the Company.

### 8 AUDITORS

The auditors, Deloitte & Touche LLP, have expressed their willingness to accept re-appointment.

ON BEHALF OF THE DIRECTORS

.....  
James Koh Jyh Gang

.....  
Koh Shwu Lee

October 8, 2025

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# INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF KODA LTD

## Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of Koda Ltd (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at June 30, 2025, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and the statement of changes in equity of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 142 to 196.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at June 30, 2025 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and changes in equity of the Company for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

# INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF KODA LTD

## Key Audit Matters (Continued)

Key audit matter	How the matter was addressed in the audit
<p><b>Allowance for inventories</b> (Refer to Notes 3(ii)(a) and 10 to the financial statements.)</p> <p>The Group is involved in the business of manufacturing and retailing of furniture and it has significant inventory balances amounting to approximately 17% (2024: 17%) of total assets, which are recorded at the lower of cost and net realisable value. The determination of the net realisable value is critically dependent upon the management's assessment of the inventory obsolescence.</p> <p>This assessment involves the exercise of significant judgement in determining the level of allowance for inventory obsolescence required, where management takes into consideration, the age, type of inventories, likelihood of obsolescence due to customers' receptiveness to designs of the furniture products, presence of distributorships, past sales history and the condition of the inventory items.</p>	<p>We performed procedures to understand management's process over the monitoring and review of inventory obsolescence and the policy in place to determine the level of allowance required.</p> <p>We have discussed and evaluated the basis used by management in the assessment of allowance for inventories, including testing the accuracy of the aging data used on a sample basis.</p> <p>We assessed the reasonableness of the level of allowance recorded by comparing to recently transacted prices or prices of past sales of similar furniture products. We also assessed the adequacy and appropriateness of disclosures made by management in respect of allowance for inventories.</p>
<p><b>Valuation of plant, property and equipment and right-of-use assets</b> (Refer to Notes 3(ii)(d), 14 and 15 to the financial statements.)</p> <p>As at June 30, 2025, the Group's plant, property and equipment ("PPE") and right-of-use ("ROU") assets balances amounted to US\$23,735,000 (2024: US\$24,312,000) and US\$12,409,000 (2024: US\$12,733,000) respectively, representing 50% (2024: 51%) of total assets. Property, plant and equipment and right-of-use assets are subject to impairment test when there are indications of impairment such as continued operating losses.</p> <p>Impairments are recognised when the carrying values of these assets are higher than the recoverable amounts. The recoverable amount of the Singapore retail store operation cash-generating unit ("CGU") is based on the higher of fair value less costs of disposal and value in use ("VIU"). Accordingly, management has determined the recoverable amounts on the basis of the VIU for Singapore retail store operation CGU.</p> <p>Based on the assessment, no impairment is recognised for the Singapore retail store operation CGU.</p> <p>The value in use assessment requires significant estimates and assumptions made by management which include future revenue growth rate and advertising and promotional expense.</p>	<p>We performed procedures to understand management's impairment assessment process and the appropriateness of management's identification of CGUs.</p> <p>With the involvement of our internal valuation specialists, we evaluated the appropriateness of the discount rate used by the management. We also independently assessed and challenged other key assumptions used in the cash flow projections including the annual revenue growth rate and advertising and promotional expense.</p> <p>We challenged management's future cash flow projections through comparison with historical trend analyses, expectations of future development of the business and market conditions and publicly available industry and economic data.</p> <p>We have also performed sensitivity analysis in consideration of the reasonably plausible impact on VIU by varying the key assumptions.</p> <p>We also assessed the adequacy and appropriateness of disclosures made by management in respect of PPE and ROU assets impairment.</p>

## INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF KODA LTD

### Key Audit Matters (Continued)

Key audit matter	How the matter was addressed in the audit
<p><b>Variable consideration for retail price markdown</b> (Refer to Notes 3(ii)(e) and 18 to the financial statements.)</p> <p>For the year ended June 30, 2025, the Group recorded revenue of US\$52,730,000 (2024: US\$45,597,000), of which US\$8,000,000 (2024: US\$7,897,000), representing 15% (2024: 17%) of the revenue was from a customer ("Customer") during the year. The sales from this Customer represents outright sales and is recognised when the control of the goods has been transferred. The Group have engaged an agent to manage the sales with the Customer. The transaction price includes a variable consideration payable to Customer in the event of a retail price markdown when the goods are sold to the end Customers of the Customer.</p> <p>Accordingly, the Group has deferred revenue relating to the retail price markdown of US\$871,000 (2024: US\$852,000).</p> <p>The estimation of variable consideration for retail price markdown involves key assumptions made by management regarding the period of sales that is exposed to potential retail price markdown, the percentage of quantities of goods sold that may be subject to markdown and the markdown percentage that may be charged by the Customer.</p>	<p>We discussed with management to understand the process over the estimation of retail price markdown based on the terms of the agreement with the Customer.</p> <p>We obtained and reviewed the contract between the Group and the Customer as well as the agency agreement between the Group and the agent to understand the terms of the sales arrangement with the Customer.</p> <p>We assessed the reasonableness of the key assumptions made by management in estimating the retail price markdown by evaluating against actual claims from the Customer during the year and subsequent to year-end. We considered the actual claim information including claim quantities, markdown percentage and timing of claims and challenged management's key assumptions in estimating the retail price markdown.</p> <p>We also assessed the adequacy of the related disclosures made by management.</p>

### Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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## INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF KODA LTD

### **Responsibilities of Management and Directors for the Financial Statements**

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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## INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF KODA LTD

### **Auditor's Responsibilities for the Audit of the Financial Statements** (Continued)

- f) Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

In our opinion, the accounting and other records required by the Act to be kept by the Company and by the subsidiary corporation incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Lee Kang Lin.

### **Deloitte & Touche LLP**

Public Accountants and  
Chartered Accountants  
Singapore

October 8, 2025

## STATEMENTS OF FINANCIAL POSITION

June 30, 2025

		GROUP		COMPANY	
	Note	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents	6	<b>10,178</b>	11,193	<b>7,941</b>	7,072
Trade receivables	7	<b>7,357</b>	8,104	<b>8,396</b>	8,887
Other receivables	8	<b>5,048</b>	3,979	<b>14,282</b>	13,729
Contract assets	9	<b>46</b>	–	<b>46</b>	–
Inventories	10	<b>12,325</b>	12,286	<b>76</b>	35
Total current assets		<b>34,954</b>	35,562	<b>30,741</b>	29,723
<b>Non-current assets</b>					
Investment in subsidiaries	11	<b>–</b>	–	<b>18,611</b>	18,611
Bank balances earmarked for credit facility	6	<b>479</b>	479	<b>479</b>	479
Financial asset at fair value through other comprehensive income	12	<b>–</b>	–	<b>–</b>	–
Club memberships	13	<b>32</b>	45	<b>32</b>	32
Property, plant and equipment	14	<b>23,735</b>	24,312	<b>8,417</b>	8,560
Right-of-use assets	15	<b>12,409</b>	12,733	<b>–</b>	–
Other receivables	8	<b>29</b>	86	<b>6,607</b>	6,907
Total non-current assets		<b>36,684</b>	37,655	<b>34,146</b>	34,589
<b>Total assets</b>		<b>71,638</b>	73,217	<b>64,887</b>	64,312
<b>LIABILITIES AND EQUITY</b>					
<b>Current liabilities</b>					
Bill payables	16	<b>381</b>	319	<b>–</b>	–
Trade payables	17	<b>3,614</b>	4,862	<b>1,809</b>	891
Other payables	18	<b>6,562</b>	7,349	<b>3,943</b>	4,438
Lease liabilities	19	<b>867</b>	1,186	<b>–</b>	–
Current portion of bank loans	20	<b>2,610</b>	2,836	<b>2,610</b>	2,836
Income tax payable		<b>371</b>	450	<b>267</b>	435
Total current liabilities		<b>14,405</b>	17,002	<b>8,629</b>	8,600
<b>Non-current liabilities</b>					
Other payables	18	<b>102</b>	71	<b>–</b>	–
Deferred tax liabilities	21	<b>179</b>	167	<b>56</b>	56
Lease liabilities	19	<b>3,436</b>	3,329	<b>–</b>	–
Non-current portion of bank loans	20	<b>7,624</b>	8,432	<b>7,624</b>	8,432
Total non-current liabilities		<b>11,341</b>	11,999	<b>7,680</b>	8,488
<b>Capital and reserves</b>					
Share capital	22	<b>4,919</b>	4,919	<b>4,919</b>	4,919
Treasury shares	23	<b>(50)</b>	(50)	<b>(50)</b>	(50)
Capital reserves	24	<b>(159)</b>	(159)	<b>–</b>	–
Other reserves	25	<b>211</b>	211	<b>137</b>	137
Translation reserve		<b>245</b>	(858)	<b>–</b>	–
Accumulated profits		<b>40,925</b>	40,378	<b>43,572</b>	42,218
Equity attributable to owners of the Company		<b>46,091</b>	44,441	<b>48,578</b>	47,224
Non-controlling interests		<b>(199)</b>	(225)	<b>–</b>	–
Total equity		<b>45,892</b>	44,216	<b>48,578</b>	47,224
<b>Total liabilities and equity</b>		<b>71,638</b>	73,217	<b>64,887</b>	64,312

See accompanying notes to financial statements.



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

Year ended June 30, 2025

	Note	2025 US\$'000	2024 US\$'000
<b>Revenue</b>	26	<b>52,730</b>	45,597
Cost of sales		<b>(36,160)</b>	(32,773)
<b>Gross profit</b>		<b>16,570</b>	12,824
Other income	27	<b>1,235</b>	1,172
Selling and distribution costs		<b>(6,885)</b>	(7,261)
Administrative expenses		<b>(8,697)</b>	(9,390)
Other expenses	28	<b>(702)</b>	(916)
Finance costs	29	<b>(623)</b>	(595)
<b>Profit (Loss) before income tax</b>		<b>898</b>	(4,166)
Income tax expense	30	<b>(322)</b>	(430)
<b>Profit (Loss) for the year</b>	31	<b>576</b>	(4,596)
<b>Profit (Loss) attributable to:</b>			
Owners of the Company		<b>547</b>	(4,522)
Non-controlling interests		<b>29</b>	(74)
		<b>576</b>	(4,596)
<i>Items that may be classified subsequently to profit or loss:</i>			
Translation of differences arising from consolidation of foreign operations		<b>1,100</b>	(123)
<b>Other comprehensive income (loss) for the year, net of tax</b>		<b>1,100</b>	(123)
<b>Total comprehensive income (loss) for the year</b>		<b>1,676</b>	(4,719)
<b>Total comprehensive income (loss) attributable to:</b>			
Owners of the Company		<b>1,650</b>	(4,641)
Non-controlling interests		<b>26</b>	(78)
		<b>1,676</b>	(4,719)
<b>Earning (Loss) per share (US cents)</b>			
Basic	33	<b>0.66</b>	(5.44)
Diluted	33	<b>0.66</b>	(5.44)

See accompanying notes to financial statements.

## STATEMENTS OF CHANGES IN EQUITY

Year ended June 30, 2025

	Share capital US\$'000	Treasury shares US\$'000	Capital reserves US\$'000	Other reserves US\$'000	Translation reserve US\$'000	Accumulated profits US\$'000	Equity attributable to owners of the Company US\$'000	Non-controlling interests US\$'000	Total US\$'000
<b>GROUP</b>									
Balance at July 1, 2023	4,919	(50)	(159)	211	(739)	44,900	49,082	(147)	48,935
Total comprehensive loss for the year:									
Loss for the year	–	–	–	–	–	(4,522)	(4,522)	(74)	(4,596)
Other comprehensive loss	–	–	–	–	(119)	–	(119)	(4)	(123)
Total	–	–	–	–	(119)	(4,522)	(4,641)	(78)	(4,719)
<b>Balance at June 30, 2024</b>	<b>4,919</b>	<b>(50)</b>	<b>(159)</b>	<b>211</b>	<b>(858)</b>	<b>40,378</b>	<b>44,441</b>	<b>(225)</b>	<b>44,216</b>
Total comprehensive income for the year:									
Profit for the year	–	–	–	–	–	547	547	29	576
Other comprehensive income	–	–	–	–	1,103	–	1,103	(3)	1,100
Total	–	–	–	–	1,103	547	1,650	26	1,676
<b>Balance at June 30, 2025</b>	<b>4,919</b>	<b>(50)</b>	<b>(159)</b>	<b>211</b>	<b>245</b>	<b>40,925</b>	<b>46,091</b>	<b>(199)</b>	<b>45,892</b>

	Share capital US\$'000	Treasury shares US\$'000	Other reserves US\$'000	Accumulated profits US\$'000	Total US\$'000
<b>COMPANY</b>					
Balance at July 1, 2023	4,919	(50)	137	40,213	45,219
Profit for the year, representing total comprehensive income for the year	–	–	–	2,005	2,005
<b>Balance at June 30, 2024</b>	<b>4,919</b>	<b>(50)</b>	<b>137</b>	<b>42,218</b>	<b>47,224</b>
Profit for the year, representing total comprehensive income for the year	–	–	–	1,354	1,354
<b>Balance at June 30, 2025</b>	<b>4,919</b>	<b>(50)</b>	<b>137</b>	<b>43,572</b>	<b>48,578</b>

See accompanying notes to financial statements.

## CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended June 30, 2025

	2025 US\$'000	2024 US\$'000
<b>Operating activities</b>		
Profit (Loss) before income tax	898	(4,166)
Adjustments for:		
Depreciation of property, plant and equipment	1,463	1,605
Depreciation of right-of-use assets	1,234	1,842
(Reversal of allowance) Allowance for inventories – net	(642)	510
Inventories written off	20	22
Impairment loss on property, plant and equipment	–	22
Impairment loss on right-of-use assets	–	228
Gain on disposal of property, plant and equipment – net	(1)	(12)
Gain on derecognition of right-of-use assets	(52)	(32)
Loss on disposal of club-membership	12	–
Other receivable written off	–	416
Interest income	(429)	(503)
Interest expense	623	595
Operating cash flows before movements in working capital	3,126	527
Trade receivables	750	(5,352)
Other receivables	(1,281)	1,146
Contract assets	(46)	–
Inventories	691	(516)
Trade payables	(862)	2,724
Other payables	(802)	1,353
Cash generated from (used in) operations	1,576	(118)
Interest paid	(623)	(595)
Interest received	429	503
Income tax paid	(401)	(587)
Net cash from (used in) operating activities	981	(797)
<b>Investing activities</b>		
Deposits for property, plant and equipment	–	(14)
Proceeds from disposal of property, plant and equipment	1	30
Proceeds from disposal of club memberships	1	–
Purchase of property, plant and equipment (Note B)	(273)	(1,680)
Net cash used in investing activities	(271)	(1,664)
<b>Financing activities</b>		
Proceeds from bills payables (Note A)	62	319
Repayment of bank loans (Note A)	(4,337)	(1,841)
Proceeds from bank loans (Note A)	3,685	1,568
Repayment of leases liabilities (Note A)	(1,080)	(1,568)
Net cash used in financing activities	(1,670)	(1,522)
Net decrease in cash and cash equivalents	(960)	(3,983)
Cash and cash equivalents at beginning of year (Note 6)	11,193	15,326
Effects of exchange rate change on balance of cash held in foreign currencies	(55)	(150)
<b>Cash and cash equivalents at end of year (Note 6)</b>	<b>10,178</b>	<b>11,193</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended June 30, 2025

Note A:

### Reconciliation of liabilities arising from financing activities

Changes arising from cash flows from financing activities are disclosed on the consolidated statement of cash flows and there are no non-cash reconciling items for these financing activities except for below:

	<b>July 1, 2024 US\$'000</b>	<b>Financing cash flow<sup>(i)</sup> US\$'000</b>	<b>Changes in lease liabilities<sup>(ii)</sup> US\$'000</b>	<b>Non-cash changes Foreign exchange movement US\$'000</b>	<b>June 30, 2025 US\$'000</b>
Lease liabilities (Note 19)	4,515	(1,080)	554	314	4,303
Bank loans (Note 20)	11,268	(652)	–	(382)	10,234
Bill payables (Note 16)	319	62	–	–	381

	<b>July 1, 2023 US\$'000</b>	<b>Financing cash flow<sup>(i)</sup> US\$'000</b>	<b>Changes in lease liabilities<sup>(ii)</sup> US\$'000</b>	<b>Non-cash changes Foreign exchange movement US\$'000</b>	<b>June 30, 2024 US\$'000</b>
Lease liabilities (Note 19)	4,550	(1,568)	1,531	2	4,515
Bank loans (Note 20)	11,541	(273)	–	–	11,268
Bill payables (Note 16)	–	319	–	–	319

(i) The cash flows make up the net amount of proceeds from bank loans and repayment of bank loans in the statement of cash flows.

(ii) Pertains to new leases and derecognition of lease liabilities.

Note B:

During the financial year, the Group acquired property, plant and equipment with cash payments of US\$273,000 (2024: US\$1,680,000). As at June 30, 2025, payables relating to purchases of property, plant and equipment amounted to US\$49,000 (2024: US\$55,000).

See accompanying notes to financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

## 1 GENERAL

The Company (Registration No. 198001299R) is incorporated in Singapore with its principal place of business and registered office at 18 Tagore Lane, Sindo Industrial Estate, Singapore 787477. The Company is listed on the Singapore Exchange Securities Trading Limited ("SGX-ST"). The financial statements are expressed in United States dollars.

The principal activities of the Company are those of relating to the manufacturing and export of furniture and fixtures of wood (including upholstery), furniture design service and investment holding.

The principal activities of the subsidiaries are disclosed in Note 11 to the financial statements.

The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company for the year ended June 30, 2025 were authorised for issue by the Board of Directors on October 8, 2025.

## 2 BASIS OF PREPARATION

The financial statements have been prepared on historical cost basis except as disclosed in the accounting policies below and are drawn up in accordance with the provisions of the Companies Act 1967 and Singapore Financial Reporting Standards (International) ("SFRS(I)s").

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of SFRS(I) 2 *Share-based Payments*, leasing transactions that are within the scope of SFRS(I) 16 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in SFRS(I) 1-2 *Inventories* or value in use in SFRS(I) 1-36 *Impairment of Assets*.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

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# NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

## 2 BASIS OF PREPARATION (CONTINUED)

### 2.1 ADOPTION OF NEW AND REVISED STANDARDS

In the current financial year, the Group and the Company have adopted all the new and revised SFRS(I)s Accounting Standards that are mandatorily effective for an accounting period that begins on or after July 1, 2024. Their adoption has not had any material impact on the disclosures or the amounts reported in these financial statements.

#### **Amendments to SFRS(I) 1-1 Classification of Liabilities as Current or Non-current**

The Group and Company have adopted the amendments to SFRS(I) 1-1, published in May 2020, for the first time in the current year.

The amendments affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.

The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its rights to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

The adoption of this revised SFRS did not result in changes to the Group's accounting policies, had no material effect on the current or prior year's financial statements and are not expected to have a material effect on future periods.

The amendments have no impact to the Group and the Company in the current year.

#### **Amendments to SFRS(I) 1-1: Non-current Liabilities with Covenants**

The Group has adopted the amendments to SFRS(I) 1-1, published in December 2022, for the first time in the current year.

The amendments specify that only covenants that an entity is required to comply with on or before the end of the reporting period affect the entity's rights to defer settlement of a liability for at least twelve months after the reporting date (and therefore must be considered in assessing the classification of the liability as current or non-current). Such covenants affect whether the right exists at the end of the reporting period, even if compliance with covenant is assessed only after the reporting date (e.g., a covenant based on the entity's financial position at the reporting date that is assessed for compliance only after the reporting date).

The right to defer settlement of a liability for at least twelve months after the reporting date is not affected if an entity only has to comply with a covenant after the reporting period. However, if the entity's right to defer settlement of a liability is subject to the entity complying with covenants within twelve months after the reporting period, an entity discloses information that enables users of financial statements to understand the risk of liabilities becoming repayable within twelve months after the reporting period. This would include information about the covenants (including the nature of the covenants and when the entity is required to comply with them), the carrying amount of related liabilities and facts and circumstances, if any, that indicate that the entity may have difficulties complying with the covenants.

The amendments have no impact to the Group and the Company in the current year.

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

### 2 BASIS OF PREPARATION (CONTINUED)

#### 2.2 MATERIAL ACCOUNTING POLICY INFORMATION

The adoption of this revised SFRS did not result in changes to the Group's accounting policies, had no material effect on the current or prior year's financial statements and are not expected to have a material effect on future periods

**BASIS OF CONSOLIDATION** – The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries. Control is achieved when the Company:

- Has the power over the investee;
- Is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power to affect its returns.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Where necessary, adjustments are made to the financial statements of subsidiaries to align their accounting policies with those of the Group. All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation. Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. Details of the Group's significant subsidiaries and composition of the Group are disclosed in Note 11.

Non-controlling interests in subsidiaries are identified separately from the Group's equity and are initially measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Subsequent to the acquisition date, the carrying amounts of non-controlling interests are adjusted for the non-controlling interests' share of changes in equity. Losses are attributed to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

In the Company's financial statements, investments in subsidiaries are carried at cost less any impairment in net recoverable value that has been recognised in profit or loss.

**FINANCIAL INSTRUMENTS** – Financial assets and financial liabilities are recognised on the Group's statements of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

#### **Financial assets**

All financial assets are recognised and derecognised on a trade date where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned.

All recognised financial assets are subsequently measured in their entirety at amortised cost or fair value, depending on the classification of the financial assets.

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

### 2 BASIS OF PREPARATION (CONTINUED)

#### Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (FVTOCI):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are subsequently measured at fair value through profit or loss (FVTPL). Despite the foregoing, the Group may make the following irrevocable election/designation at initial recognition of a financial asset:

- the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met; and
- the Group may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

#### *Amortised cost and effective interest method*

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial instruments other than purchased or originated credit-impaired financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.



## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

### 2 BASIS OF PREPARATION (CONTINUED)

#### *Amortised cost and effective interest method (Continued)*

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial instruments other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired. For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit-impaired financial assets, the Group recognises interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.

Interest income is recognised in profit or loss and is included in the "other income" line item.

#### Foreign exchange gains and losses

The carrying amount of monetary assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate as at each reporting date. Specifically, for financial assets measured at FVTPL that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the "other income" or "other expenses" line items.

#### Impairment of financial assets

The Group recognises a loss allowance for expected credit losses ("ECL") on investments in debt instruments that are measured at amortised cost or at FVTOCI, contract assets, as well as on loan commitments and financial guarantee contracts. No impairment loss is recognised for investments in equity instruments. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL for trade receivables and contract assets. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment if whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

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## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

### 2 BASIS OF PREPARATION (CONTINUED)

#### *Significant increase in credit risk*

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group's debtor operate, obtained from economic expert reports, financial analysts and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor; and
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if i) the financial instrument has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

### 2 BASIS OF PREPARATION (CONTINUED)

#### *Definition of default*

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

#### *Credit-impaired financial assets*

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower; or
- a breach of contract, such as a default or past due event; or
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation.

#### *Write-off policy*

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

#### *Measurement and recognition of expected credit losses*

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for loan commitments and financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

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## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

### 2 BASIS OF PREPARATION (CONTINUED)

#### *Measurement and recognition of expected credit losses (Continued)*

Where lifetime ECL is measured on a collective basis to cater for cases where evidence of significant increases in credit risk at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- Nature of financial instruments (i.e. the Group's trade and other receivables and amounts due from customers are each assessed as a separate group. Loans to related parties are assessed for expected credit losses on an individual basis);
- Past-due status; and
- Nature, size and industry of debtors.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognised in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the statements of financial position.

#### *Derecognition of financial assets*

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

### **Financial liabilities and equity instruments**

#### Classification as debt or equity

Debt and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

### 2 BASIS OF PREPARATION (CONTINUED)

#### Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

#### Treasury shares

When the Company purchase its own equity share capital, the consideration paid, including any directly attributable costs, is recognised as 'Treasury shares' within equity. When the treasury shares are subsequently disposed, the realised gains or losses on disposal of the treasury shares are recognised in equity.

#### Bank borrowings and bills payables

Interest-bearing bank loans and bills payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Group's accounting policy for borrowing costs (see below).

#### Other financial liabilities

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest method, with interest expense recognised on an effective yield basis.

#### Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired.

### LEASES

#### The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liabilities with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate specific to the lessee.

The lease liability is presented as a separate line in the statements of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

### 2 BASIS OF PREPARATION (CONTINUED)

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used); or
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The right-of-use assets comprise the initial measurement of the corresponding lease liabilities, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under SFRS(I) 1-37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statements of financial position.

The Group applies SFRS(I) 1-36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in Impairment of Tangible Assets (see below).

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line 'Other expenses' in the statement of profit or loss.

