



KOH BROTHERS GROUP LIMITED

(Incorporated in Singapore. Registration Number: 199400775D)

Condensed Interim Financial Statements for the Six Months and Full Year Ended 31 December 2022

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KOH BROTHERS GROUP LIMITED
A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the six months and full year ended 31 December 2022

	Note	2H 2022 S\$'000	2H 2021 S\$'000	Change %	FY 2022 S\$'000	FY 2021 S\$'000	Change %
Sales	4(a)	191,805	111,658	72	350,682	252,621	39
Cost of sales	6	(177,460)	(98,258)	81	(324,644)	(231,047)	41
Gross profit		14,345	13,400	7	26,038	21,574	21
Other income	5	851	1,116	(24)	1,620	1,828	(11)
Other gains – net	5	7,102	1,949	264	15,027	8,659	74
Expenses							
- Distribution and marketing	6	(3,341)	(436)	666	(4,817)	(1,229)	292
- Administrative	6	(8,507)	(7,720)	10	(16,981)	(14,391)	18
- Finance		(6,366)	(4,650)	37	(10,788)	(9,200)	17
- Other	6	(1,562)	(258)	505	(2,482)	(1,452)	71
Share of profit of associated companies and joint ventures		475	1,584	(70)	1,632	3,039	(46)
Profit before income tax		2,997	4,985	(40)	9,249	8,828	5
Income tax expense	7	(820)	641	N.M.	(1,027)	(635)	62
Profit after income tax		2,177	5,626	(61)	8,222	8,193	<1
Profit attributable to:							
Equity holders of the Company		1,017	4,910	(79)	6,013	6,900	(13)
Non-controlling interests		1,160	716	62	2,209	1,293	71
		2,177	5,626	(61)	8,222	8,193	<1
Earnings per share for profit attributable to equity holders of the Company:							
- Basic earnings per share (in cents)		0.25	1.19	(79)	1.46	1.67	(13)
- Diluted earnings per share (in cents)		0.25	1.19	(79)	1.46	1.67	(13)
Profit after income tax		2,177	5,626	(61)	8,222	8,193	<1
Other comprehensive loss:							
<i>Items that may be reclassified subsequently to profit or loss:</i>							
Currency translation arising from consolidation							
- Gain/(loss)		159	(358)	N.M.	(1,666)	(553)	201
Fair value (loss)/gain on debt financial assets, at FVOCI		(216)	9	N.M.	(222)	1	N.M.
		(57)	(349)	(84)	(1,888)	(552)	242
<i>Items that may not be reclassified subsequently to profit or loss:</i>							
Fair value losses on equity financial assets, at FVOCI		(2,081)	(4,151)	(50)	(2,622)	(4,151)	(37)
Other comprehensive loss, net of tax		(2,138)	(4,500)	(52)	(4,510)	(4,703)	(4)
Total comprehensive income		39	1,126	(97)	3,712	3,490	6
Total comprehensive income/(loss) attributable to:							
Equity holders of the Company		(868)	391	N.M.	1,825	2,185	(16)
Non-controlling interests		907	735	24	1,887	1,305	45
		39	1,126	(97)	3,712	3,490	6

N.M. – Not Meaningful

KOH BROTHERS GROUP LIMITED
B. CONDENSED INTERIM BALANCE SHEETS

As at 31 December 2022

	Note	GROUP		COMPANY	
		2022 S\$'000	2021 S\$'000	2022 S\$'000	2021 S\$'000
ASSETS					
Current assets					
Cash and bank balances		82,432	95,152	178	989
Investment securities		1,382	2,730	-	-
Trade and other receivables		50,811	57,293	13	7
Contract assets		143,643	123,370	-	-
Amounts due from subsidiaries		-	-	22,768	39,920
Amounts due from joint ventures		28,060	45,245	-	-
Inventories		7,708	10,291	-	-
Development properties		93,998	128,402	-	-
Income tax receivables		730	730	-	-
Other current assets		4,793	4,799	-	-
		413,557	468,012	22,959	40,916
Property held-for-sale		-	3,216	-	-
		413,557	471,228	22,959	40,916
Non-current assets					
Trade and other receivables		30,127	30,127	-	-
Contract assets		36,232	4,296	-	-
Investment securities		7,960	10,705	-	-
Investment in subsidiaries		-	-	156,741	156,615
Investments in associated companies		97	439	-	-
Investments in joint ventures		93,178	94,202	-	-
Investment properties	12	108,407	102,169	-	-
Property, plant and equipment	11	104,906	110,715	-	-
Goodwill	10	5,078	5,078	-	-
		385,985	357,731	156,741	156,615
Total assets		799,542	828,959	179,700	197,531
LIABILITIES					
Current liabilities					
Trade and other payables		92,811	75,783	1,462	1,602
Contract liabilities		12,690	11,352	-	-
Amounts due to subsidiaries		-	-	38,186	8,305
Amounts due to joint ventures		38,291	37,778	-	-
Current income tax liabilities		1,069	818	-	-
Bank borrowings and lease liabilities	13	177,768	81,219	-	-
Notes payables	13	-	70,000	-	70,000
		322,629	276,950	39,648	79,907
Non-current liabilities					
Trade and other payables		9,480	6,943	-	-
Amount due to a subsidiary		-	-	19,011	19,011
Bank borrowings and lease liabilities	13	89,285	195,050	-	-
Notes payables	13	22,168	-	22,168	-
Deferred income tax liabilities		6,717	7,278	-	-
		127,650	209,271	41,179	19,011
Total liabilities		450,279	486,221	80,827	98,918
NET ASSETS		349,263	342,738	98,873	98,613
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital	14	36,981	36,981	36,981	36,981
Treasury shares		(7,983)	(7,983)	(7,983)	(7,983)
Other reserves		(5,993)	(3,194)	-	-
Retained profits		276,435	270,689	69,875	69,615
Currency translation reserve		(10,551)	(9,382)	-	-
		288,889	287,111	98,873	98,613
Non-controlling interests		60,374	55,627	-	-
Total equity		349,263	342,738	98,873	98,613

