

KODA LTD

(Company Registration No. 198001299R)

Incorporation of subsidiary in Singapore

The Board of Directors of Koda Ltd (the "Company") is pleased to announce that the Company has incorporated a wholly-owned subsidiary **Outdoor Living Pte Ltd** ("**Outdoor Living**") in Singapore.

The Company intends to branch out a marketing team specializing in market research and distributing outdoor / garden furniture for New Zealand and Australia markets.

Outdoor Living has an issued share capital of S\$ 100,000 divided into 100,000 ordinary shares of S\$1 each and paid-up capital of S\$100,000 divided into 100,000 shares of S\$100,000.

The investment is funded through the Company's internal resources.

The incorporation of the Subsidiary is not expected to have any material impact on the Group's earnings or the net tangible assets for the financial year ended 30 June 2006.

None of the Directors of the Company have any interest, direct or indirect, in the above investment.