As a practical expedient, SFRS(I) 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has not used this practical expedient. For a contract that contain a lease component and one or more additional lease or non-lease components, the Company allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

**INVENTORIES** – Inventories are stated at the lower of cost (weighted average method) and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

### 2 BASIS OF PREPARATION (CONTINUED)

PROPERTY, PLANT AND EQUIPMENT – Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the statements of financial position at their costs, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Properties in the course of construction for production, supply or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is charged so as to write off the cost or valuation of assets, other than freehold land and construction-in-progress over their estimated useful lives, using the straight-line method, on the following bases:

Buildings	–	5 to 50 years
Buildings improvements	–	2 to 5 years
Plant and machinery	–	2 to 10 years
Office equipment	–	3 to 10 years
Motor vehicles	–	5 to 10 years

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, if there is no certainty that the lessee will obtain ownership by the end of the lease term, the asset shall be fully depreciated over the shorter of the lease term and its useful life.

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognised in the profit or loss.

IMPAIRMENT OF TANGIBLE ASSETS – At the end of each reporting period, the Group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

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## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

### 2 BASIS OF PREPARATION (CONTINUED)

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

**PROVISIONS** – Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

**GOVERNMENT GRANTS** – Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and the grants will be received. Government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the statements of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Other government grants are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

**REVENUE RECOGNITION** – Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product or service to a customer.

#### Sale of goods

The Group sells furniture to the wholesale market and directly to customers through its own retail outlets.

For sale of furniture to the wholesale market and through retail outlets, revenue is recognised by the Group at a point in time. Revenue from the sale of goods is recognised when the Group satisfies its performance obligation by transferring the promised good to its customer (which is when the customer obtains control of that good). The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

In respect to retail price markdown payable to customer, this is a variable consideration which needs to be estimated and reduced from transaction price. The Group has applied the expected value method in estimating the variable consideration payable to customer and the reduction in revenue will be recognised as deferred revenue until the uncertainty associated with the variable consideration is subsequently resolved.



## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

### 2 BASIS OF PREPARATION (CONTINUED)

#### Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

#### Dividend income

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

#### Supply and installation services

The Group provides supply and installation of various furniture, and such services are recognised over time upon satisfaction of performance obligation. Revenue is recognised for these services based on the percentage of completion certified by the customer. Management considers that this output method is an appropriate measure of progress towards complete satisfaction of these performance obligations under SFRS(I) 15.

**BORROWING COSTS** – All borrowing costs are recognised in profit or loss in the period in which they are incurred.

**SHARE-BASED PAYMENTS** – The Group issues equity-settled share-based payments to certain employees. Equity-settled share-based payments are measured at fair value of the equity instruments at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of the number of equity instruments that will eventually vest. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity settled employee benefits reserve.

**RETIREMENT BENEFIT COSTS** – Payments to defined contribution retirement benefit plans are charged as an expense as they fall due. Payments made to state-managed retirement benefit schemes, such as the Singapore Central Provident Fund, are dealt with as payments to defined contribution plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

**EMPLOYEE LEAVE ENTITLEMENT** – Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

**INCOME TAX** – Income tax expense represents the sum of the current and deferred tax.

Current tax payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted in countries where the Company and its subsidiaries operate by the end of the reporting period.

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## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

### 2 BASIS OF PREPARATION (CONTINUED)

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from (i) initial recognition of goodwill; or (ii) initial recognition of assets and liabilities in a transaction that is not a business combination, and at the time of the transaction affects neither accounting nor taxable profit, and does not give rise to equal taxable and deductible temporary differences.

Deferred tax liabilities are recognised on taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax laws and rates that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items credited or debited outside profit or loss (either in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss (either in other comprehensive income or directly in equity, respectively).

**FOREIGN CURRENCY TRANSACTIONS AND TRANSLATION** – The individual financial statements of each Group entity are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The consolidated financial statements of the Group and statement of financial position and statement of changes in equity of the Company are presented in United States dollars, which is the functional currency of the Company, and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency are recorded at the rates of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

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## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

### 2 BASIS OF PREPARATION (CONTINUED)

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the period. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income. For such non-monetary items, any exchange component of that gain or loss is also recognised in other comprehensive income.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (including comparatives) are expressed in United States dollars using exchange rates prevailing at the end of the reporting period. Income and expense items (including comparatives) are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in the Group's translation reserve.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities (including monetary items that, in substance, form part of the net investment in foreign entities), and of borrowings and other currency instruments designated as hedges of such investments, are recognised in other comprehensive income and accumulated in a separate component of equity under the header of foreign currency translation reserve within other reserves.

**CASH AND CASH EQUIVALENTS IN THE STATEMENT OF CASH FLOWS** – Cash and cash equivalents in the statement of cash flows comprise cash on hand, bank balances and other short-term highly liquid assets and are subject to an insignificant risk of changes in value and are readily convertible to a known amount of cash.

### 3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's material accounting policies, which are described in Note 2, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

#### (i) **Critical judgements in applying the Group's accounting policies**

Management did not make any material judgements that have significant effect on the amounts recognised in the financial statements except for those affecting accounting estimates as disclosed in Note 3 (ii) to the financial statements.

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## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

### **3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY** (CONTINUED)

#### **(ii) Key sources of estimation uncertainty**

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

##### a) Allowances for inventories

Management determines whether an allowance for inventory obsolescence or slow-moving inventories or for any shortfall in net realisable value of inventories is required by reviewing the inventory listing on a periodic basis. The review involves consideration of the age, type of inventories, likelihood of obsolescence due to customers' receptiveness to designs of the furniture products, presence of distributorships, past sales history and the condition of the inventory items.

Arising from the review, management sets up the necessary allowance for obsolete and slow-moving inventories or for any shortfall in the net realisable value of the inventories. The carrying amounts of the Group's inventories are disclosed in Note 10 to the financial statements.

##### b) Recoverable amounts of trade and other receivables

When measuring ECL, a considerable amount of judgement and accounting estimates such as supportable forward-looking information is required in assessing the ultimate realisation of trade and other receivables.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the Group would expect to receive, taking into account credit insurance and letters of credit in place for certain key customers.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

The carrying amounts of the Group's trade and other receivables and the related loss allowances for doubtful debts are disclosed in Notes 7 and 8 to the financial statements respectively.

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

### 3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

c) Impairment assessment in investment in subsidiaries

The Company follows the guidance of SFRS(I) 1-36 *Impairment of Assets* to determine whether its investment in subsidiaries is impaired. This determination requires significant judgement. In making this judgement, the Company evaluates, among other factors, the market and economic environment of the subsidiary including the underlying investment and their economic performance to determine if there are indicators of impairment. Where indicators of impairment exist, management determined the amount of impairment loss by comparing cost of investment against recoverable amount of those investments.

The carrying amount of the Company's investment in subsidiaries at the end of the reporting period is disclosed in Note 11 to the financial statements.

d) Valuation of plant, property and equipment and right-of-use assets for Singapore retail operations

When determining impairment loss for its property, plant and equipment and right-of-use assets, the Group will ensure that the assets are not carried at more than their recoverable amounts (i.e., the higher of fair value less costs of disposal and value in use). The determination of the value in use requires significant estimates and assumptions to be made by management which includes, among other factors, the future revenue growth and advertising and promotional expense.

The recoverable amounts of the Group and Company's plant, property and equipment and right-of-use assets and the related impairment losses at the end of the reporting period are disclosed in Notes 14 and 15 to the financial statements respectively.

e) Deferred revenue on retail price markdown

For sales transactions with a component of retail price markdown, management will estimate the amount of the retail price markdown required as part of the variable consideration payable to customer. The amount is reassessed at the end of each reporting period end and will be directly included in the transaction price for revenue recognition.

The determination of the deferred revenue amount involves significant judgements and estimates regarding the key assumptions (a) period of sales that is exposed to potential retail price markdown, (b) the percentage of quantities of goods sold that may be subject to markdown and (c) the markdown percentage that may be charged by the new customer.

Arising from the review, management records the deferred revenue on retail price markdown against outright sales. The carrying amounts of the Group's and Company's deferred revenue is disclosed in Note 18 to the financial statements.

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

### 4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT

#### (a) *Categories of financial instruments*

The following table sets out the financial instruments as at the end of the reporting period.

	GROUP		COMPANY	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
<b>Financial assets</b>				
Amortised cost (including cash and cash equivalents)	<b>18,586</b>	20,451	<b>26,878</b>	26,722
<b>Financial liabilities</b>				
Amortised cost	<b>18,185</b>	20,620	<b>14,609</b>	14,889
Lease liabilities	<b>4,303</b>	4,515	—	—

#### (b) *Financial instruments subject to offsetting, enforceable master netting arrangements and similar agreements*

The Group and the Company do not have any financial instruments which are subject to offsetting, enforceable master netting arrangements or similar netting agreements.

#### (c) *Financial risk management policies and objectives*

The Group is exposed to various financial risks arising from the normal course of business. It has adopted risk management policies and utilises a variety of techniques to manage its exposure to these risks.

The Group does not hold nor issue derivative financial instruments.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risk. Market risk exposures are measured using sensitivity analysis indicated below.

##### (i) Foreign currency risk management

The Group transacts its business in various foreign currencies and therefore is exposed to foreign exchange risk. Significant foreign currencies include the United States dollar ("USD"), the Chinese Renminbi ("RMB"), the Singapore dollar ("SGD") and the Vietnam Dong ("VND").

The Group uses natural hedges that arise from offsetting assets and liabilities that are denominated in foreign currencies.

The Company has a number of investments in foreign subsidiaries, whose net assets are exposed to currency translation risk. The Group does not currently designate its foreign currency denominated debt as a hedging instrument for the purpose of hedging the translation of its foreign operations.

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

### 4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONTINUED)

At the end of the reporting period, the carrying amounts of monetary assets and monetary liabilities denominated in currencies other than the respective Group entities' functional currencies are as follows:

	GROUP			
	Assets		Liabilities	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
USD	408	718	83	73
RMB	30	28	14	25
SGD	111	1,000	1,227	1,063
VND	3,910	4,077	3,487	5,009

	COMPANY			
	Assets		Liabilities	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
RMB	30	28	14	13
SGD	110	998	1,227	1,063

#### Foreign currency sensitivity

The following table details the sensitivity to a 10% increase and decrease in the relevant foreign currencies against the functional currency of each Group entity. 10% is the sensitivity rate which represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. The sensitivity analysis includes external loans as well as loans to foreign operations within the Group where they gave rise to an impact on the Group's profit or loss and/or equity.

A positive number below indicates an increase in profit or loss where functional currency of each Group entity strengthens by 10% against the foreign currency. For a 10% weakening of the functional currency of each Group entity against the foreign currency, there would be an equal and opposite impact on the profit or loss.

	USD Impact		RMB Impact		SGD Impact		VND Impact	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
GROUP								
Profit or loss	(33)	(65)	(2)	(1)	112	6	(42)	93
COMPANY								
Profit or loss	–	–	(2)	(2)	112	7	–	–

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## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

### 4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONTINUED)

(ii) Interest rate risk management

Summary quantitative data of the Group's interest-bearing financial instruments can be found in Section (iv) of this Note. The Group's policy is to maintain cash equivalents and borrowings in both fixed and variable rate instruments.

*Interest rate sensitivity*

The sensitivity analyses below have been determined based on the exposure to interest rates for financial instruments at the end of the reporting period and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in the case of instruments that have floating rates. A 50 basis point increase or decrease represents management's assessment of the possible change in interest rates.

If interest rates had been 50 basis points higher or lower and all other variables were held constant, the Group's and Company's profit or loss for the year ended June 30, 2025 would decrease/increase by US\$46,000 and US\$46,000 (2024: decrease/increase by US\$44,000 and US\$44,000) respectively. This is mainly attributable to the Group's and Company's exposure to variable interest rates on its interest-bearing borrowings.

(iii) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

The Group's and Company's cash and bank balances are held with creditworthy financial institutions.

The Group develops and maintains its credit risk gradings to categorise exposures according to their degrees of risk of default. The Group uses its trading records to rate its major customers and other debtors. In addition, the Group has credit insurance and letters of credit in place for certain key customers. The Group does not hold any collateral to cover its credit risks associated with its financial assets.

Trade receivables consist of various customers spread across different geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.



## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

### 4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONTINUED)

The Group's current credit risk framework comprises the following categories:

Category	Description	Basis for recognising expected credit losses (ECL)
Performing	The counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
Doubtful	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL – not credit-impaired
In default	Amount is >90 days past due or there is evidence indicating the asset is credit-impaired.	Lifetime ECL – credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery.	Amount is written off

The tables below detail the credit quality of the Group's financial assets and other items, as well as maximum exposure to credit risk by credit risk rating grades:

	Note	Internal credit rating	12-month or lifetime ECL	Gross carrying amount US\$'000	Loss allowance US\$'000	Net carrying amount US\$'000
<u>GROUP</u>						
<u>2025</u>						
Trade receivables	7	(i)	Lifetime ECL (simplified approach)	<b>7,357</b>	–	<b>7,357</b>
Other receivables	8	Performing	12m ECL	<b>572</b>	–	<b>572</b>
					–	
<u>2024</u>						
Trade receivables	7	(i)	Lifetime ECL (simplified approach)	8,104	–	8,104
Other receivables	8	Performing	12m ECL	675	–	675
					–	

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

### 4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONTINUED)

	Note	Internal credit rating	12-month or lifetime ECL	Gross carrying amount US\$'000	Loss allowance US\$'000	Net carrying amount US\$'000
<u>COMPANY</u>						
<u>2025</u>						
Trade receivables	7	(i)	Lifetime ECL (simplified approach)	<b>8,396</b>	–	<b>8,396</b>
Other receivables	8	Performing	12m ECL	<b>82</b>	–	<b>82</b>
Amount owing by subsidiaries	8	Performing	12m ECL	<b>9,620</b>	–	<b>9,620</b>
Amount owing by subsidiaries	8	In default	Lifetime ECL	<b>1,647</b>	<b>(1,287)</b>	<b>360</b>
					<b>(1,287)</b>	
<u>2024</u>						
Trade receivables	7	(i)	Lifetime ECL (simplified approach)	8,887	–	8,887
Other receivables	8	Performing	12m ECL	39	–	39
Amount owing by subsidiaries	8	Performing	12m ECL	9,885	–	9,885
Amount owing by subsidiaries	8	In default	Lifetime ECL	1,647	(1,287)	360
					(1,287)	

- (i) For trade receivables, the Group has applied the simplified approach in SFRS(I) 9 to measure the loss allowance at lifetime ECL. The Group determines the expected credit losses on these items based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate reflect current conditions and estimates of future economic conditions. Note 7 includes further details on the loss allowance for these receivables.

The Group and Company defines counterparties as having similar characteristics if they are related entities.

At the end of the year, the Group has outstanding trade receivables from the top 5 customers which represent 60% (2024: 91%) of total trade receivables balance at year end.

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

### 4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONTINUED)

At the end of the year, the Company has outstanding trade and other receivables of US\$1,088,000 (2024: US\$821,000) and US\$9,980,000 (2024: US\$10,245,000) respectively from its subsidiaries which represent 13% (2024: 9%) and 48% (2024: 50%) of its total trade and other receivables respectively. Ongoing credit evaluation is performed on the financial condition of its subsidiaries.

The carrying amounts of financial assets recorded in the financial statements, grossed up for any allowances for impairment losses, represents the Group's and the Company's maximum exposure to credit risk without taking account of the value of any credit insurance and letters of credit in place for certain key customers.

The following table shows the net exposure to credit risk and insurance covered for trade receivables:

	GROUP		COMPANY	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
Carrying amounts (Note 7)	<b>7,357</b>	8,104	<b>8,396</b>	8,887
Less: Amount covered by letters of credits from customers	<b>(718)</b>	(355)	<b>(718)</b>	(355)
Less: Credit insurance	<b>(6,255)</b>	(7,618)	<b>(6,255)</b>	(7,618)
Net exposure to credit risk	<b>384</b>	131	<b>1,423</b>	914

(iv) Liquidity risk management

In the management of liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. Short-term funding is obtained from overdraft facilities and short-term bank loans. Any temporary shortfall of funds of the Company or its subsidiaries would be managed by obtaining short-term financing within the Group.

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

### 4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONTINUED)

#### *Liquidity and interest risk analysis*

##### Non-derivative financial assets

The following table details the expected maturity for non-derivative financial assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Group's and Company's liquidity risk management as the Group's and Company's liquidity risk is managed on a net asset and liability basis. The tables below have been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets except where the Group and the Company anticipate that the cash flow will occur in a different period. The adjustment column represents the possible future cash flows attributable to the instrument included in the maturity analysis which are not included in the carrying amount of the financial assets on the statements of financial position.

	<b>Weighted average effective interest rate %</b>	<b>On demand or within 1 year US\$'000</b>	<b>Within 2 to 5 years US\$'000</b>	<b>Adjustment US\$'000</b>	<b>Total US\$'000</b>
<u>GROUP</u>					
<u>2025</u>					
Non-interest bearing	–	<b>10,259</b>	<b>508</b>	–	<b>10,767</b>
Fixed interest rate instruments	<b>4.2</b>	<b>7,915</b>	–	<b>(96)</b>	<b>7,819</b>
Total		<b>18,175</b>	<b>508</b>	<b>(96)</b>	<b>18,586</b>
<u>2024</u>					
Non-interest bearing	–	12,194	506	–	12,700
Fixed interest rate instruments	5.0	7,850	–	(99)	7,751
Total		20,044	506	(99)	20,451
<u>COMPANY</u>					
<u>2025</u>					
Non-interest bearing	–	<b>12,442</b>	<b>7,086</b>	–	<b>19,528</b>
Fixed interest rate instruments	<b>4.0</b>	<b>7,436</b>	–	<b>(86)</b>	<b>7,350</b>
Total		<b>19,878</b>	<b>7,086</b>	<b>(86)</b>	<b>26,878</b>
<u>2024</u>					
Non-interest bearing	–	12,880	7,386	–	20,266
Fixed interest rate instruments	4.3	6,540	–	(84)	6,456
Total		19,420	7,386	(84)	26,722

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

### 4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONTINUED)

#### Non-derivative financial liabilities

The following table detail the remaining contractual maturity for non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and Company can be required to pay. The table includes both interest and principal cash flows. The adjustment column represents the possible future cash flows attributable to the instrument included in the maturity analysis which is not included in the carrying amount of the financial liabilities on the statements of financial position.

	<b>Weighted average effective interest rate %</b>	<b>On demand or within 1 year US\$'000</b>	<b>Within 2 to 5 years US\$'000</b>	<b>More than 5 years US\$'000</b>	<b>Adjustment US\$'000</b>	<b>Total US\$'000</b>
<u>GROUP</u>						
<u>2025</u>						
Non-interest bearing	–	<b>7,849</b>	<b>102</b>	–	–	<b>7,951</b>
Lease liabilities (fixed rate)	<b>3.6</b>	<b>1,007</b>	<b>2,318</b>	<b>1,603</b>	<b>(626)</b>	<b>4,303</b>
Variable interest rate instruments	<b>4.6</b>	<b>1,951</b>	<b>2,063</b>	<b>9,033</b>	<b>(3,764)</b>	<b>9,284</b>
Fixed interest rate instruments	<b>2.0</b>	<b>973</b>	–	–	<b>(24)</b>	<b>949</b>
Total		<b>11,780</b>	<b>4,483</b>	<b>10,636</b>	<b>(4,414)</b>	<b>22,487</b>
<u>2024</u>						
Non-interest bearing	–	9,282	70	–	–	9,352
Lease liabilities (fixed rate)	2.3	1,271	2,823	759	(338)	4,515
Variable interest rate instruments	4.7	1,588	2,405	10,288	(5,549)	8,732
Fixed interest rate instruments	2.0	1,830	1,103	–	(397)	2,536
Total		13,971	6,401	11,047	(6,284)	25,135

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

### 4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONTINUED)

	Weighted average effective interest rate %	On demand or within 1 year US\$'000	Within 2 to 5 years US\$'000	More than 5 years US\$'000	Adjustment US\$'000	Total US\$'000
<u>COMPANY</u>						
<u>2025</u>						
Non-interest bearing	–	4,376	–	–	–	4,376
Variable interest rate instruments	4.6	1,951	2,063	9,033	(3,764)	9,284
Fixed interest rate instruments	2.0	973	–	–	(24)	949
Total		7,300	2,063	9,033	(3,788)	14,609
<u>2024</u>						
Non-interest bearing	–	3,622	–	–	–	3,622
Variable interest rate instruments	4.7	1,588	2,405	10,288	(5,549)	8,732
Fixed interest rate instruments	2.0	1,830	1,103	–	(398)	2,535
Total		7,040	3,508	10,288	(5,947)	14,889

(v) Fair values of financial assets and financial liabilities

The carrying amounts of cash and cash equivalents, trade and other current receivables and payables and other liabilities approximate their respective fair values due to the relatively short-term maturity of these financial instruments. The carrying amount of other classes of financial assets and financial liabilities approximates their fair values.

**(d) Capital management policies and objectives**

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of debt (bills payables, lease liabilities and bank loans disclosed in Notes 16, 19 and 20 respectively) and equity attributable to owners, comprising share capital, treasury shares, reserves, accumulated profits and non-controlling interests as presented in the Group's statement of changes in equity.

The capital structure of the Company consists of bank loans disclosed in Note 20 and equity attributable to owners, comprising share capital, treasury shares, reserves and accumulated profits as presented in the Company's statement of changes in equity.

The Group and the Company review its capital structure periodically. It balances its overall capital structure through the payment of dividends, new share issues, buy back of issued shares as well as the issue of new debt or the redemption of existing debt. The Group and the Company are in compliance with all externally imposed capital requirements.

The Group's and the Company's overall strategy remains unchanged from prior year.

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

### 5 RELATED PARTY TRANSACTIONS

Some of the Group's transactions and arrangements are with related parties and the effects of these on the basis determined between the parties are reflected in these financial statements and the balances are unsecured, interest-free and repayable on demand unless stated otherwise.

Significant related party transactions are as follows:

	GROUP	
	2025 US\$'000	2024 US\$'000
<u>Companies in which a director has interests in:</u>		
Rental of land from a related party	67	58
<u>Companies in which a key management personnel has interests in:</u>		
Management fee income from a related party	25	24

#### **Compensation of directors and key management personnel**

The remuneration of directors and other members of key management during the year are as follows:

	GROUP	
	2025 US\$'000	2024 US\$'000
Short-term benefits	1,930	1,722
Post-employment benefits	90	75
	<b>1,964</b>	1,797

The remuneration of directors and key management is determined by the remuneration committee having regard to the performance of the Group and individuals.

### 6 CASH AND CASH EQUIVALENTS

	GROUP		COMPANY	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
Cash at bank	10,651	11,666	8,419	7,550
Cash on hand	6	6	1	1
	<b>10,657</b>	11,672	<b>8,420</b>	7,551
Less: Non-current				
Bank balances earmarked for credit facility	(479)	(479)	(479)	(479)
Cash and cash equivalents in the consolidated statement of cash flows	<b>10,178</b>	11,193	<b>7,941</b>	7,072

The Group's cash at bank includes short-term deposits with an original maturity period of twelve months or less amounting to US\$7,819,000 (2024: US\$7,751,000) which bear effective interest at a fixed rate of 3.30% to 4.40% (2024: 2.55% to 5.42%) per annum.

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

### 6 CASH AND CASH EQUIVALENTS (CONTINUED)

The Company's cash at bank includes short-term deposits with an original maturity period of twelve months or less amounting to US\$7,350,000 (2024: US\$6,456,000) which bear effective interest at a fixed rate of 4.02% to 4.40% (2024: 3.86% to 5.42%) per annum.

The Company's cash at bank includes an amount of US\$479,000 (2024: US\$479,000) earmarked to a licensed bank as securities for credit facility granted to the Company.

The short-term deposits are repayable on demand and can be called upon at the discretion of the Group and Company and financial loss on principal is minimal.

Management considered that the ECL for bank balances and bank deposits is insignificant as at June 30, 2025 and 2024.

### 7 TRADE RECEIVABLES

	GROUP		COMPANY	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
Outside parties	<b>7,357</b>	8,104	<b>7,308</b>	8,066
Subsidiaries (Note 11)	<b>–</b>	–	<b>1,088</b>	821
	<b>7,357</b>	8,104	<b>8,396</b>	8,887

As at July 1, 2023, the Group's and Company's trade receivables from contracts with customers amounted to US\$2,751,000 and US\$3,435,000 respectively. The average credit period on sale of goods is 60 days (2024: 60 days). No interest is charged on the trade receivables.