KOH BROTHERS GROUP LIMITED
C. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the financial year ended 31 December 2022

Group	Note	← Attributable to equity holders of the Company →					Non-controlling interests S\$'000	Total equity S\$'000
		Share capital S\$'000	Treasury shares S\$'000	Other reserves S\$'000	Retained profits S\$'000	Currency translation reserve S\$'000		
Balance at 1 January 2022		36,981	(7,983)	(3,194)	270,689	(9,382)	55,627	342,738
Profit for the financial year		-	-	-	6,013	-	2,209	8,222
Other comprehensive loss for the financial year		-	-	(2,799)	-	(1,389)	(322)	(4,510)
Total comprehensive loss for the financial year		-	-	(2,799)	6,013	(1,389)	1,887	3,712
Change in ownership interests in subsidiaries		-	-	-	719	220	(1,169)	(230)
Issuance of shares by a subsidiary, net of expenses		-	-	-	(161)	-	4,901	4,740
Share based payment pursuant to performance share plan of a subsidiary		-	-	-	-	-	5	5
Dividend paid		-	-	-	(825)	-	(877)	(1,702)
Total transactions with owners, recognised directly in equity		-	-	-	(267)	220	2,860	2,813
Balance at 31 December 2022		36,981	(7,983)	(5,993)	276,435	(10,551)	60,374	349,263

KOH BROTHERS GROUP LIMITED
C. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the financial year ended 31 December 2022

Group	Note	← Attributable to equity holders of the Company →					Non-controlling interests S\$'000	Total equity S\$'000
		Share capital S\$'000	Treasury shares S\$'000	Other reserves S\$'000	Retained profits S\$'000	Currency translation reserve S\$'000		
Balance as at 1 January 2021		36,981	(7,983)	(2,311)	270,633	(9,432)	14,682	302,570
Profit for the financial year		-	-	-	6,900	-	1,293	8,193
Other comprehensive (loss)/income for the financial year		-	-	(4,148)	-	(567)	12	(4,703)
Total comprehensive (loss)/income for the financial year		-	-	(4,148)	6,900	(567)	1,305	3,490
Change in ownership interests in subsidiaries		-	-	257	(2,889)	617	2,015	-
Share based payment pursuant to performance share plan by a subsidiary		-	-	8	-	-	7	15
Issuance of shares by a subsidiary, net of expenses		-	-	-	(955)	-	37,789	36,834
Exercise of warrants issued by a subsidiary		-	-	-	-	-	439	439
Transfer upon realisation of fair value loss in equity financial assets, at FVOCI		-	-	3,000	(3,000)	-	-	-
Dividend paid to non-controlling interests		-	-	-	-	-	(610)	(610)
Total transactions with owners, recognised directly in equity		-	-	3,265	(6,844)	617	39,640	36,678
Balance at 31 December 2021		36,981	(7,983)	(3,194)	270,689	(9,382)	55,627	342,738

KOH BROTHERS GROUP LIMITED
C. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the financial year ended 31 December 2022

COMPANY	<u>Share capital</u>	<u>Treasury shares</u>	<u>Retained profits</u>	<u>Total equity</u>
	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 January 2022	36,981	(7,983)	69,615	98,613
Profit for the financial year	-	-	1,085	1,085
Dividend paid	-	-	(825)	(825)
Balance at 31 December 2022	36,981	(7,983)	69,875	98,873
Balance at 1 January 2021	36,981	(7,983)	68,434	97,432
Profit for the financial year	-	-	1,181	1,181
Balance at 31 December 2021	36,981	(7,983)	69,615	98,613

KOH BROTHERS GROUP LIMITED
D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
For the financial year ended 31 December 2022

	FY 2022	FY 2021
	S\$'000	S\$'000
Cash flows from operating activities		
Profit after income tax	8,222	8,193
Adjustments for:		
- Income tax expense	1,027	635
- Depreciation of property, plant and equipment	10,022	15,943
- Write-back of allowance for inventory obsolescence	-	(2,280)
- Write-back of allowance for impairment of property, plant and equipment	-	(169)
- Allowance for impairment of loans to joint ventures	771	1,377
- Allowance for investment securities	1,014	-
- Property, plant and equipment written off	2	21
- Fair value gain on investment properties	(6,436)	(7,089)
- Gain on disposal of property, plant and equipment	(8,626)	(682)
- Share of profit of associated companies and joint ventures	(1,632)	(3,039)
- Finance expense	10,788	9,200
- Interest income	(993)	(1,209)
- Unrealised translation loss/(gain)	281	(514)
	14,440	20,387
Change in working capital, net of effects from disposal of subsidiaries:		
- Trade and other receivables	6,491	(17,050)
- Inventories	2,583	(5,302)
- Contract assets and liabilities	(50,871)	10,296
- Development properties	34,404	(6,344)
- Other current assets	6	1,141
- Trade and other payables	16,790	(19,531)
- Amount due from/to joint ventures	16,928	(3,175)
Cash generated from/(used in) operations	40,771	(19,578)
Income tax paid	(1,323)	(775)
Net cash generated from/(used in) operating activities	39,448	(20,353)
Cash flows from investing activities		
Purchase of property, plant and equipment	(3,282)	(3,021)
Proceeds from disposal of property, plant and equipment	16,567	3,135
Proceeds from liquidation of a joint venture	-	2,539
Net proceeds/(purchase) from investment securities	235	(13,302)
Dividends received from joint ventures	3,000	5,757
Interest received	993	1,209
Net cash provided by/(used in) investing activities	17,513	(3,683)
Cash flows from financing activities		
Proceeds from issuance of shares by listed subsidiaries, net of expenses	4,740	36,834
Proceeds from exercise of warrants in a subsidiary, net of expenses	-	439
Proceeds from issuance of new series of notes payables	10,500	-
Notes issuance expenses paid	(582)	-
Principal payment of lease liabilities	(8,505)	(8,832)
Net repayment of bank borrowings	(5,170)	(1,360)
Redemption of notes payables	(57,750)	-
Dividend paid to equity holders of the Company	(825)	-
Dividends paid to non-controlling interests	(877)	(610)
Interest paid	(10,113)	(9,227)
Net cash (used in)/provided by financing activities	(68,582)	17,244
Net change in cash and bank balances	(11,621)	(6,792)
Beginning of financial year	95,152	101,849
Effects of currency translation on cash and bank balances	(1,099)	95
End of financial year	82,432	95,152

1. Corporate information

Koh Brothers Group Limited (the “Company”) is listed on the Singapore Exchange and incorporated and domiciled in Singapore.

