

**KODA LTD**

(Company Registration No. 198001299R)

**PROPOSED ONE-FOR-FIVE BONUS ISSUE**

Reference is made to the announcement of 28 December 2006 relating to the proposed bonus issue of up to 22,282,000 new ordinary shares in the capital of the Company on the basis of one (1) new ordinary share for every five (5) existing shares held in the capital of the Company (the "**Proposed Bonus Issue**").

The Directors of Koda Ltd (the "**Company**") are pleased to announce that in-principle approval has been granted by the Singapore Exchange Securities Trading Limited (the "SGX-ST") on 29 January 2007 for the listing and quotation of the 22,282,000 new ordinary shares to be issued pursuant to the Proposed Bonus Issue (the "**Bonus Shares**") on SGX, subject to the Company complying with SGX's listing requirements and shareholders' approval.

The in-principle approval granted by the SGX-ST is not to be taken as an indication of the merits of the Company, its subsidiaries, its securities or the Proposed Bonus Issue.

An Extraordinary General Meeting ("**EGM**") will be convened to obtain shareholders' approval to the Proposed Bonus Issue. A circular setting out the terms of the Proposed Bonus Issue, together with a notice convening the EGM to consider and approve the Proposed Bonus Issue will be sent to shareholders in due course.