The table below is an analysis of trade receivables as at the end of reporting period:

	GROUP		COMPANY	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
Not past due and not impaired	<b>6,082</b>	7,268	<b>6,158</b>	7,358
Past due but not impaired <sup>(i)</sup>	<b>1,275</b>	836	<b>2,238</b>	1,529
Total trade receivables, net	<b>7,357</b>	8,104	<b>8,396</b>	8,887

(i) Aging of receivables that are past due but not impaired:

	GROUP		COMPANY	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
<30 days	<b>1,231</b>	712	<b>1,289</b>	712
31 to 90 days	<b>20</b>	85	<b>158</b>	115
91 to 180 days	<b>2</b>	3	<b>82</b>	2
181 to 360 days	<b>7</b>	15	<b>30</b>	15
>360 days	<b>15</b>	21	<b>679</b>	685
	<b>1,275</b>	836	<b>2,238</b>	1,529



## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

### 7 TRADE RECEIVABLES (CONTINUED)

#### Analysis of trade receivables

Before accepting any new customer, the Group will assess the potential customer's credit quality and defines credit limits by customer. Limits attributed to customers are reviewed periodically.

Loss allowance for trade receivables has always been measured at an amount equal to lifetime expected credit losses (ECL). The ECL on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

A trade receivable is written off when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings.

### 8 OTHER RECEIVABLES

	GROUP		COMPANY	
	2025	2024	2025	2024
	US\$'000	US\$'000	US\$'000	US\$'000
Subsidiaries (Note 11) <sup>(a)</sup>	–	–	11,267	11,532
Deposits	453	568	8	8
Prepayments to third parties	906	787	157	183
Advances to subsidiaries	–	–	10,642	10,149
Government grant receivable	19	2	2	2
Value added tax recoverable	3,580	2,601	26	18
Others	119	107	74	31
	<b>5,077</b>	4,065	<b>22,176</b>	21,923
Less: Loss allowance for:				
– Subsidiaries	–	–	(1,287)	(1,287)
	<b>5,077</b>	4,065	<b>20,889</b>	20,636
Less: Non-current portion:				
– Deposits	(29)	(27)	–	–
– Prepayments	–	(59)	–	–
– Subsidiaries	–	–	(6,607)	(6,907)
	<b>5,048</b>	3,979	<b>14,282</b>	13,729

(a) Amounts due from subsidiaries are non-trade related, unsecured, non-interest bearing, and repayable on demand. The balances included dividend receivables of US\$6,607,000 (2024: US\$6,907,000) which have been classified as non-current assets as the Company does not expect for repayment within 12 months after the reporting date.

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

### 8 OTHER RECEIVABLES (CONTINUED)

Movement in loss allowance for doubtful debts:

	GROUP		COMPANY	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
Balance at beginning of year	–	–	1,287	1,261
Charged to profit or loss for the year	–	–	–	26
Balance at end of year	–	–	1,287	1,287

In 2024, there was a write off of US\$416,000 that arose from the confirmation of the fire insurance settlement amount received.

#### Other receivables

Other receivables are considered to have low credit risk as they are not due for payment as the end of the reporting period and there has been no significant increase in the risk of default on the receivables since initial recognition. Other receivables due from subsidiaries are considered to have low credit risk as the timing of payment is controlled by the Group taking into account cash flow management within the Group of companies and there has been no significant increase in the risk of default on the receivables since initial recognition other than amounts due from a subsidiary. Accordingly, for the purpose of impairment assessment for these receivables, the loss allowance is measured at an amount equal to the 12-month expected credit losses ("ECL").

There is evidence indicating the amounts due from certain subsidiaries are credit-impaired, hence the loss allowance is measured at an amount equal to lifetime ECL for these amounts.

In determining the ECL, management has taken into account the historical default experience and the financial position of the counterparties, adjusted for factors that are specific to the debtors and general economic conditions of the industry in which the debtors operate, in estimating the probability of default, as well as the loss upon default in each case.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period in assessing the loss allowance for other receivables.

### 9 CONTRACT ASSETS

	GROUP AND COMPANY	
	2025 US\$'000	2024 US\$'000
Supply and installation of furniture contract	46	–

Movement in Contract Assets:

	GROUP AND COMPANY	
	2025 US\$'000	2024 US\$'000
Balance at the beginning of the year	–	–
Cost incurred for the year	269	–
Amount billed for the year	(223)	–
Balance at the end of the year	46	–

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

### 10 INVENTORIES

	<b>GROUP</b>	
	<b>2025 US\$'000</b>	<b>2024 US\$'000</b>
Raw materials	<b>5,202</b>	4,928
Work in progress	<b>3,557</b>	3,808
Finished goods	<b>5,538</b>	6,164
	<b>14,297</b>	14,900
Less: Allowance for inventories	<b>(1,972)</b>	(2,614)
	<b>12,325</b>	12,286
Movement in allowance for inventories:		
Balance at beginning of the year	<b>2,614</b>	2,104
(Reversal) Charged to profit or loss for the year	<b>(642)</b>	510
Balance at end of the year	<b>1,972</b>	2,614

In 2025, the Company held finished goods of US\$76,000 (2024: US\$35,000).

Inventories of US\$20,000 (2024: US\$22,000) were written off and recognised directly in profit or loss for goods which are not in saleable conditions (Note 28).

### 11 INVESTMENT IN SUBSIDIARIES

	<b>COMPANY</b>	
	<b>2025 US\$'000</b>	<b>2024 US\$'000</b>
Unquoted equity shares, at cost	<b>20,137</b>	20,137
Less: Impairment loss	<b>(1,526)</b>	(1,526)
	<b>18,611</b>	18,611
Movement in impairment loss:		
Balance at beginning and end of year	<b>1,526</b>	1,526

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

### 11 INVESTMENT IN SUBSIDIARIES (CONTINUED)

The Company carried out a review of the recoverable amount of its investments in subsidiaries and determined that no further impairment is required.

Details of the subsidiaries are described below:

Subsidiaries	Portion of ownership interest and voting power held		Country of incorporation (or registration)/ operations	Principal activities
	2025 %	2024 %		
Jatat Furniture Industries Sdn Bhd <sup>(1)</sup>	<b>100</b>	100	Malaysia	Manufacturers and exporters of furniture
Koda Woodcraft Sdn Bhd <sup>(1)</sup>	<b>100</b>	100	Malaysia	Manufacturers and exporters of furniture
Koda Indochine Co., Ltd <sup>(1)</sup>	<b>100</b>	100	Vietnam	Dormant
Koda International Co., Ltd <sup>(4)</sup>	<b>100</b>	100	Vietnam	Dormant
Koda Saigon Co., Ltd <sup>(1)</sup>	<b>100</b>	100	Vietnam	Manufacturers and exporters of furniture
Commune Lifestyle Pte Ltd	<b>100</b>	100	Singapore	Retail and distribution of furniture
Commune Lifestyle Sdn Bhd <sup>(1)</sup>	<b>100</b>	100	Malaysia	Trading and export of furniture
Commune (Dongguan) Trading Co. Ltd <sup>(2)</sup>	<b>100</b>	100	China	Trading and export of furniture
Commune (Chongqing) Trading Co. Ltd <sup>(3)</sup>	<b>80</b>	80	China	Retail of furniture
Commune (Shanghai) Trading Co. Ltd <sup>(3)</sup>	<b>100</b>	100	China	Retail and channel sales of furniture

The above subsidiaries are audited by Deloitte & Touche LLP, Singapore except for the subsidiaries that are indicated below:

- (1) Audited by overseas practices of Deloitte & Touche.
- (2) Not material to the results of the Group.
- (3) Not required to be audited in the country of incorporation.
- (4) In the process of liquidation.

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

### 12 FINANCIAL ASSET AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	<b>GROUP AND COMPANY</b>	
	<b>2025</b>	<b>2024</b>
	<b>US\$'000</b>	<b>US\$'000</b>
Unquoted equity shares, at fair value	<b>6</b>	6
Fair value loss	<b>(6)</b>	(6)
	<b>—</b>	—

The above investment relates to a remaining 10% share interest in a previous subsidiary which was disposed in year 2015. It was recorded based on the fair value of the investment as at date of disposal.

Since 2016, the Group carried out a review of the fair value of the unquoted equity shares and a fair value loss was recognised.

### 13 CLUB MEMBERSHIPS

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>
Club memberships, at cost	<b>32</b>	120	<b>32</b>	32
Impairment loss	—	(69)	—	—
Currency realignment	—	(6)	—	—
	<b>32</b>	45	<b>32</b>	32

Movement in impairment loss:

Balance at beginning of year	<b>69</b>	69	—	—
Derecognised	<b>(69)</b>	—	—	—
Balance at end of year	—	69	—	—

During the year, the Group has disposed of club membership amounting to US\$13,000 (net of impairment loss of US\$69,000 and currency alignment loss of US\$6,000) for US\$1,000.

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

### 14 PROPERTY, PLANT AND EQUIPMENT

	Freehold land US\$'000	Buildings US\$'000	Building improvements US\$'000	Plant and machinery US\$'000	Office equipment US\$'000	Motor vehicles US\$'000	Construction- in-progress US\$'000	Total US\$'000
<u>GROUP</u>								
Cost:								
At July 1, 2023	8,772	14,069	1,185	9,948	2,430	733	2,892	40,029
Currency realignment	(22)	(28)	17	(24)	(1)	1	(2)	(59)
Additions	–	31	48	119	141	–	1,396	1,735
Write-off	–	–	(236)	–	–	–	–	(236)
Disposals	–	–	–	(301)	(3)	–	–	(304)
Reclassification	–	2,734	–	635	–	–	(3,369)	–
At June 30, 2024	8,750	16,806	1,014	10,377	2,567	734	917	41,165
Currency realignment	302	432	46	370	156	11	–	1,317
Additions	–	–	27	56	51	–	147	281
Write-off	–	–	(169)	–	(8)	–	–	(177)
Disposals	–	–	–	(116)	–	(40)	–	(156)
Reclassification	–	–	–	137	–	–	(137)	–
At June 30, 2025	<b>9,052</b>	<b>17,238</b>	<b>918</b>	<b>10,824</b>	<b>2,766</b>	<b>705</b>	<b>927</b>	<b>42,430</b>
Accumulated depreciation:								
At July 1, 2023	–	3,845	973	8,011	2,106	487	–	15,422
Currency realignment	–	(10)	12	(22)	(7)	–	–	(27)
Depreciation for the year	–	706	106	625	103	65	–	1,605
Write-off	–	–	(115)	–	–	–	–	(115)
Disposals	–	–	–	(283)	(3)	–	–	(286)
At June 30, 2024	–	4,541	976	8,331	2,199	552	–	16,599
Currency realignment	–	157	43	336	138	11	–	685
Depreciation for the year	–	666	31	596	109	61	–	1,463
Write-off	–	–	(165)	–	(8)	–	–	(173)
Disposals	–	–	–	(116)	–	(40)	–	(156)
At June 30, 2025	<b>–</b>	<b>5,364</b>	<b>885</b>	<b>9,147</b>	<b>2,438</b>	<b>584</b>	<b>–</b>	<b>18,418</b>
Accumulated impairment:								
At July 1, 2023	–	230	120	–	–	–	–	350
Impairment for the year	–	–	–	–	19	3	–	22
Write-off	–	–	(121)	–	–	–	–	(121)
Currency realignment	–	(2)	5	–	–	–	–	3
At June 30, 2024	–	228	4	–	19	3	–	254
Write-off	–	–	(4)	–	–	–	–	(4)
Currency realignment	–	27	–	–	–	–	–	27
At June 30, 2025	<b>–</b>	<b>255</b>	<b>–</b>	<b>–</b>	<b>19</b>	<b>3</b>	<b>–</b>	<b>277</b>
Carrying amount:								
At June 30, 2025	<b>9,052</b>	<b>11,619</b>	<b>33</b>	<b>1,677</b>	<b>309</b>	<b>118</b>	<b>927</b>	<b>23,735</b>
At June 30, 2024	8,750	12,037	34	2,046	349	178	917	24,312

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

### 14 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The key assumptions used for the value in use calculations for the impairment assessment of the property, plant and equipment and right-of-use assets include:

	<b>Singapore retail operations %</b>	<b>2025 Shanghai channel sales operations %</b>	<b>Chongqing retail store operations %</b>	<b>Singapore retail operations %</b>	<b>2024 Shanghai channel sales operations %</b>	<b>Chongqing retail store operations %</b>
Discount rate (pre-tax)	9	–	–	11	12	12
	<b>Singapore retail operations US\$'000</b>	<b>2025 Shanghai channel sales operations US\$'000</b>	<b>Chongqing retail store operations US\$'000</b>	<b>Singapore retail operations US\$'000</b>	<b>2024 Shanghai channel sales operations US\$'000</b>	<b>Chongqing retail store operations US\$'000</b>
Recoverable amount	2,278	–	–	2,239	21	–
Impairment loss for property, plant and equipment	–	–	–	–	18	4
Impairment loss for right-of-use assets	–	–	–	–	85	143

During the year, management has determined that there are indicators of impairment such as continued operating losses and performed impairment test on the Group's property, plant and equipment and right-of-use assets. The Group estimated the recoverable amount of the CGU based on the higher of fair value less costs of disposal and value in use, to determine the extent of the impairment loss.