The principal activities of the Company are investment holding and provision of management services.

The principal activities of the Group are:

- (a) Building and civil engineering contracting;
- (b) Specialist engineers;
- (c) Manufacturing of building materials and precast products;
- (d) Property investment and development; and
- (e) Hotel investment and management.

2. Basis of preparation

The condensed interim financial statements of the financial year ended 31 December 2022 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)”) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and the Group’s performance since the last audited annual financial statements for the year ended 31 December 2021.

The financial statements are presented in Singapore Dollars, which is the Group’s functional currency. All financial information presented in Singapore Dollars have been rounded to the nearest thousand, unless otherwise stated.

The accounting policies and method of computations used in the condensed consolidated interim financial statements are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out as below:

2.1 New and amended Standards adopted by the Group

The Group has adopted the new and revised SFRS(I)s and SFRS(I) Interpretations and amendments to SFRS(I)s that are mandatory for application from 1 January 2022:

- Amendments to SFRS(I) 1-16 *Property, Plant and Equipment: Proceeds before intended use*
- Amendments to SFRS(I) 1-37 *Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts – Cost of Fulfilling a Contract*

The adoption of the above amendments to SFRS(I)s did not result in material changes to the Group’s accounting policies and has no material effect on the amounts reported for the current financial year.

2.2 Use of judgment and estimates

In the process of applying the Group’s accounting policies, there is no instance of application of judgments with significant updates since the audited financial statements as at 31 December 2021 and is expected to have a significant effect on the amounts recognised in the condensed consolidated interim financial statements.

KOH BROTHERS GROUP LIMITED
E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

- (a) Estimation of total contract sum and contract costs for construction contracts
- (b) Valuation of investment properties

3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial year.

4. Revenue and segment information
(a) Disaggregation of revenue
(i) revenue for the 6-month period

	Construction & Building Materials		Real Estate		Leisure and Hospitality		Total	
	2H 2022	2H 2021	2H 2022	2H 2021	2H 2022	2H 2021	2H 2022	2H 2021
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Contract revenue – over time	99,960	66,534	-	-	-	-	99,960	66,534
Revenue from sale of products – point in time	44,567	33,069	-	-	-	-	44,567	33,069
Revenue from sale of development properties – over time	-	-	42,838	8,510	-	-	42,838	8,510
Revenue from services rendered – over time	-	-	946	1,599	1,834	767	2,780	2,366
Revenue from contracts with customers	144,527	99,603	43,784	10,109	1,834	767	190,145	110,479
Rental income from investment properties	-	-	1,660	1,179	-	-	1,660	1,179
Total revenue	144,527	99,603	45,444	11,288	1,834	767	191,805	111,658

(ii) revenue for the 12-month period

	Construction & Building Materials		Real Estate		Leisure and Hospitality		Total	
	FY 2022	FY 2021	FY 2022	FY 2021	FY 2022	FY 2021	FY 2022	FY 2021
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Contract revenue – over time	196,178	173,348	-	-	-	-	196,178	173,348
Revenue from sale of products – point in time	89,653	60,110	-	-	-	-	89,653	60,110
Revenue from sale of development properties – over time	-	-	57,097	12,842	-	-	57,097	12,842
Revenue from services rendered – over time	-	-	2,012	2,605	2,612	1,458	4,624	4,063
Revenue from contracts with customers	285,831	233,458	59,109	15,447	2,612	1,458	347,552	250,363
Rental income from investment properties	-	-	3,130	2,258	-	-	3,130	2,258
Total revenue	285,831	233,458	62,239	17,705	2,612	1,458	350,682	252,621

(b) Segment information

The Group considers the business from a business segment perspective. Management manages and monitors the business in three main business segments which are Construction & Building Materials, Real Estate and Leisure & Hospitality. The Group assesses the performance of these business segments based on sales, segment results, segment assets and segment liabilities.

- (i) Construction & Building Materials – This business segment undertakes construction activities for “Engineering and Construction”, “Bio-Refinery and Renewable Energy” and “Building Materials” segments. Management has aggregated the above businesses under Construction & Building Materials as they have similar economic growth prospects.
- (ii) Real Estate – This business segment involves property investment, development and management services.
- (iii) Leisure & Hospitality – This business segment involves hotel and leisure operations.

KOH BROTHERS GROUP LIMITED
E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
For the financial year ended 31 December 2022

The segment information and the reconciliations of segment results to profit before tax and segment assets and liabilities to total assets and liabilities are as follows:

