

Press Release

Koda's Controlling Koh Family and Chief Financial Officer Continue to Increase Individual Shareholdings

- **Married deal on 20 October 2008 for 2.5 million Koda ordinary shares @16 cents is the second share deal with Blackhorse Asset Management following the 16 July 2008 deal for 0.7 million shares @30 cents**
- **MD/Deputy Chairman James Koh increases personal direct stake to 19.5%; key Executive Directors of Koda – Ernie Koh and Koh Shwu Lee – also raise direct stakes to 9.9% and 9.5% respectively**
- **Chief Financial Officer, Teh Wing Kwan (not related to the controlling Koh family) also boosts his personal stake to 1.11 million shares or close to 1%.**
- **Blackhorse Asset Management remains a substantial shareholder of Koda with 12,022,600 shares or approximately 9.0%;**

Singapore, 21st October 2008 - SGX-listed original design manufacturer (“ODM”) and furniture exporter, Koda Ltd (“Koda” or “the Group”), today announced that the controlling Koh family shareholders and top executive management, have continued to acquire more shares in the Group via a second share purchase arrangement or “married deal” with substantial institutional investor, Blackhorse Asset management.

The Group also disclosed that Mr Teh Wing Kwan, its Group Chief Financial Officer has also participated in both married deals, thereby raising his personal investment in Koda to 1.11 million ordinary shares or close to 1% of Koda's stake.

The latest deal on 20 October 2008 involved a total of 2.5 million ordinary shares representing approximately 1.9% in Koda's issued share capital of 133,689,597 ordinary shares was transacted at 16 cents apiece, with the individual share acquisition as follows:

James Koh (MD/Deputy Chairman)	1,110,000 shares
Koh Jyh Eng (Executive Director)	550,000 shares
Koh Shwu Lee (Executive Director)	440,000 shares
Teh Wing Kwan (CFO)	<u>400,000 shares</u>
	<u>2,500,000 shares</u>

The first married deal announced which was announced on 16 July 2008, involved the purchase of 700,000 shares at 30 cents apiece, with the individual share acquisition as follows:

James Koh (MD/Deputy Chairman)	350,000 shares
Koh Jyh Eng (Executive Director)	180,000 shares
Koh Shwu Lee (Executive Director)	100,000 shares
Teh Wing Kwan (CFO)	<u>70,000 shares</u>
	<u>700,000 shares</u>

Commenting on the Blackhorse deals, Mr James Koh explained, "In the light of September 2008's unprecedented unfolding of the failures of several big-name investment banks in the US and Europe, have thrown global financial markets into disarray causing investors to seek redemptions. Inevitably then some of the hedge funds would have to start de-leveraging their varied investments for cash given the financial turmoil."

"No doubt there will be unprecedented challenges posed to all companies doing business in the US and Europe over the uncertain short-to-mid term, but the Koh family and top management continues to be driven by longer-term perspectives. Koda is profitable with a strong balance sheet, with net asset value per ordinary share of about 28.6 Singapore cents as at 30 June 2008 and cash to pay proposed dividends. As in the past, we will weather through the current downturn and continue to re-invent Koda to remain relevant with our targeted customers." added Mr Koh.

"With the completion of our expanded production infrastructure in cost-effective Vietnam, operating efficiencies will improve and we have more leeway to move into untapped segments. Koda's current gearing ratio of 0.08 times is low, which means we could be in a better position to evaluate good M&A opportunities that may soon emerge in the global marketplace at fire-sale valuations. In short, minority shareholders can assuage the confidence of the executive management team by our continuing individual investments in Koda's shares," concluded Mr Koh.

Koda is keen to reward shareholders for their support and patience. The Board's proposed final dividend of 0.5 S cents are pending approval by shareholders at its upcoming AGM on 28 October 2008. Inclusive of our interim dividend of 0.5 S cents paid during the year, the total dividend per share proposed is 1.0 cent for the financial year ended 30 June 2008.

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Issued on behalf of the Company by WeR1 Consultants Pte Ltd

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About Koda Ltd

Established in Singapore and founded in 1972, Koda is backed by a management with combined experience of close to a century and recognised as a leading Original Design Manufacturer (“ODM”) to the world. Koda is a strong contender for home furniture export and could possibly be the largest dining room furniture exporter in South-East Asia. Koda’s range of design-intensive products exudes individuality, sophistication and elegance

Koda is well-known for its design strength – leading to appreciation from upscale customers worldwide for its aesthetical and functional pieces. With proven market experience, strong product development and significant in-house design expertise, Koda has been able to offer more than 300 product models, secure orders from more than 200 customers and sell to more than 50 countries. Consistent business strategies and focused growth initiatives differentiates Koda from others.

Koda has been emphasising on cost-effective expansion and the enlarged production and sourcing facilities in Vietnam and China enhance its cost competitiveness. Together with its existing manufacturing base in Malaysia, Koda has a total 12 purpose-built factory buildings.