The Group has assessed the manufacturing related property, plant and equipment and right-of-use assets in Vietnam and Malaysia as 2 different cash-generating units ("CGUs") and estimated the recoverable amount of the CGUs based on fair value less costs of disposal. The Group engages external, independent and qualified valuers to determine the fair value of the Group's manufacturing related building and right-of-use assets and assessed that there is no impairment as the recoverable amount is higher than the carrying value as at June 30, 2025.

The Group has assessed the recoverable amount of the CGUs for the above retail and channel sales operations based on value in use. In 2025, arising from the review, no impairment loss for property, plant and equipment and right-of-use assets (disclosed in Note 15) had been recognised in profit or loss. In 2024, arising from the review, an impairment loss of US\$22,000 and US\$228,000 for property, plant and equipment and right-of-use assets (disclosed in Note 15) had been recognised in profit or loss respectively, and the building improvements, office space and retail stores were impaired to their recoverable amount based on the value in use calculation. These assets are used in the Group's retail and distribution segment. For both years, the value in use calculation for the Singapore retail CGU has been prepared using cash flow projections from financial budgets approved by the board of directors covering the remaining useful life (2024: shorter of five years or the remaining useful life) of the underlying right-of-use assets.

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

### 14 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Freehold land US\$'000	Buildings US\$'000	Building improvements US\$'000	Plant and machinery US\$'000	Office equipment US\$'000	Motor vehicles US\$'000	Total US\$'000
<u>COMPANY</u>							
Cost:							
At July 1, 2023	6,213	2,319	86	158	452	281	9,509
Additions	–	–	–	–	132	–	132
At June 30, 2024	6,213	2,319	86	158	584	281	9,641
Additions	–	–	–	–	7	–	7
At June 30, 2025	<b>6,213</b>	<b>2,319</b>	<b>86</b>	<b>158</b>	<b>591</b>	<b>281</b>	<b>9,648</b>
Accumulated depreciation:							
At July 1, 2023	–	112	47	154	416	175	904
Depreciation for the year	–	96	39	1	21	20	177
At June 30, 2024	–	208	86	155	437	195	1,081
Depreciation for the year	–	96	–	1	34	19	150
At June 30, 2025	<b>–</b>	<b>304</b>	<b>86</b>	<b>156</b>	<b>471</b>	<b>214</b>	<b>1,231</b>
Carrying amount:							
At June 30, 2025	<b>6,213</b>	<b>2,015</b>	<b>–</b>	<b>2</b>	<b>120</b>	<b>67</b>	<b>8,417</b>
At June 30, 2024	6,213	2,111	–	3	147	86	8,560



## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

### 15 RIGHT-OF-USE ASSETS

The Group leases several assets including leasehold land and buildings, office space and retail store. The average lease term is 32 years.

	Leasehold land and buildings US\$'000	Office space and retail store US\$'000	Total US\$'000
<u>GROUP</u>			
<u>Cost:</u>			
At July 1, 2023	10,990	7,442	18,432
Additions	914	673	1,587
Derecognised	(1,289)	(119)	(1,408)
Currency realignment	(5)	2	(3)
At June 30, 2024	10,610	7,998	18,608
Additions	–	803	803
Derecognised	–	(1,102)	(1,102)
Currency realignment	108	485	593
At June 30, 2025	<b>10,718</b>	<b>8,184</b>	<b>18,902</b>
<u>Accumulated depreciation:</u>			
At July 1, 2023	1,886	3,211	5,097
Depreciation for the year	611	1,231	1,842
Derecognised	(1,289)	(40)	(1,329)
Currency realignment	–	(6)	(6)
At June 30, 2024	1,208	4,396	5,604
Depreciation for the year	296	938	1,234
Derecognised	–	(805)	(805)
Currency realignment	8	277	285
At June 30, 2025	<b>1,512</b>	<b>4,806</b>	<b>6,318</b>
<u>Accumulated impairment:</u>			
At July 1, 2023	–	119	119
Impairment for the year	–	228	228
Derecognised	–	(79)	(79)
Currency realignment	–	3	3
At June 30, 2024	–	271	271
Derecognised	–	(100)	(100)
Currency realignment	–	4	4
At June 30, 2025	<b>–</b>	<b>175</b>	<b>175</b>
<u>Carrying amount:</u>			
At June 30, 2025	<b>9,206</b>	<b>3,203</b>	<b>12,409</b>
At June 30, 2024	9,402	3,331	12,733

During the year, certain leases for office space and retail stores expired and were extended. Other retail store leases were either replaced by new leases for the same underlying assets or derecognised and replaced with new leases due to store relocation. This resulted in additions to right-of-use assets of US\$803,000 (2024: US\$673,000).

The Group has a retail store lease arrangement that includes both fixed and variable lease payments. The variable lease payments are calculated based on a fixed percentage of gross sales generated by the retail store. These variable lease payments are not included in the measurement of lease liabilities. During the year, the variable lease payments of US\$172,000 (2024: US\$Nil) relating to this retail store were recognised as an expense in profit or loss.

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

### 16 BILLS PAYABLES

The bank facilities of one of the subsidiaries ("Koda Woodcraft Sdn Bhd") with a balance of US\$381,000 (2024: US\$319,000) as at the end of the reporting period are guaranteed by the Company.

The credit facilities bore effective interest at floating rate of 2.21% (2024: 6.63%) per annum.

Management had assessed the fair value of the financial guarantee provided by the Company is not material and accordingly, has not accounted for the financial guarantee in the Company's financial statements.

There are no expected credit losses for the financial guarantee provided by the Company as management assessed that the risk of subsidiary defaulting on the bill payable to be remote.

### 17 TRADE PAYABLES

	GROUP		COMPANY	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
Subsidiaries (Note 11)	–	–	1,790	870
Outside parties	3,614	4,862	19	21
	3,614	4,862	1,809	891

The average credit period on purchases of goods is 30 days (2024: 30 days). No interest is charged on the trade payables.

### 18 OTHER PAYABLES

	GROUP		COMPANY	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
Accrued expenses	3,162	3,477	1,371	1,829
Advances from customers	1,654	2,195	426	754
Deferred revenue	871	852	871	852
Deferred grant income	80	102	80	102
Due to related parties (Note 5) <sup>(a)</sup>	7	7	–	–
Due to subsidiaries (Note 11) <sup>(b)</sup>	–	–	861	844
Refundable deposits received	339	461	–	–
Value added tax payable	103	100	–	–
Others	448	226	334	57
	6,664	7,420	3,943	4,438
Less: Non-current portion	(102)	(71)	–	–
	6,562	7,349	3,943	4,438

(a) Due to related parties in which a key management personnel holds an interest.

(b) Amounts due to subsidiaries are non-trade related, unsecured, non-interest bearing, and repayable on demand.

As at July 1, 2023, the Group's and Company's advances from customers amounted to US\$2,033,000 and US\$601,000 respectively. As at July 1, 2023, the Group's and Company's deferred revenue is US\$Nil.

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

### 18 OTHER PAYABLES (CONTINUED)

The following table shows how much of the revenue recognised in the current reporting period relates to brought-forward contract liabilities. There was no revenue recognised in the current reporting period that related to performance obligations that were satisfied in a prior year.

	GROUP		COMPANY	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
Advances from customers	2,195	2,033	754	601
Deferred revenue	670	–	670	–

The Group and Company entered into contracts with a customer where the transaction price includes variable consideration payable to the customer due to retail price markdown.

The estimation of variable consideration for retail price markdown is based on key assumptions made by management regarding (a) the period of sales that is exposed to potential retail price markdown, (b) the percentage of quantities of goods sold that may be subject to markdown and (c) the markdown percentage that may be charged by the customer. Management has estimated the period of sales exposed to retail price markdown based on the expected lead time from revenue recognition to goods being sold out by the customer to its end customers, and applied the highest actual percentage of quantities being marked down and highest actual markdown percentage to derive the estimated retail price markdown of US\$871,000 (2024: US\$852,000) to be deferred.

In the event that the period of sales exposed to markdown is increased by 1 more month, percentage of quantities of goods sold that is subject to markdown is increased by 1% and markdown percentage is increased by 1%, this will result in a reversal of revenue of less than 1% of the Group's total revenue for the year ended June 30, 2025 and 2024. Accordingly, management has assessed that it is highly probable that a significant reversal in the amount of cumulative revenue recognised from the customer will not occur.

### 19 LEASE LIABILITIES

	GROUP	
	2025 US\$'000	2024 US\$'000
Maturity analysis:		
Year 1	1,008	1,271
Year 2	736	1,121
Year 3	550	941
Year 4	537	499
Year 5	495	262
Later than 5 years	1,603	759
	4,929	4,853
Less: Unearned interest	(626)	(338)
	4,303	4,515
Analysed as:		
Current	867	1,186
Non-current	3,436	3,329
	4,303	4,515

The Group does not face a significant liquidity risk with regard to its lease liabilities.

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

### 20 BANK LOANS

	<b>GROUP AND COMPANY</b>	
	<b>2025</b>	<b>2024</b>
	<b>US\$'000</b>	<b>US\$'000</b>
Bank loans	<b>10,234</b>	11,268
Less: Amount due for settlement within 12 months (shown under current liabilities)	<b>(2,610)</b>	(2,836)
Amount due for settlement after 12 months	<b>7,624</b>	8,432

The carrying amounts of bank loans approximate the fair value.

The Group and the Company have the following principal bank loans as at the end of the reporting period:

- a) Loan of US\$109,000 (2024: US\$391,000). The loan was taken up in November 2020 and continues until October 2025. The loan is unsecured and bears fixed interest at 2.00% per annum during the term of the loan.
- b) Loan of US\$370,000 (2024: US\$1,240,000). The loan was taken up in November 2021 and continues until October 2025. The loan is unsecured and bears fixed interest at 2.15% per annum during the term of the loan.
- c) Loan of US\$470,000 (2024: US\$905,000). The loan was taken up in July 2021 and continues until June 2026. The loan is unsecured and bears fixed interest at 1.90% per annum during the term of the loan.
- d) Loan of US\$7,403,000 (2024: US\$7,103,000). The loan was taken up in February 2022 and continues until February 2052. The loan is secured by the 18 Tagore Lane property and bears interest at 1.50% to 2.00% over the applicable 3-month compounded cost of fund of the Company (2024: 0.80% to 4.00% over the applicable 3-month compounded Singapore Overnight Rate Average ("SORA"). The effective interest rate for the year is 4.47% (2024: 4.51%) per annum.
- e) Loan of US\$75,000 (2024: US\$95,000). The loan is commencing from June 2023 and repayable in August 2028. The loan is unsecured and bears interest at 1.70% over the applicable 3-month compounded Secured Overnight Financing Rate ("SOFR"). The effective interest rate for the year was 6.63% (2024: 7.04%) per annum.
- f) A loan of US\$273,000 (2024: US\$351,000). The loan is commencing from September 2023 and repayable in August 2028. The loan is unsecured and bears interest at 1.70% per annum over the applicable 3-months compounded SOFR. The effective interest rate for the year was 6.63% (2024: 7.04%) per annum.
- g) A loan of US\$140,000 (2024: US\$180,000). The loan is commencing from November 2023 and repayable in August 2028. The loan is unsecured and bears interest at 1.70% per annum over the applicable 3-months compounded SOFR. The effective interest rate for the year was 6.50% (2024: 7.06%) per annum.

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

### 20 BANK LOANS (CONTINUED)

- h) A loan of US\$70,000 (2024: US\$90,000). The loan is commencing from November 2023 and repayable in August 2028. The loan is unsecured and bears interest at 1.70% per annum over the applicable 3-months compounded SOFR. The effective interest rate for the year was 6.52% (2024: 7.06%) per annum.
- i) A discounted bill of exchange with full recourse of US\$1,324,000 (2024: US\$913,000). The bill was purchased in June 2025 and is repayable in October 2025. The bill is unsecured and bears interest at 1.00% per annum over the cost of funds. The effective interest rate for the year was 5.48% per annum (2024: 7.00%).