Group (\$'000)	Construction & Building Materials	Real Estate	Leisure & Hospitality	Others	Total
<u>2H 2022</u>					
Sales					
- External	144,527	45,444	1,834	-	191,805
- Inter-segment	7,755	326	-	1,415	9,496
	<u>152,282</u>	<u>45,770</u>	<u>1,834</u>	<u>1,415</u>	<u>201,301</u>
Elimination					(9,496)
					<u>191,805</u>
Results					
Segment results					
- Company and subsidiaries	5,413	2,082	272	727	8,494
- Associated companies	(350)	-	-	-	(350)
- Joint ventures	-	825	-	-	825
Earnings before interest and tax	<u>5,063</u>	<u>2,907</u>	<u>272</u>	<u>727</u>	<u>8,969</u>
Interest income					394
Finance expenses					(6,366)
Profit before income tax					<u>2,997</u>
Other information					
Capital expenditure	6,964	200	217	-	7,381
Depreciation	5,381	175	200	-	5,756
<u>FY 2022</u>					
Sales					
- External	285,831	62,239	2,612	-	350,682
- Inter-segment	13,769	652	-	1,565	15,986
	<u>299,600</u>	<u>62,891</u>	<u>2,612</u>	<u>1,565</u>	<u>366,668</u>
Elimination					(15,986)
					<u>350,682</u>
Results					
Segment results					
- Company and subsidiaries	14,034	2,821	(141)	698	17,412
- Associated companies	(342)	-	-	-	(342)
- Joint ventures	-	1,974	-	-	1,974
Earnings/(loss) before interest and tax	<u>13,692</u>	<u>4,795</u>	<u>(141)</u>	<u>698</u>	<u>19,044</u>
Interest income					993
Finance expenses					(10,788)
Profit before income tax					<u>9,249</u>
Other information					
Capital expenditure	7,309	214	371	-	7,894
Depreciation	9,268	351	403	-	10,022
<u>As at 31 December 2022</u>					
Segment assets	290,991	339,502	25,104	1,073	656,670
Associated companies	97	-	-	-	97
Joint ventures	-	93,178	-	-	93,178
Unallocated assets:					
Income tax receivables					730
Short-term bank deposits					39,525
Investment securities					9,342
Consolidated total assets					<u>799,542</u>
Segment liabilities	102,409	48,745	688	1,430	153,272
Unallocated liabilities:					
Current income tax liabilities					1,069
Deferred income tax liabilities					6,717
Bank borrowings, notes payables, and lease liabilities					289,221
Consolidated total liabilities					<u>450,279</u>

KOH BROTHERS GROUP LIMITED
E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
For the financial year ended 31 December 2022

Group (\$'000)	Construction & Building Materials	Real Estate	Leisure & Hospitality	Others	Total
<u>2H 2021</u>					
Sales					
- External	99,603	11,288	767	-	111,658
- Inter-segment	4,752	698	-	(470)	4,980
	<u>104,355</u>	<u>11,986</u>	<u>767</u>	<u>(470)</u>	<u>116,638</u>
Elimination					<u>(4,980)</u>
					<u>111,658</u>
Results					
Segment results					
- Company and subsidiaries	5,906	722	(288)	1,115	7,455
- Associated companies	164	-	-	-	164
- Joint ventures	-	1,420	-	-	1,420
Earnings/(loss) before interest and tax	<u>6,070</u>	<u>2,142</u>	<u>(288)</u>	<u>1,115</u>	<u>9,039</u>
Interest income					596
Finance expenses					<u>(4,650)</u>
Profit before income tax					<u>4,985</u>
Other information					
Capital expenditure	2,563	21	551	-	3,135
Depreciation	7,358	174	218	-	7,750
<u>FY 2021</u>					
Sales					
- External	233,458	17,705	1,458	-	252,621
- Inter-segment	7,656	1,022	-	488	9,166
	<u>241,114</u>	<u>18,727</u>	<u>1,458</u>	<u>488</u>	<u>261,787</u>
Elimination					<u>(9,166)</u>
					<u>252,621</u>
Results					
Segment results					
- Company and subsidiaries	5,934	6,918	(755)	1,683	13,780
- Associated companies	159	-	-	-	159
- Joint ventures	-	2,880	-	-	2,880
Earnings/(loss) before interest and tax	<u>6,093</u>	<u>9,798</u>	<u>(755)</u>	<u>1,683</u>	<u>16,819</u>
Interest income					1,209
Finance expenses					<u>(9,200)</u>
Profit before income tax					<u>8,828</u>
Other information					
Capital expenditure	3,388	40	614	-	4,042
Depreciation	15,140	356	447	-	15,943
<u>As at 31 December 2021</u>					
Segment assets	295,617	367,450	24,714	3,474	691,255
Associated companies	439	-	-	-	439
Joint ventures	-	94,202	-	-	94,202
Unallocated assets:					
Income tax receivables					730
Short-term bank deposits					28,898
Investment securities					<u>13,435</u>
Consolidated total assets					<u>828,959</u>
Segment liabilities	81,830	47,844	557	1,625	131,856
Unallocated liabilities:					
Current income tax liabilities					818
Deferred income tax liabilities					7,278
Bank borrowings, notes payables, and lease liabilities					<u>346,269</u>
Consolidated total liabilities					<u>486,221</u>

KOH BROTHERS GROUP LIMITED
E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
For the financial year ended 31 December 2022
(c) Geographical information

The Group's three business segments operate in four main geographical areas: Singapore, Malaysia, Indonesia and others.

The following table presents sales and non-current assets information for the main geographical areas for the financial period ended 31 December 2022 and 31 December 2021.

Group	2H 2022 S\$'000	2H 2021 S\$'000	FY 2022 S\$'000	FY 2021 S\$'000
<u>Total sales</u>				
Singapore	166,336	93,742	299,166	219,440
Malaysia	6,159	2,732	9,928	10,411
Indonesia	14,400	7,577	31,520	11,983
Others	4,910	7,607	10,068	10,787
	191,805	111,658	350,682	252,621

Group	As at 31 December 2022 S\$'000	As at 31 December 2021 S\$'000
<u>Total non-current assets</u>		
Singapore	366,241	336,924
Malaysia	10,962	11,565
Others	8,782	9,242
	385,985	357,731

5. Other income and other gains – net

Group	2H 2022 S\$'000	2H 2021 S\$'000	FY 2022 S\$'000	FY 2021 S\$'000
<u>Other income</u>				
Interest income	394	596	993	1,209
Other income	457	520	627	619
	851	1,116	1,620	1,828

Other gains – net

Fair value gain on investment properties	6,376	509	6,436	7,089
Gain on disposal of property, plant and equipment	1,244	246	8,626	682
Net foreign exchange (loss)/gain	(518)	1,194	(35)	888
	7,102	1,949	15,027	8,659

