KOH BROTHERS GROUP LIMITED
(Incorporated in the Republic of Singapore)
(Unique Entity Number: 199400775D)

ESTABLISHMENT OF A S$250,000,000 MULTICURRENCY MEDIUM TERM NOTE PROGRAMME

The Board of Directors of Koh Brothers Group Limited (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to announce that the Company has on 12 May 2014 established a S$250,000,000 Multicurrency Medium Term Note Programme (the "**Programme**").

The Company has appointed The Hongkong and Shanghai Banking Corporation Limited to act as the sole arranger and dealer of the Programme. The Company may, from time to time, appoint additional dealers in respect of one series or tranche of Notes or in respect of the Programme.

Under the Programme, the Company may, subject to compliance with all relevant laws, regulations and directives, from time to time issue notes (the "**Notes**") denominated in Singapore dollars and/or any other currencies, in various amounts and tenors. Each series may be issued in one or more tranches on the same or different issue dates. The Notes will bear interest at a fixed, floating, variable or hybrid rate or may not bear interest or may be such other notes as may be agreed between the Company and the relevant dealer(s) and specified in the applicable pricing supplement. The Notes and coupons of all series constitute direct, unconditional, unsubordinated and unsecured obligations of the Company and shall at all times rank *pari passu,* without any preference or priority among themselves, and *pari passu* with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the Company.

The Notes will be offered by the Company pursuant to exemptions invoked under Sections 274, 275 and/or any other applicable provisions of the Securities and Futures Act, Chapter 289 of Singapore.

The net proceeds arising from the issue of the Notes under the Programme (after deducting issue expenses) will be used for the Group's general corporate purposes, including financing investments, repayment of borrowings, general working capital and capital expenditure requirements of the Company and/or its subsidiaries or such other purposes as may be specified in the relevant pricing supplement for the Notes.

Pursuant to Condition 5(e)(ii) of the terms and conditions of the Notes, a "Change of Shareholding Event" will occur when Mr Koh Tiat Meng, Mr Koh Keng Siang, Mr Koh Keng Hiong and Madam Quek Chee Nee and their respective Immediate Family Members (as defined in the terms and conditions of the Notes) cease to own in aggregate (whether directly or indirectly) at least 35 per cent. of the issued share capital of the Company. Upon occurrence of a "Change of Shareholding Event", each holder of Notes has an option to require the Company to redeem the Notes of such holder (subject to the terms and conditions of the Notes).

As at the date of this Announcement, the Company has received a notification from Mr Koh Keng Siang that he is aware of the following share pledging arrangements in respect of the deemed interests of Mr Koh Keng Siang and Mr Koh Keng Hiong in the Company:

Deemed Interests of Mr Koh Keng Siang

Name of shareholder	:	Mr Koh Keng Siang has a deemed interest in Mr Koh Tiat Meng's 27,400,000 ordinary shares by virtue of the deed of settlement dated 12 January 2007 executed by Mr Koh

		Tiat Meng and the CDP Form 4.2 executed by Mr Koh Tiat Meng, and such shares have been pledged by Mr Koh Tiat Meng
Class and number of shares and the percentage of the Company's issued share capital that is the subject of the pledge	:	27,400,000 ordinary shares representing approximately 6.21%(1) of the Company's issued share capital
Name of the party in whose favour the pledge is created	:	Singapura Finance Ltd

Deemed Interests of Mr Koh Keng Hiong

Name of shareholder	:	Mr Koh Keng Hiong has a deemed interest in Mr Koh Tiat Meng's 25,000,000 ordinary shares by virtue of the deed of settlement dated 12 January 2007 executed by Mr Koh Tiat Meng and the CDP Form 4.2 executed by Mr Koh Tiat Meng, and such shares have been pledged by Mr Koh Tiat Meng
Class and number of shares and the percentage of the Company's issued share capital that is the subject of the pledge	:	25,000,000 ordinary shares representing approximately 5.66%(1) of the Company's issued share capital
Name of the party in whose favour the pledge is created	:	Malayan Banking Berhad

Note:

(1) Based on 441,430,400 issued shares in the Company (excluding treasury shares) as at 30 April 2014.

Approval-in-principle has been obtained from the Singapore Exchange Securities Trading Limited ("**SGX-ST**") for the establishment of the Programme and application will be made to the SGX-ST for permission to deal in and the listing of and quotation for any Notes which are agreed at the time of issue thereof to be so listed on the SGX-ST. Such permission will be granted when such Notes have been admitted to the Official List of the SGX-ST. Approval in-principle from, admission of the Notes to the Official List of, and listing and quotation of any Notes on, the SGX-ST are not to be taken as an indication of the merits of the Company, its subsidiaries, its associated companies (if any), the Programme or such Notes. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained herein.

For information purposes, a copy of the information memorandum issued by the Company in connection with the Programme (the "**Information Memorandum**") is attached to this Announcement.

BY ORDER OF THE BOARD

Koh Keng Siang
Managing Director & Group CEO

12 May 2014
Singapore

IMPORTANT NOTICE

This Announcement and the Information Memorandum are for information only and nothing in this Announcement and the Information Memorandum constitutes or forms part of an invitation or offer to acquire, purchase or subscribe for or a sale of Notes in the United States or any other jurisdiction.

The Notes to be issued under the Programme have not been, and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Neither this notice nor any portion hereof may be sent or transmitted, directly or indirectly, in or into the United States or any jurisdiction where to do so is unlawful. Any failure to comply with these restrictions may constitute a violation of the United States securities law or the securities laws of any such other jurisdiction.