

**KOH BROTHERS ECO ENGINEERING LIMITED**

(Unique Entity Number: 197500111H)

(Incorporated in Singapore)

MATERIAL VARIANCES BETWEEN THE UNAUDITED FINANCIAL STATEMENTS AND AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

Koh Brothers Eco Engineering Limited (the “Company” and together with its subsidiaries, the “Group”) refers to its unaudited full year financial results announcement for the financial year ended 31 December 2022 (“FY2022”) released on 25 January 2023 (“Unaudited Financial Statements”).

Pursuant to Rule 704(5) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited, the Company wishes to highlight and clarify the material differences between the Unaudited Financial Statements and the audited financial statements of the Group for the financial year ended 31 December 2022 as set out in the annual report for FY2022 following the finalisation of the audit and issuance of the auditor’s report by the Company’s external auditors, PricewaterhouseCoopers LLP (“Audited Financial Statements”).

The material differences between the Unaudited Financial Statements and Audited Financial Statements relate to the Group’s share of results arising from its joint operations (“Joint Operations”) and is due to the adjustments arising from the Joint Operations’ audits which were concluded after the issuance of the Unaudited Financial Statements. These adjustments have been reviewed by the Audit and Risk Committee of the board of directors of the Company, and increase the Group’s revenue, cost of sales, contract assets and contract liabilities by S\$2.368 million. There is no impact on the Group’s gross profit and profit before income tax for FY2022 and net asset position as at 31 December 2022.

A summary of the differences between the Audited Financial Statements and Unaudited Financial Statements are as follows:

	Note	Audited Financial Statements	Unaudited Financial Statements	Variance	Increase/ (Decrease)
		S\$’000	S\$’000	S\$’000	%
Revenue	A	211,742	209,374	2,368	1.1
Cost of sales	A	(197,257)	(194,889)	(2,368)	1.2
Contract assets	A	154,475	152,107	2,368	1.6
Contract liabilities	A	10,364	7,996	2,368	29.6

Note A – The variance is due to the adjustments made by the auditors of the Joint Operations as the audits of the Joint Operations were concluded only after the issuance of the Unaudited Financial Statements on 25 January 2023.

By Order of the Board

Koh Keng Siang
Non-Executive and Non-Independent Chairman

10 April 2023

This announcement has been reviewed by the Company’s sponsor, Stamford Corporation Services Pte. Ltd. (the “Sponsor”). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the “SGX-ST”) and the SGX-ST assumes no responsibilities for the contents of this announcement, including the correctness of any of the statements or options made or reports contained in this announcement.

The contact person for the Sponsor is Mr. Ng Joo Khin (Telephone number: 6389 3000; Email address: jookhin.ng@morganlewis.com).