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6. Expenses by nature

Group	2H 2022 S\$'000	2H 2021 S\$'000	FY 2022 S\$'000	FY 2021 S\$'000
(Write-back of allowance for)/allowance for impairment of trade receivables	(12)	(741)	119	(658)
Allowance for/(write-back of allowance for) impairment of sundry debtor	276	(9)	613	(9)
Allowance for impairment of loans to joint ventures	234	225	771	1,377
Allowance for impairment of investment securities	1,014	-	1,014	-
Write back of allowance for impairment on inventories obsolescence	-	(1,974)	-	(2,280)
Write-back of allowance for impairment of property, plant and equipment	-	(169)	-	(169)
Depreciation of property, plant and equipment	5,756	7,750	10,022	15,943

7. Taxation

The major components of income tax expense in the condensed interim consolidated statement of comprehensive income are:

Group	2H 2022 S\$'000	2H 2021 S\$'000	FY 2022 S\$'000	FY 2021 S\$'000
Tax expense attributable to profit is made up of:				
- Current income tax	820	666	1,599	1,104
- Deferred income tax	(68)	(1,347)	30	(234)
	752	(681)	1,629	870
Under/(over) provision of current income tax in prior financial period/years	68	40	(602)	(235)
	820	(641)	1,027	635

8. Related party transactions

The Group has significant transactions with related parties during the financial year:

	2H 2022	2H 2021	FY 2022	FY 2021
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Sales and purchases of goods and services</u>				
(i) Progressive billings recognised from sale of residential property to related parties	349	349	349	349

Related party comprises companies which are controlled or significantly influenced by the Group's key management personnel and their close family members.

9. Fair value measurements

The following presents the assets and liabilities measured at fair value and classified by level of the following fair value measurement hierarchy:

- (i) quoted price (unadjusted) in active markets for identical assets or liabilities (Level 1);
- (ii) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (is as prices) or indirectly (i.e. derived from prices) (Level 2); and
- (iii) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

Investment properties

The Group's investment properties are measured at fair value based on valuations performed by independent professional valuers at least once a year. The valuation techniques and key unobservable inputs that were used to determine the fair value of the investment properties are classified within Level 3 of the fair value hierarchy.

Other financial assets and liabilities

The fair value of financial instruments traded in active markets (such as trading and available-for-sale securities) is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1.

The fair value of financial instruments that are not traded in active market is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. Quoted market prices or dealer quotes for similar instruments with adjustment on the market price of linked listed equity securities and interest rate curve are used to estimate the fair value of unquoted short-term structured notes. These instruments are classified as Level 2.

For unquoted convertible notes, the fair value is determined using discounted cash flow analysis which involves the use of significant unobservable inputs. These instruments are classified as Level 3.

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For the financial year ended 31 December 2022

The following table presented the assets measured at fair value:

	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
Group				
As at 31 December 2022				
Investment properties	-	-	108,407	108,407
Investment securities	8,328	-	-	8,328
As at 31 December 2021				
Investment properties	-	-	102,169	102,169
Investment securities	11,196	-	-	11,196

10. Goodwill

	Group	
	As at 31 December 2022 S\$'000	As at 31 December 2021 S\$'000
Cost	5,078	5,078

Impairment tests for goodwill

Goodwill arising from the Group's acquisition of Koh Brothers Eco Engineering Limited and its subsidiaries is allocated to the "Bio-Refinery and Renewable Energy" cash-generating unit ("CGU").

The Group tests the CGU annually for impairment or more frequently if there are indicators that the goodwill might be impaired.

The recoverable amount of the CGU was determined based on value-in-use calculation. Cash flow projections used in the value-in-use calculations were based on financial budgets approved by management covering a one-year period.

11. Property, plant and equipment

During the current financial year, the Group acquired assets amounted to S\$7,894,000 (2021: S\$4,507,000), and disposed assets at net book value amounted to S\$2,851,000 (2021: S\$317,000).

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E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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12. Investment properties

	2022	Group
	S\$'000	2021
		S\$'000
Balance at 1 January	102,169	95,224
Fair value gain recognised in profit or loss	6,436	7,089
Currency translation difference	(198)	(144)
Balance at 31 December	108,407	102,169

As at 31 December 2022, the Group's investment properties with a total carrying amount of S\$101,180,000 (31 December 2021: S\$94,900,000) are mortgaged to banks for banking facilities granted.

Valuation processes of the Group

The fair value of investment properties determined by independent professional valuers at least once a year based on the properties "As-Is" market value. They are carried at fair value at 31 December 2022 and 31 December 2021.

At each reporting date, management:

- provides all major inputs to the independent valuation report;
- assesses property valuation movements when compared to the prior year valuation reports; and
- holds discussions with the independent valuers.

KOH BROTHERS GROUP LIMITED
E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
For the financial year ended 31 December 2022
13. Bank borrowing, lease liabilities and notes payables

	Group	
	As at 31 December 2022 S\$'000	As at 31 December 2021 S\$'000
<u>Current</u>		
Bank borrowings payable within one year		
- Secured [Note 13(i)]	124,793	17,983
- Unsecured	45,741	55,852
	170,534	73,835
Lease liabilities payable within one year	7,234	7,384
	177,768	81,219
Notes payables within one year		
- Unsecured [Note 13(ii)]	-	70,000
	177,768	151,219
<u>Non-current</u>		
Bank borrowings payable after one year		
- Secured [Note 13(i)]	80,254	180,994
- Unsecured	2,344	3,584
	82,598	184,578
Lease liabilities payable after one year	6,687	10,472
	89,285	195,050
Notes payables after one year		
- Unsecured [Note 13(ii)]	22,168	-
	111,453	195,050
	289,221	346,269

- (i) The Group's secured borrowings are secured by the Group's properties, plant and machinery, motor vehicles, development properties and investment properties.
- (ii) The Company has established a S\$250 million Multicurrency Medium Term Note programme, under which the Company may, from time to time, issue notes in series or tranches in Singapore Dollars or in other currencies, in various amounts and tenors and interest rates agreed between Company and the relevant dealer. The net proceeds arising from the issue of notes will be used for general corporate purposes, financing investments and general working capital of the Group.