### 21 DEFERRED TAX LIABILITIES

	GROUP		COMPANY	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
Balance at beginning of year	(167)	(143)	(56)	(31)
Charged to profit or loss (Note 30)	—	(24)	—	(25)
Currency realignment	(12)	—	—	—
Balance at end of year	(179)	(167)	(56)	(56)

The balance comprises mainly the tax effect of:

	GROUP		COMPANY	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
Property, plant and equipment	(179)	(167)	(56)	(56)

At the end of the reporting period, the aggregate amount of temporary differences associated with undistributed earnings of subsidiaries for which deferred tax liabilities have not been recognised is US\$11,110,000 (2024: US\$12,088,000). No liability has been recognised in respect of these differences because the Group is in a position to control the timing of the reversal of the temporary differences and it is probable that such differences will not reverse in the foreseeable future.

At the end of the reporting period, the Group has deferred tax assets of US\$781,000 (2024 : US\$865,000) and deferred tax liabilities of US\$744,000 (2024 : US\$793,000) in relation to its lease liabilities and right-of-use assets respectively. The deferred tax consequences qualify for offsetting under SFRS(I) 1-12 and the net deferred tax assets of US\$37,000 (2024 : US\$72,000) have not been recognised as it is not considered probable that there will be future taxable profits available.

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

### 22 SHARE CAPITAL

	GROUP AND COMPANY			
	2025	2024	2025	2024
	Number of ordinary shares		US\$'000	US\$'000
Issued and paid up:				
At beginning and end of year	<b>83,237,856</b>	83,237,856	<b>4,919</b>	4,919

Fully paid ordinary shares, which have no par value, carry one vote per share and a right to dividends as and when declared by the Company.

As at June 30, 2025, the number of ordinary shares of 83,237,856 (2024: 83,237,856) includes treasury shares of 59,074 (2024: 59,074).

### 23 TREASURY SHARES

	GROUP AND COMPANY			
	2025	2024	2025	2024
	Number of ordinary shares		US\$'000	US\$'000
At beginning and end of year	<b>59,074</b>	59,074	<b>50</b>	50

### 24 CAPITAL RESERVE

The capital reserve represents effects of changes in ownership interests in subsidiary when there is no change in control (Note 11).

### 25 OTHER RESERVES

	Legal reserve <sup>(i)</sup> US\$'000	Performance Share Plan reserve <sup>(ii)</sup> US\$'000	Total US\$'000
<u>GROUP</u>			
Balance at June 30, 2025 and 2024	74	137	211
<u>COMPANY</u>			
Balance at June 30, 2025 and 2024			137

(i) Legal reserve represents local statutory reserve required to be maintained by China tax regulations for the China entity.

(ii) Performance share plan reserve represents the equity-settled performance shares granted or accrued to certain key management personnel. The reserve is made up of the cumulative value of services received from certain key management personnel over the vesting period commencing from the grant date of equity-settled shares awards, and is reduced by the release of share awards (Note 34).

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

### 26 REVENUE

#### Timing of revenue recognition

At a point in time:

- Manufacturing
- Retail and distribution

Over time:

- Manufacturing<sup>(i)</sup>

GROUP	
2025 US\$'000	2024 US\$'000
<b>42,967</b>	35,395
<b>9,245</b>	10,090
<b>52,212</b>	45,485
<b>518</b>	112
<b>52,730</b>	45,597

- (i) The Group provides supply and installation of various furniture, and such services are recognised over time upon satisfaction of performance obligation. Revenue of US\$518,000 (2024: US\$112,000) is recognised for these services based on the percentage of completion certified by the customer.

As of June 30, 2025 and 2024, there were no performance obligations that are unsatisfied or partially satisfied, other than performance obligations to be rendered during the remaining period, which generally cover a period of a year.

### 27 OTHER INCOME

Interest income on bank balances  
Foreign exchange gain – net  
Forfeited customers' deposits  
Gain on disposal of property, plant and equipment – net  
Government grant income  
Property tax and rental rebate  
Freight revenue  
Design fee  
Gain on derecognition of right-of-use assets  
Sundry income

GROUP	
2025 US\$'000	2024 US\$'000
<b>429</b>	503
<b>–</b>	133
<b>328</b>	–
<b>1</b>	12
<b>123</b>	42
<b>9</b>	109
<b>76</b>	84
<b>–</b>	8
<b>52</b>	32
<b>217</b>	249
<b>1,235</b>	1,172

### 28 OTHER EXPENSES

Foreign exchange loss – net  
Impairment loss on property, plant and equipment (Note 14)  
Impairment loss on right-of-use assets (Note 15)  
Inventories written off (Note 10)  
Loss on disposal of club memberships (Note 13)  
Loss on misappropriation of assets  
Other receivables written off  
Others

GROUP	
2025 US\$'000	2024 US\$'000
<b>598</b>	–
<b>–</b>	22
<b>–</b>	228
<b>20</b>	22
<b>12</b>	–
<b>–</b>	195
<b>–</b>	416
<b>72</b>	33
<b>702</b>	916

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

### 29 FINANCE COSTS

Interest expense on:

- Bank loans
- Bill payables
- Lease liabilities

GROUP	
2025 US\$'000	2024 US\$'000
<b>495</b>	446
<b>25</b>	10
<b>103</b>	139
<b>623</b>	595

### 30 INCOME TAX EXPENSE

Current income tax  
Deferred tax  
Under (Over)provision in prior years:  
– Income tax  
Total

GROUP	
2025 US\$'000	2024 US\$'000
<b>288</b>	454
<b>–</b>	24
<b>34</b>	(48)
<b>322</b>	430

Domestic income tax is calculated at 17% (2024: 17%) of the estimated assessable profit for the year.

The income tax for the year can be reconciled to the accounting profit (loss) as follows:

Profit (Loss) before income tax

Tax expenses (benefit) at the domestic tax rate of 17%

Tax effect of revenue that is exempt from taxation

Tax effect of expenses that are not deductible in determining taxable profit

Utilisation of deferred tax assets not recognised

Deferred tax benefits not recognised

Effect of different tax rates of subsidiaries operating in other jurisdictions

Under (Over)provision in prior years

Total income tax

GROUP	
2025 US\$'000	2024 US\$'000
<b>898</b>	(4,166)
<b>153</b>	(708)
<b>(152)</b>	(109)
<b>190</b>	557
<b>(129)</b>	–
<b>224</b>	1,005
<b>2</b>	(267)
<b>34</b>	(48)
<b>322</b>	430



## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

### 30 INCOME TAX EXPENSE (CONTINUED)

Subject to agreement by the respective tax authorities, the Group has temporary differences arising from unabsorbed tax loss carry forwards as follows:

	GROUP	
	2025 US\$'000	2024 US\$'000
Tax losses:		
– At the beginning of the year	11,153	7,029
– Adjustments	(2,014)	(30)
– Arising during the year – net	583	4,154
At the end of the year	9,722	11,153
Deferred tax benefits on above unrecorded	1,749	2,362

As at June 30, 2025, the subsidiaries of the Group had estimated unused tax losses of US\$9,722,000 (2024: US\$11,153,000), of which US\$7,858,000 (2024: US\$9,154,000) will expire in the next five years and US\$1,864,000 (2024: US\$1,999,000) will expire from 2029 to 2033. Unused tax losses are available for set-off against future taxable profits, subject to the agreement of the relevant tax authorities and compliance with certain provisions of the income tax regulations of the respective countries in which the subsidiaries operate.

No deferred tax benefits disclosed above has been recognised due to the unpredictability of future profit streams.

### 31 PROFIT (LOSS) FOR THE YEAR

	GROUP	
	2025 US\$'000	2024 US\$'000
Directors' remuneration:		
– Directors of the Company	1,143	1,036
– Directors of the subsidiaries	525	639
Fees to directors of the Company	99	102
Employee benefits expense (including directors' remuneration)	16,593	15,549
Costs of defined contribution plans included in employee benefits expense	1,836	1,630
(Reversal of allowance) Allowance for inventories	(642)	510
Audit fees to auditors of the Company	130	98
Audit fees to network firms of the auditors of the Company	49	40
Audit fees to other auditors	2	2
Cost of inventories recognised as expense	35,983	32,756
Inventories written off	20	22
Depreciation of property, plant and equipment (Note 14)	1,463	1,605
Impairment loss on property, plant and equipment (Note 14)	–	22
Amount recognised in profit or loss relating to leases (The Group as lessee)		
Depreciation expense on right-of-use assets (Note 15)	1,234	1,842
Impairment loss on right-of-use assets (Note 15)	–	228
Interest expense on lease liabilities (Note 29)	103	139
Expense relating to short-term leases	–	65
Variable lease payments	172	–
	1,510	2,274

The total cash outflow for leases amount to US\$1,080,000 (2024: US\$1,568,000).

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

### 32 DIVIDENDS

No dividends were declared, proposed or paid for the financial years ended June 30, 2025 and 2024.

### 33 EARNING (LOSS) PER SHARE

Basic earning (loss) per ordinary share is calculated on the Group's profit (loss) after income tax attributable to the owners of the Company of US\$547,000 (2024: (US\$4,522,000)) divided by 83,178,782 (2024: 83,178,782) weighted average number of ordinary shares in issue during the financial year.

The fully diluted earning (loss) per share and earning (loss) per share are the same for the financial years ended June 30, 2025 and 2024.

### 34 SHARE BASED PAYMENT EXPENSE

#### *Performance Share Plan*

The Koda Performance Share Plan 2018 ("PSP 2018") was approved by shareholders at an EGM held on October 31, 2018. The PSP 2018 is administered by the Remuneration Committee with a maximum period of 10 years commencing on the date first adopted by the Company and expires on October 31, 2028.

PSP 2018 enables the Company to recognise past contributions and services of the Group employees (including Group Executive Directors) and incentives them to contribute to the long-term growth and profitability of the Group. The participants of the Performance Share Plan will receive fully paid shares of the Company free of charge, provided that certain prescribed performance targets and/or service conditions are met, or where in the opinion of the Remuneration Committee, a participant's performance and/or contribution to the Company warranted it. The aggregate number of shares which were the subject of each award to be granted to any participants, and the conditions under which the awards were granted such as the date of grant, vesting periods and other relevant and applicable rules under the Performance Share Plan, was determined at the sole and absolute discretion of the Remuneration Committee.

Details of the PSP 2018 as at June 30, 2025 are as follows:

	<b>Awards granted during financial year under review (including terms)</b>	<b>Aggregate Awards granted since commencement of the Koda PSP 2018 to end of financial year under review</b>	<b>Aggregate Awards vested since commencement of the Koda PSP 2018 to end of financial year under review</b>	<b>Aggregate Awards not yet vested as at end of financial year under review</b>
Eligible participants	–	825,162	825,162	–

- (1) Vested shares were allotted and issued to the respective participants and were subject to a two year moratorium from the date the shares were allotted and issued. The Moratorised Shares were not transferred or disposed during the Moratorium Period.

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

### 35 SEGMENT INFORMATION

#### Business segments

The Group determines its operating segments based on internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segments and to assess their performance.

The Group is organised into business units based on their products on which information is prepared and reportable to the Group's chief operating decision maker for the purposes of resources allocation and assessment of performance.

The Group is principally engaged in two reportable segments, namely "manufacturing" and "retail and distribution".

Information regarding the Group's reporting segments is presented below.

#### Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable segment:

	<b>Segment revenue</b>		<b>Segment profit (loss)</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>
Manufacturing	<b>43,485</b>	35,507	<b>2,125</b>	(3,057)
Retail and distribution	<b>9,245</b>	10,090	<b>(1,137)</b>	(770)
Total	<b>52,730</b>	45,597	<b>988</b>	(3,827)
Finance costs			<b>(623)</b>	(595)
Other income			<b>1,235</b>	1,172
Other expenses			<b>(702)</b>	(916)
Profit (Loss) before income tax			<b>898</b>	(4,166)
Income tax expense			<b>(322)</b>	(430)
Profit (Loss) for the year			<b>576</b>	(4,596)

Revenue reported above represents revenue generated from external customers.

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 2. Segment profit (loss) represents the profit (loss) earned by each segment without allocation of central administration costs and director's salaries, other income and finance costs, and income tax expense. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

### 35 SEGMENT INFORMATION (CONTINUED)

#### Segment assets and liabilities

	2025 US\$'000	2024 US\$'000
<b>Segment assets</b>		
Manufacturing	62,781	63,794
Retail and distribution	8,825	9,378
Total segment assets	71,606	73,172
Unallocated assets	32	45
Consolidated total assets	71,638	73,217
<b>Segment liabilities</b>		
Manufacturing	12,111	15,017
Retail and distribution	6,232	6,881
Total segment liabilities	18,343	21,898
Unallocated liabilities	7,403	7,103
Consolidated total liabilities	25,746	29,001

For the purpose of monitoring segment performance and allocating resources between segments, the chief operating decision maker monitors the tangible and financial assets attributable to each segment.

