

KODA LTD

(Incorporated in the Republic of Singapore on 17 April 1980)
(Company Registration Number 198001299R)

RESPONSE TO SGX QUERIES ON THE ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

The Board of Directors (the “**Board**”) of Koda Ltd (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to respond to the following queries raised by the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) on 19 October 2015, with reference to the Company’s annual report for the financial year ended 30 June 2015 (the “**Annual Report**”), as follows:

Question 1: On page 39 of the Company’s FY2015 Annual Report, the Company disclosed “The Board and the Audit Committee has also received positive assurance from the Managing Director and the Finance Director 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”.

Guideline 11.3 of the Code of Corporate Governance 2012 (“Code”) states that the Board should comment in the Company’s Annual Report on whether it has received assurance from the CEO and the CFO:

- (a) 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) regarding the effectiveness of the company’s risk management and internal control systems.

We note that no assurance was received from the CFO with regards to paragraph (a) above. As recommended in Guideline 11.3 of the Code and pursuant to Rule 710 of the Listing Manual, please explain the reason(s) for the deviation from the Code recommendations.

Response:

The Company confirms that the Board and the Audit Committee has also received positive assurance from the Managing Director, Finance Director *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.

Question 2: On page 45 of the Company’s FY2015 Annual Report, the Company disclosed the Interested Person Transactions (“IPT”) of the Company for FY2015.

Rule 907 requires that “An issuer must disclose the aggregate value of interested person transactions entered into during the financial year under review in its annual report. The name of the interested person and the corresponding aggregate value of the interested person transactions entered into with the same interested person must be presented in the following format:-

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders’ mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders’ mandate pursuant to Rule 920 (excluding transactions less than \$100,000)

We note that the Company did not disclose the IPT for FY2015 in the format required under Rule 907. Please disclose the Company’s IPT for FY2015 in the format required under Rule 907.

Response:

Please see below the disclosure of the Company's IPT for FY2015 in the format required under Rule 907:

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
Koh Jyh Eng ⁽¹⁾ Koh Shwu Lee ⁽¹⁾	S\$286,000 ⁽²⁾	Not applicable ⁽³⁾

Notes:

- (1) Koh Jyh Eng and Koh Shwu Lee are Executive Directors of the Company.
- (2) Refundable deposit placed with Zenith Heights Sdn Bhd (of which Koh Jyh Eng and Koh Shwu Lee are directors) to secure a long-term lease for land in Malaysia on which the Group intends to build warehousing facilities.
- (3) There was no subsisting shareholders' mandate for interested person transactions pursuant to Rule 920 of the Listing Manual in FY2015

The Company had also previously disclosed the details of the Company's IPT for FY2015 in its FY2015 full year financial statements and dividend announcement dated 29 August 2015.

BY ORDER OF THE BOARD

James Koh Jyh Gang
Managing Director
20 October 2015