The Company issued the second series of notes amounting to S\$70,000,000 in October 2017. The notes bear a fixed rate of 5.10% per annum payable semi-annually in arrears. During the financial year, part of the second series of notes amounting to S\$57,750,000 were repaid upon maturity and the remaining balance of S\$12,250,000 were exchanged to new series of notes.

The Company issued the third series of notes amounting to \$22,750,000 (including S\$12,250,000 exchanged from the second series of notes) in October 2022. The new notes bear a fixed rate of 6.5% per annum payable semi-annually in arrear and are due on 17 April 2026.

KOH BROTHERS GROUP LIMITED
E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
For the financial year ended 31 December 2022

14. Share capital

	No. of ordinary shares		Amount	
	Issued share <u>capital</u> '000	Treasury <u>shares</u> '000	Share <u>capital</u> S\$'000	Treasury <u>shares</u> S\$'000
Group and Company				
2022				
Balance at 1 January and 31 December	438,000	(25,541)	36,981	(7,983)
2021				
Balance at 1 January and 31 December	438,000	(25,541)	36,981	(7,983)

All issued ordinary shares are fully paid. There is no par value for these ordinary shares. Fully paid ordinary shares carry one vote per share and carry a right to dividends as and when declared by the Company.

- 1(i) Details of any changes in the Company's share capital and arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other shares of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of corresponding period of the immediately preceding financial year.

	No. of shares	
	As at 31 December 2022	As at 31 December 2021
Total number of issued shares	438,000,000	438,000,000
Less: number of treasury shares	(25,540,900)	(25,540,900)
Total number of issued shares excluding treasury shares	412,459,100	412,459,100

- 1(ii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	No. of shares	
	As at 31 December 2022	As at 31 December 2021
Total number of issued shares excluding treasury shares	412,459,100	412,459,100

- 1(iii) A statement showing all sales, transfer, disposal, cancellation and/or use of treasury shares as at end of the current financial period reported on.

	No. of shares
	As at 31 December 2022
Beginning and end of the financial year	25,540,900

- 1(iv) A statement showing all sales, transfer, cancellation and/or use of subsidiaries holdings as at the end of the current financial period reported on.

Not applicable.

2. Whether the figures have been audited, or reviewed and if so which auditing standard or practice has been followed

The figures have not been audited or reviewed by the Company's auditors.

3. Where the figures have been audited or reviewed, the auditor's report (including any modification or emphasis of matter)

Not applicable.

KOH BROTHERS GROUP LIMITED**F. OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2***For the financial year ended 31 December 2022*

4. **Whether the same accounting policies and methods of computation as in the issuer's most recent audited annual financial statements have been applied**

Refer to note 2 - basis of preparation of the condensed interim consolidated financial statement.

5. **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change**

Refer to note 2 - basis of preparation of the condensed interim consolidated financial statement.

6. **Earnings per ordinary share of the Group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

Group		2H 2022 (cent)	2H 2021 (cents)	FY 2022 (cents)	FY 2021 (cents)
(i)	Basic	0.25	1.19	1.46	1.67
(ii)	On a fully diluted basis	0.25	1.19	1.46	1.67

Basic earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to equity holders of the Company over the weighted average number of ordinary shares in issue during the current financial year of 412,459,100 ordinary shares (2021: 412,459,100 ordinary shares).

Diluted earnings per share

For the financial year ended 31 December 2022 and 31 December 2021, warrants of the Group's subsidiary, Koh Brothers Eco Engineering Limited ("KBE Warrants"), are not included in the calculation of diluted earnings per share because they are antidilutive.

7. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer as at the end of the (a) current financial period reported on and (b) immediately preceding financial year.**

	Group		Company	
	As at 31 December 2022 (cents)	As at 31 December 2021 (cents)	As at 31 December 2022 (cents)	As at 31 December 2021 (cents)
Net asset value per ordinary share based on existing issued share capital (excluding treasury shares) as at the end of the period reported on	70.04	69.61	23.97	23.92

The net asset value per share is calculated based on the issued share capital excluding treasury shares of 412,459,100 ordinary shares as at 31 December 2022 (31 December 2021: 412,459,100 ordinary shares).

8. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. The review must discuss any significant factors, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flows, working capital, assets or liabilities of the Group during the current financial period reported on.

(a) Review of Group Performance

2H 2022 VS 2H 2021

Revenue

The Group's sales increased from S\$111.66 million in 2H 2021 to S\$191.81 million in 2H 2022. As a result of post-COVID-19 pandemic, revenue from all the business segments increased from the corresponding period.

Gross profit

The Group's gross profit increased from S\$13.40 million in 2H 2021 to S\$14.35 million in 2H 2022. This was mainly due to improved gross profit margin from the Construction and Building Materials division.

Other income and other gains-net

Other income decreased from S\$1.12 million in 2H 2021 to S\$0.85 million in 2H 2022 mainly due to decrease in interest income.

Other gains increased from S\$1.95 million in 2H 2021 to S\$7.10 million in 2H 2022 mainly due to higher fair value gain on investment properties.

Expenses

Distribution expenses increased from S\$0.44 million in 2H 2021 to S\$3.34 million in 2H 2022 mainly due to higher sales and marketing expenses incurred for development properties.

Administrative expenses increased from S\$7.72 million in 2H 2021 to S\$8.51 million in 2H 2022 mainly due to higher professional fees incurred for project tendering and corporate exercise.

Other expenses increased from S\$0.26 million in 2H 2021 to S\$1.56 million in 2H 2022 mainly due to impairment on sundry creditors and investment securities of S\$1.29 million.

Finance expenses increased from S\$4.65 million in 2H 2021 to S\$6.37 million in 2H 2022 mainly due to higher borrowings costs.

Depreciation expenses decreased from S\$7.75 million in 2H 2021 to S\$5.76 million in 2H 2022 mainly due to decrease in depreciable assets.

Share of profit of associated companies and joint ventures

Share of profit of associated companies and joint ventures decreased from S\$1.58 million in 2H 2021 to S\$0.48 million in 2H 2022 mainly due to lower contribution from an investment property as a result of higher borrowing cost.