All assets are allocated to reportable segments other than financial asset at fair value through other comprehensive income, club memberships and deferred tax assets. Assets used jointly by reportable segments are allocated on the basis of the revenues earned by individual reportable segments.

All liabilities are allocated to reportable segments other than lease liabilities, bank loans and deferred tax liabilities. Liabilities used jointly by reportable segments are allocated on the basis of the revenues earned by individual reportable segments.

#### Other segment information

	Depreciation		Additions to non-current assets	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
Manufacturing	1,630	2,042	240	2,135
Retail and distribution	1,067	1,405	844	1,187
Total	2,697	3,447	1,084	3,322

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

### 35 SEGMENT INFORMATION (CONTINUED)

In addition to the information reported above, the following were attributable to the following reportable segments:

	2025 US\$'000	2024 US\$'000
<b>Manufacturing segment</b>		
(Reversal of allowance) Allowance recognised on inventories – net	(619)	575
Other receivable written off	–	416
<b>Retail and distribution segment</b>		
Reversal of allowance on inventories – net	(23)	(65)
Inventories written off	20	22
Impairment loss of property, plant and equipment	–	22
Impairment loss of right-of-use assets	–	228

#### Geographical information

The Group's revenue from external customers and information about its segment assets (non-current assets including only property, plant and equipment and right-of-use assets) by geographical location are detailed below:

	<b>Revenue from external customers based on location of customers</b>	
	2025 US\$'000	2024 US\$'000
Asia-Pacific	11,679	12,547
North America	34,865	27,884
Europe	5,235	4,422
Others	951	744
	<b>52,730</b>	<b>45,597</b>

Non-current assets of the Group are located in Asia Pacific.

#### Information about major customers

Included in revenue arising from sales of manufacturing segment of US\$43,485,000 (2024: US\$35,507,000), are revenues of approximately US\$8,320,000 (2024: US\$7,897,000) which arose from sales to the Group's largest customer.

### 36 COMMITMENTS

Amount committed for future capital expenditure but not provided for in the financial statements:

	<b>GROUP</b>	
	2025 US\$'000	2024 US\$'000
Acquisition of property, plant and equipment	92	34
	<b>92</b>	<b>34</b>

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

### 37 STANDARDS ISSUED BUT NOT EFFECTIVE

At the date of authorisation of these financial statements, the following SFRS(I) pronouncements relevant to the Group and the Company were issued but not effective:

Description	Effective for annual periods beginning on or after
Amendments to SFRS(I) 9 and SFRS(I) 7: <i>Amendments to the Classification and Measurement of Financial Instruments</i>	July 1, 2026
Annual Improvements to SFRS(I)s – Volume 11	July 1, 2026
SFRS(I) 18 <i>Presentation and Disclosure in Financial Statements</i>	July 1, 2027

Management anticipates that the adoption of the above amendments to SFRS(I) in future periods will not have a material impact on the financial statements of the Group and of the Company in the period of their initial adoption, except for the following:

SFRS(I) 18 replaces SFRS(I) 1-1, carrying forward many of the requirements in SFRS(I) 1-1 unchanged and complementing them with new requirements. In addition, some SFRS(I) 1-1 paragraphs have been moved to SFRS(I) 1-8 and SFRS(I) 7. Furthermore, minor amendments to SFRS(I) 1-7 and SFRS(I) 1-33 Earnings per Share have been made.

SFRS(I) 18 introduces new requirements to:

- present specified categories and defined subtotals in the statement of profit or loss
- provide disclosures on management-defined performance measures (MPMs) in the notes to the financial statements
- improve aggregation and disaggregation.

The amendments to SFRS(I) 1-7 and SFRS(I) 1-33, as well as the revised SFRS(I) 1-8 and SFRS(I) 7, become effective when an entity applies SFRS(I) 18. SFRS(I) 18 requires retrospective application with specific transition provisions. The Group is still in the process of assessing the impact of the new standard, particularly with respect to the structure of the Group's statement of profit or loss and the statement of cash flows. The Group is also assessing the impact on how information is grouped in the financial statements, including the items currently labelled as operating expenses and other income.

## PARTICULARS OF PROPERTIES OWNED BY THE GROUP

### Freehold land, leasehold land & buildings as at June 30, 2025

Location	Size	Annual Lease Payment	Expiry	Lessor
<b>Head Office<sup>(1)</sup></b> 18 Tagore Lane Singapore 787477	12,761 sf	NA	Freehold	NA
<b>Malaysia Industrial Land and Factory Building<sup>(2)</sup></b> Lot 9, Title No, GM 10, Mukim Senai-Kulai, 81400 Senai, Johor, Malaysia.	388,751 sf	NA	Freehold	NA
<b>Malaysia Industrial Land and Factory Building<sup>(3)</sup></b> Lot 15, Title No, GM 10, Mukim Senai-Kulai, 81400 Senai, Johor, Malaysia.	196,019 sf	RM296,382.00	2026	Zenith Heights Sdn Bhd
<b>Vietnam Industrial Land and Factory Building<sup>(4)</sup></b> Lot A1, A4, A5 & A6, Thuan Dao Industrial Zone, Ben Luc District, Long An Province, Vietnam.	665,678 sf	NA	2053	NA
<b>Vietnam Industrial Land<sup>(5)</sup></b> Lot C11 & C12, Road 14, Thuan Dao IP's Expansion Phase, Long Dinh Commune, Can Duoc District, Long An Province, Vietnam.	312,971 sf	NA	2061	NA
<b>Vietnam Industrial Land and Factory Building<sup>(6)</sup></b> Lot D14, Road No. 09, Thuan Dao IP's Expansion Phase, Long Dinh Commune, Can Duoc District, Long An Province, Vietnam.	148,197 sf	NA	2061	NA

1. Based on a professional valuation made by CKS Property Consultants Pte Ltd on June 30, 2025, the property at 18 Tagore Lane was valued at S\$13.0 million.
2. Based on a professional valuation made by Chen Foo Property Consultants on June 30, 2025, the property was valued at RM24.154 million.
3. Based on a professional valuation made by Chen Foo Property Consultants on June 30, 2025, the buildings constructed on the leased land were valued at RM9.999 million.
4. Based on a professional valuation made by Jones Lang LaSalle Vietnam Company Limited on July 9, 2025, this property was valued at US\$17.96 million.
5. Based on a professional valuation made by Jones Lang LaSalle Vietnam Company Limited on July 9, 2025, this property was valued at US\$6.0 million.
6. Based on a professional valuation made by Jones Lang LaSalle Vietnam Company Limited on July 9, 2025, this property was valued at US\$5.0 million.

NA Not Applicable  
RM Ringgit Malaysia  
S\$ Singapore Dollars  
US\$ United States Dollars

## STATISTICS OF SHAREHOLDINGS

AS AT SEPTEMBER 19, 2025

### DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 – 99	311	30.16	25,194	0.03
100 – 1,000	221	21.44	118,080	0.14
1,001 – 10,000	287	27.84	1,307,700	1.57
10,001 – 1,000,000	199	19.30	16,387,272	19.70
1,000,001 AND ABOVE	13	1.26	65,340,536	78.56
<b>TOTAL</b>	<b>1,031</b>	<b>100.00</b>	<b>83,178,782</b>	<b>100.00</b>

### TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	DBS NOMINEES PTE LTD	18,277,110	21.97
2	JAMES KOH JYH GANG	11,023,094	13.25
3	KOH TENG KWEE	9,427,872	11.33
4	KOH SHWU LEE	8,285,226	9.96
5	KOH SHWU LING	3,056,954	3.68
6	TAN KIA HONG @TANG KIA HONG	2,731,400	3.28
7	PHILLIP SECURITIES PTE LTD	2,647,008	3.18
8	KOH ZHU LIAN JULIAN (XU ZHULIAN)	2,321,412	2.79
9	KOH ZHUXIAN JOSHUA (XU ZHUXIAN JOSHUA)	2,256,612	2.71
10	KOH JYH ENG	1,433,388	1.72
11	RAFFLES NOMINEES (PTE) LIMITED	1,349,234	1.62
12	GOH HAN PENG (WU HANPING)	1,322,680	1.59
13	WONG SE SUN	1,208,546	1.45
14	POH IK TNG	710,000	0.85
15	ABN AMRO CLEARING BANK N.V.	681,900	0.82
16	WEE HIAN KOK	556,700	0.67
17	GAN SHEE WEN (YAN XUWEN)	524,130	0.63
18	THAM KWOK CHOY	503,000	0.60
19	CHUA SHUN LOONG (CAI SHANLONG)	488,900	0.59
20	CHIAM TOON CHEW	431,040	0.52
<b>TOTAL</b>		<b>69,236,206</b>	<b>83.21</b>



## STATISTICS OF SHAREHOLDINGS

AS AT SEPTEMBER 19, 2025

### SUBSTANTIAL SHAREHOLDERS:

Name	Direct Interest	%	Indirect Interest	%
JAMES KOH JYH GANG <sup>(1)</sup>	11,023,094	13.25	2,500,000	3.01
KOH TENG KWEE	9,427,872	11.33	–	–
KOH JYH ENG <sup>(2)</sup>	1,433,388	1.72	7,521,600	9.04
KOH SHWU LEE <sup>(3)</sup>	8,285,226	9.96	259,200	0.31

#### Notes:

- (1) Mr. James Koh Jyh Gang is deemed interested in 2,500,000 shares in the Company which are owned by him and held in the name of DBS Nominees (Private) Limited by virtue of Section 7 of the Companies Act, Cap. 50 of Singapore.
- (2) Mr. Koh Jyh Eng is deemed interested in 7,500,000 shares in the Company which are owned by him and held in the name of DBS Nominees (Private) Limited by virtue of Section 7 of the Companies Act 1967 of Singapore and 21,600 shares in the Company held by his spouse, Mdm Wong Sau Wai.
- (3) Mdm. Koh Shwu Lee is deemed interested in 259,200 shares in the Company held by her spouse, Mr. Kavin Seow Soo Yeow.

### PERCENTAGE OF SHAREHOLDING HELD IN THE HANDS OF PUBLIC

As at September 19, 2025, the percentage of shareholding in the Company held in the hands of public is approximately 37.6%. At least 10% of the Company's equity securities are held by the public at all times and the Company is in compliance with Rule 723 of the SGX-ST Listing Manual.

### NUMBER OF TREASURY SHARES AND SUBSIDIARY HOLDINGS

As at September 19, 2025, the Company had 59,074 treasury shares and nil subsidiary holdings.



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## CORPORATE INFORMATION

### BOARD OF DIRECTORS

JAMES KOH JYH GANG	Executive Chairman & CEO
ERNIE KOH JYH ENG	Executive Director, Sales & Marketing
KOH SHWU LEE	Executive Director, Finance, Administration and Operations
TAN CHOON SENG	Lead Independent Director
PHUA BOON HUAT	Independent Director
YING SIEW HON, FRANCIS	Independent Director
NG LI-MAY VANESSA	Independent Director

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### REGISTERED OFFICE & PRINCIPAL PLACE OF BUSINESS

18 Tagore Lane  
Sindo Industrial Estate  
Singapore 787477

### COMPANY SECRETARY

GN JONG YUH GWENDOLYN  
Date of Appointment  
November 1, 2013

### SHARE REGISTRAR

IN.CORP CORPORATE SERVICES  
PTE. LTD.  
36 Robinson Road,  
#20-01 City House,  
Singapore 068877

### AUDITORS

DELOITTE & TOUCHE LLP  
Public Accountants and Chartered  
Accountants  
6 Shenton Way #33-00  
OUE Downtown 2  
Singapore 068809

### AUDIT PARTNER

LEE KANG LIN  
Date of Appointment  
July 1, 2021

### PRINCIPAL BANKERS

UNITED OVERSEAS BANK LIMITED  
80 Raffles Place  
UOB Plaza 1  
Singapore 048624

THE HONGKONG AND SHANGHAI  
BANKING CORPORATION LIMITED  
10 Marina Boulevard, Marina Bay  
Financial Centre Tower 2 #47-01  
Singapore 018983

SUMITOMO MITSUI TRUST BANK,  
LIMITED  
Singapore Branch  
One Raffles Quay #24-01,  
North Tower  
Singapore 048583

MALAYAN BANKING BERHAD  
193, 194, 195 & 196  
Jalan Kenanga 29/4,  
Indahpura 81000 Kulaijaya,  
Johor  
Malaysia

### CONTACT KEY MANAGEMENT AT:

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KOH SHWU LEE  
Executive Director, Finance,  
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shwulee@kodaldtd.com

YANG EE  
Chief Financial Officer  
yangee@kodaldtd.com

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