KOH BROTHERS GROUP LIMITED
(Unique Entity No. 199400775D)
(Incorporated in the Republic of Singapore)

PROPOSED TENDER OFFER IN RESPECT OF S$50,000,000 4.80 PER CENT. NOTES DUE 2018 COMPRISED IN SERIES 001 (ISIN: SG6RG2000004) (THE "NOTES") OF ITS S$250,000,000 MULTICURRENCY MEDIUM TERM NOTE PROGRAMME (THE "PROGRAMME")

The Board of Directors of Koh Brothers Group Limited (the "**Company**") is pleased to announce that, as part of the Company's continuing capital and liability management initiatives to optimise its debt capital structure, it has today commenced an invitation to the holders of the Notes (the "**Noteholders**") to offer to sell for cash ("**offers to sell**" and each an "**offer to sell**" and "**offered for sale**" shall be construed accordingly) to the Company, any and all of the outstanding Notes held by them (the "**Invitation**"), subject to the terms and conditions of an invitation memorandum dated 23 August 2017 issued by the Company (the "**Invitation Memorandum**").

Capitalised terms used in this announcement but not otherwise defined shall have the meanings given to those in the Invitation Memorandum.

The Company is pleased to announce that it has mandated DBS Bank Ltd. as the dealer manager for the Invitation ("**Dealer Manager**") and Tricor Singapore Pte. Ltd. (trading as Tricor Barbinder Share Registration Services) as the tender agent for the Invitation (the "**Tender Agent**").

The purchase price payable by the Company for Notes accepted by the Company for purchase pursuant to an offer to sell is 100.00 per cent. of the principal amount of the Notes, being S$250,000 for each S$250,000 in principal amount of the Notes ("**Purchase Price**"), to Noteholders who have delivered valid offers to sell on or prior to the Expiration Deadline (as defined below), and whose Notes have been accepted for purchase by the Company (the "**Accepted Notes**"). Holders of the Accepted Notes will also receive a cash payment equal to the accrued but unpaid interest on the Notes from (and including) the last preceding interest payment date (that is, 2 July 2017) up to (but excluding) the Settlement Date (as defined below) ("**Accrued Interest**").

The Company has existing surplus cash to finance the aggregate Purchase Price and Accrued Interest for the Accepted Notes. The purpose of the Invitation is to reduce the amount of the Group's outstanding short-term indebtedness and enhance the Group's outstanding indebtedness structure.

The Purchase Price and Accrued Interest for such Accepted Notes will be paid on 11 September 2017, being the date on which Accepted Notes are purchased pursuant to the Invitation (the "**Settlement Date**") by or on behalf of the Company for the account of the relevant Noteholders.

Notes may only be offered for sale in principal amounts of S$250,000 or integral multiples thereof.

The Invitation will commence at 9.00 a.m. (Singapore time) on 23 August 2017 and will expire at 5.30 p.m. (Singapore time) on 6 September 2017, unless extended or earlier terminated (such date and time, as may be extended, the "Expiration Deadline"). The Company will announce the aggregate principal amount of the Accepted Notes on the website of the SGX-ST. The Company may, in its sole and absolute discretion, extend the Expiration Deadline for any purpose. The Company will notify the Noteholders of any such amendment or extension as soon as is practicable after the relevant decision is made by release of an announcement on the SGX-ST website.

Noteholders may submit Tender Application Forms to the Tender Agent at its office at 80 Robinson Road, #11-02, Singapore 068898 at any time between 8:30 a.m. to 5:30 p.m. (Singapore time) from Mondays to Fridays (excluding public holidays).

Offers to sell delivered by Noteholders are irrevocable at the time of submission of the Tender Application Form, except in the limited circumstances as set out in the Invitation Memorandum. There are no withdrawal rights with respect to offers to sell made pursuant to the Invitation.

A copy of the Invitation Memorandum will be mailed to each person who is shown in the records of CDP as a holder of the Notes with an address in Singapore. In order to avoid any violation of laws applicable in countries other than Singapore, the Invitation Memorandum has not been and will not be mailed to Noteholders who do not presently have an address in Singapore ("**Foreign Noteholders**"). Foreign Noteholders who wish to obtain a copy of the Invitation Memorandum should provide in writing such address in Singapore to the Tender Agent not later than five days before the Expiration Deadline.

In addition, the Invitation Memorandum will be made available to Noteholders at the office of the Tender Agent at 80 Robinson Road, #11-02, Singapore 068898 from 23 August 2017, between 8.30 a.m. and 5.30 p.m. (Singapore time) from Mondays to Fridays (excluding public holidays), up to 10.00 a.m. (Singapore time) on 6 September 2017.

This announcement must be read in conjunction with the Invitation Memorandum. The Invitation Memorandum contains important information which should be read carefully before any decision is made with respect to the Invitation. If any Noteholder is in doubt as to the action it should take, it is recommended to seek its own financial advice, including in respect of any tax consequences, immediately from its stockbroker, bank manager, solicitor, accountant or other independent financial adviser. Any individual or company whose Notes are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee must contact such entity if it wishes to participate in the Invitation. None of the Company, the Dealer Manager, The Bank of New York Mellon, Singapore Branch, acting in its capacity as trustee for the Noteholders, or the Tender Agent makes any recommendation as to whether or not or how Noteholders should participate in the Invitation.

BY ORDER OF THE BOARD

Koh Keng Siang
Managing Director & Group CEO

23 August 2017