Profit before income tax and net profit attributable to equity holders of the Company

Overall, the Group's profit before income tax decreased from S\$4.99 million in 2H 2021 to S\$3.00 million in 2H 2022. The Group's net profit attributable to shareholders decreased from S\$4.91 million in 2H 2021 to S\$1.02 million in 2H 2022.

Earnings per share for 2H 2022 stood at 0.25 Singapore cent, decreased from 1.19 Singapore cents in 2H 2021.

FY 2022 VS FY 2021

Revenue

The Group's sales increased from S\$252.62 million in FY2021 to S\$350.68 million in FY2022. As a result of post-COVID-19 pandemic, revenue from all the business segments increased from the corresponding year.

Gross profit

The Group's gross profit increased from S\$21.57 million in FY 2021 to S\$26.04 million in FY 2022. This was mainly due to improved gross profit margin from the Construction and Building Materials division.

Other income and other gains-net

Other income decreased from S\$1.83 million in FY 2021 to S\$1.62 million in FY 2022 mainly due to decrease in interest income.

Other gains increased from S\$8.66 million in FY 2021 to S\$15.03 million in FY 2022 mainly due to higher gain on disposal of property, plant and equipment.

Expenses

Distribution expenses increased from S\$1.23 million in FY 2021 to S\$4.82 million in FY 2022 mainly due to higher sales and marketing expenses incurred for development properties.

Administrative expenses increased from S\$14.39 million in FY 2021 to S\$16.98 million in FY 2022 mainly due to higher professional fees incurred for project tendering and corporate exercise.

Other expenses increased from S\$1.45 million in FY 2021 to S\$2.48 million in FY 2022 mainly due to impairment on sundry creditors, loans to joint ventures and investment securities of S\$2.40 million.

Finance expenses increased from S\$9.20 million in FY 2021 to S\$10.79 million in FY 2022 mainly due to higher borrowing costs.

Depreciation expenses decreased from S\$15.94 million in FY 2021 to S\$10.02 million in FY 2022 mainly due to decrease in depreciable assets.

Share of profit of associated companies and joint ventures

Share of profit of associated companies and joint ventures decreased from S\$3.04 million in FY 2021 to S\$1.63 million in FY 2022 mainly due to lower contribution from an investment property as a result of higher borrowing cost.

Profit before income tax and net profit attributable to equity holders of the Company

Overall, the Group's profit before income tax increased from S\$8.83 million in FY2021 to S\$9.25 million in FY2022. The Group's net profit attributable to shareholders decreased from S\$6.90 million in FY2021 to S\$6.01 million in FY2022.

Earnings per share for FY 2022 stood at 1.46 Singapore cents, decreased from 1.67 Singapore cents in FY 2021.

(b) Review of change in working capital, assets and liabilities

The Group's current assets decreased by S\$57.67 million mainly due to decrease in trade and other receivables of S\$6.48 million, inventories of S\$2.58 million, development properties of S\$34.40 million, property held-for-sale of S\$3.22 million, cash and bank balances of S\$12.72 million and amount due from joint venture of S\$17.19 million, and partially offset by the increase in contract assets of S\$20.27 million. The increase in contract assets was mainly due to revenue recognition and timing of billing to the customers. The decrease in cash and bank balances was mainly due to net cash used in financing activities, and partially offset by net cash generated from operating and investing activities. The decrease in development properties was mainly due to progressive billing to the customers. The decrease in amount due from joint ventures was mainly due to repayment of loans from joint ventures.

The Group's non-current assets increased by S\$28.25 million mainly due to increase in contract assets of S\$31.94 million and investment properties of S\$6.24 million, partially offset by decrease in property, plant and equipment of S\$5.81 million and investment securities of S\$2.75 million. The increase in contract assets was mainly due to revenue recognition and timing of billing to the customers. The decrease in property, plant and equipment was mainly due to depreciation charges. The decrease in investment securities was mainly due to fair value adjustment.

The Group's current liabilities increased by S\$45.68 million mainly due to the increase of bank borrowings and lease liabilities of S\$96.55 million and trade and other payables of S\$17.03 million, partially offset by decrease in notes payables of S\$70.00 million.

The Group's non-current liabilities decreased by S\$81.62 million mainly due to decrease of bank borrowings and lease liabilities of S\$105.77 million, and offset by the increase in notes payables of S\$22.17 million.

(c) Review of change in cash flow

The Group reported a net decrease in cash and bank balances mainly due to net cash used in financing activities and partially offset by net cash provided by operating activities and investing activities.

The net cash used in financing activities was primarily due to net repayment to bank borrowings and lease liabilities and notes payables, and partially offset by net proceeds from issuance of new shares by a listed subsidiary and new series of notes.

(d) Review of changes in turnover and earnings by business and geographical segments**By Business Segment**

The sales increased by S\$98.06 million in FY2022 as compared to FY2021. This was mainly due to increase in all the business segments as a result of resumption of construction activities post-COVID-19 pandemic.

The Group recorded earnings before interest and tax of S\$19.04 million in FY2022, increased from earnings before interest and tax of S\$16.82 million in FY2021. This was mainly contributed by the Construction and Building Materials segment, as a result of post-COVID-19 pandemic.

By Geographical Segment

Total sales were mainly attributed to the Singapore market for both FY2022 and FY2021. The sales from Singapore market increased from S\$219.44 million in FY2021 to S\$299.17 million in FY2022. The sales from Indonesia market increased from S\$11.98 million in FY2021 to S\$31.52 million in FY2022. The sales from Malaysia and Other market recognised a marginal decrease in FY2022 as compared to FY2021.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

The current announced results are in line with the general prospect commentary previously disclosed in the results announcement for the financial period ended 30 June 2022.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months.

Based on advance estimates from the Ministry of Trade and Industry announced on 3 January 2023, the Singapore economy grew by 2.2% on a year-on-year basis in the fourth quarter of 2022, moderating from the 4.2% growth in the previous quarter. On a quarter-on-quarter seasonally-adjusted basis, the economy expanded by 0.2%, extending the 1.1% expansion in the third quarter. For the whole of 2022, the economy grew by 3.8%, slower than the 7.6% growth in 2021.

The construction sector grew by 10.4% year-on-year in the fourth quarter, accelerating from the 7.8% growth in the previous quarter, as both public and private sector construction output continued to recover. However, in absolute terms, the value-added of the construction sector remained 19.3% below its pre-pandemic (i.e., fourth quarter of 2019) level. On a quarter-on-quarter seasonally-adjusted basis, the sector expanded by 0.4% in the fourth quarter, extending the 3.8% expansion in the third quarter.

According to the projection by the Building and Construction Authority Singapore ("BCA") on 12 January 2023, the value of construction contracts to be awarded in 2023 is projected to range between S\$27 billion and S\$32 billion. The public sector is expected to contribute about 60% of the total construction demand, between S\$16 billion and S\$19 billion. This is supported by a continued strong pipeline of public housing projects amid Housing Development Board's ramping up of Build-To-Order flats supply. Industrial and institutional building construction is expected to contribute strongly to public sector demand, with more projects for the construction of water treatment plants, educational buildings and community clubs. Civil engineering construction demand is anticipated to stay firm with continued support from MRT line construction and other infrastructure works. Over the medium-term, BCA expects that total construction demand to reach between S\$25 billion and S\$32 billion per year from 2024 to 2027.

The Group expects the construction industry to remain challenging with an increasingly competitive environment, supply chain disruptions, manpower shortage and higher energy cost and cost of construction materials. The Group will continue to seek sustainable growth, leveraging on its track record, experience and capabilities.

Latest statistics from the Urban Redevelopment Authority showed that prices of private residential properties index increased by 0.4 point from 187.8 points in the third quarter of 2022 to 188.2 points in the fourth quarter of 2022. This represents an increase of 0.2%, compared to the 3.8% increase in the previous quarter. For the whole of 2022, prices increased by 8.4%, compared to the 10.6% increase in 2021. The moderation in price increase came on the back of a decline in private housing sales. Sale transaction volume fell by about 49% on a quarter-on-quarter basis and by about 60% on a year-on-year basis on the fourth quarter of 2022. For the whole of 2022, sale transaction volume fell by about 36% compared to 2021. With the higher borrowing cost and the impact of government cooling measures introduced in September 2022, the Group expects the private residential market to remain challenging. Going forward, the Group will remain cautious and selective in replenishing its land bank.

11. Dividend**(a) Current Financial Period Reported On:**

Any dividend declared for the current financial period reported on? Yes

Name of dividend	Final
Dividend type	Cash
Dividend amount per share	0.20 Singapore cent per ordinary share
Tax rate	Tax exempt

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

Yes

Name of dividend	Final
Dividend type	Cash
Dividend amount per share	0.20 Singapore cent per ordinary share
Tax rate	Tax exempt

(c) Date payable

Subject to approval by shareholders at the next Annual General Meeting and to be announced at a later date.

(d) Book closure date

Subject to approval by shareholders at the next Annual General Meeting and to be announced at a later date.

12. If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.

Not applicable.

13. Breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows: (a) Ordinary; (b) Preference; (c) Total

	FY 2022 (S\$'000)	FY 2021 (S\$'000)
Ordinary dividend		
Final dividend*	825	825
Total annual dividend	825	825

*The proposed final dividend of 0.20 cent per share for the financial year ended 31 December 2022 will be subject to shareholders' approval at the forthcoming Annual General Meeting. The dividends are computed based on 412,459,100 ordinary shares excluding treasury shares as at the date of this announcement.

The Company has no preference dividend for the financial year ended 31 December 2022 and 31 December 2021.

14. Interested Person Transaction

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) (S\$'000)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000) (S\$'000)
<u>Transaction for the sales of goods and services</u>		
Benjamin Koh Yong Jun	147	-
Rachel Koh Han Ling	202	-

The Group has not obtained a general mandate from shareholders for Interested Person Transactions.

15. Disclosure on acquisition and realisation of shares pursuant to Rule 706A of the Listing Manual

There is no acquisition or realisation of shares pursuant to Rule 706a of the Listing Manual during the period under review.

16. Confirmation pursuant to Rule 720(1) of the Listing Manual

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

KOH BROTHERS GROUP LIMITED**F. OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2***For the financial year ended 31 December 2022*

- 17. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 701(11) in the format below. If there are no such persons, the issuers must make an appropriate negative announcement.**

Name	Age	Family relationship with any Director and/or substantial shareholder	Current position and duties, and the year the position was held	Detail of changes in the duties and position held, if any, during the year
Phua Siew Gaik	57	Spouse of Mr Koh Keng Siang, daughter-in-law of Mr Koh Tiat Meng and Mdm Quek Chee Nee, and sister-in-law of Mr Koh Keng Hiong	Senior Group Human Resources and Administration Manager since 2015. Responsible for overseeing the Group's human resources and administration function.	Nil
Erliana Sutadi	53	Spouse of Mr Koh Keng Hiong, daughter-in-law of Mr Koh Tiat Meng and Mdm Quek Chee Nee, and sister-in-law of Mr Koh Keng Siang	Office Manager, Oxford Hotel, since 2000. Responsible for office administration.	Nil
Koh Keng Seng	59	Nephew of Mr Koh Tiat Meng and Mr Koh Teak Huat and cousin of Mr Koh Keng Siang and Mr Koh Keng Hiong	Executive Director, Construction division, since 2008. Responsible for overseeing machinery, equipment and logistic functions.	Nil
Phua Eng Hong	60	Brother-in-law of Mr Koh Keng Siang	Director of Dalian Megacity Trading Co., Ltd, since 2008. No executive duties.	Nil
Koh Kheng Yeow	55	Nephew of Mr Koh Tiat Meng and Mr Koh Teak Huat and cousin of Mr Koh Keng Siang and Mr Koh Keng Hiong	Director of Dalian Megacity Trading Co., Ltd, since 2008. No executive duties.	Nil

By Order of the Board

Koh Keng Siang
Managing Director & Group CEO

25 January 2023

Koh Keng Hiong
Executive Director