

CIRCULAR DATED 15 MAY 2021

If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all your shares in the Company, you should immediately inform the purchaser or transferee or bank, stockbroker or other agent through whom the sale or transfer was effected for onward notification to the purchaser or transferee, that this Circular (together with the Notice of EGM and the Proxy Form) may be accessed at the Company's website at <https://www.kohbrothers.com/for-investors> and SGXNet.

Capitalised terms appearing on the cover of this Circular have the same meanings as defined herein.

The Singapore Exchange Securities Trading Limited assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Circular.



KOH BROTHERS GROUP LIMITED

(Company Registration No. 199400775D)
(Incorporated in the Republic of Singapore)

CIRCULAR TO SHAREHOLDERS IN RELATION TO THE POTENTIAL DILUTION OF SHAREHOLDING INTEREST IN KOH BROTHERS ECO ENGINEERING LIMITED

IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form	:	28 May 2021 at 11.00 a.m.
Last date and time to pre-register online to attend the EGM remotely	:	28 May 2021 at 11.00 a.m.
Date and time of EGM	:	31 May 2021 at 11.00 a.m.
Place of EGM	:	The EGM will be held by electronic means.

This Circular has been made available on SGXNet and the Company's website and may be accessed at the URL <https://www.kohbrothers.com/for-investors>. **A printed copy of this Circular will NOT be despatched to Shareholders.**

To minimise physical interactions and COVID-19 transmission risks, Shareholders will not be able to attend the EGM in person. Instead, alternative arrangements have been put in place to allow Shareholders to participate at the EGM by (a) watching the EGM proceedings via "live" audio-visual webcast or listening to the EGM proceedings via "live" audio-only stream; (b) submitting questions in advance of the EGM; and/or (c) voting by proxy at the EGM. Please refer to section 10 of this Circular and the Notice of EGM for further information, including the steps to be taken by Shareholders to participate at the EGM. The Notice of EGM may also be accessed at the Company's website at <https://www.kohbrothers.com/for-investors>.

Shareholders should note that the Company may make further changes to its EGM arrangements (including but not limited to any applicable alternative arrangements as may be prescribed or permitted (as the case may be) under the COVID-19 (Temporary Measures)(Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 as well as other guidelines issued by the relevant authorities) as the situation evolves. Shareholders are advised to keep abreast of any such changes as may be announced by the Company from time to time on SGXNet.

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DEFINITIONS

In this Circular, the following definitions shall apply throughout unless the context otherwise requires:

"2017 Warrants"	:	The warrants issued by KBE under KBE's renounceable non-underwritten rights cum warrants issue announced on 15 May 2017 and constituted under a deed poll dated 17 October 2017
"2018 Warrants"	:	The warrants issued by KBE under KBE's renounceable non-underwritten rights cum warrants issue announced on 29 June 2018 and constituted under a deed poll dated 30 August 2018
"Board"	:	The board of directors of the Company for the time being
"Business Day"	:	A day (excluding Saturdays, Sundays and public holidays) on which commercial banks are open for business in Singapore
"Catalist"	:	The Catalist Board of the SGX-ST
"Catalist Rules"	:	The Listing Manual Section B: Rules of Catalist of the SGX-ST, as amended or modified from time to time
"Circular"	:	This circular to Shareholders dated 15 May 2021
"Companies Act"	:	The Companies Act, Chapter 50 of Singapore, as amended or modified from time to time
"Company"	:	Koh Brothers Group Limited
"Controlling Shareholder"	:	A person who: (a) holds directly or indirectly 15% or more of the total voting rights in the company. The SGX-ST may determine that a person who satisfies this paragraph is not a controlling shareholder; or (b) in fact exercises control over a company
"Directors"	:	The directors of the Company for the time being
"EGM"	:	Extraordinary general meeting of the Company to be held on 31 May 2021
"FY"	:	Financial year ended or ending 31 December
"Issue Price"	:	S\$0.047 per KBE Subscription Share
"KBE"	:	Koh Brothers Eco Engineering Limited
"KBE Group"	:	Koh Brothers Eco Engineering Limited and its subsidiaries
"KBE Subscription Shares"	:	810,000,000 new ordinary shares in the capital of KBE
"KBGL Group"	:	The Company and its subsidiaries
"KBGL Shareholder Approval"	:	The approval of the Shareholders at the EGM for the Potential Dilution of the Company's percentage shareholding interest in KBE, as a result of the issuance and allotment of the KBE Subscription Shares to POC
"Latest Practicable Date"	:	12 May 2021, being the latest practicable date prior to the uploading of this Circular on SGXNet and the Company's website

DEFINITIONS

"Listing Manual"	:	The listing manual of the SGX-ST, as amended or modified from time to time
"LPS"	:	Loss per share
"Maximum Scenario Enlarged Share Capital of KBE"	:	The enlarged issued and paid-up share capital of KBE of 3,232,742,592 shares on the assumption that all of the outstanding 2017 Warrants and 2018 Warrants as at the Latest Practicable Date are exercised and that all of the outstanding Share Awards as at the Latest Practicable Date are vested as at the date of completion of the Proposed Subscription
"Minimum Scenario Enlarged Share Capital of KBE"	:	The enlarged issued and paid-up share capital of KBE of 2,817,613,004 shares on the assumption that none of the outstanding 2017 Warrants and 2018 Warrants as at the Latest Practicable Date are exercised and that none of the outstanding Share Awards as at the Latest Practicable Date are vested as at the date of completion of the Proposed Subscription
"NAV"	:	Net asset value
"Notice of EGM"	:	The notice of EGM set out on pages 21 to 22 of this Circular
"Partial Scenario Enlarged Share Capital of KBE ¹ "	:	The enlarged issued and paid-up share capital of KBE of 2,894,589,120 shares on the assumption that none of the outstanding 2017 Warrants as at the Latest Practicable Date are exercised, all of the outstanding 2018 Warrants as at the Latest Practicable Date are exercised and that all of the outstanding Share Awards as at the Latest Practicable Date are vested as at the date of completion of the Proposed Subscription
"POC"	:	Penta-Ocean Construction Co., Ltd.
"Potential Dilution"	:	The potential dilution of the Company's percentage shareholding interest in KBE pursuant to the Proposed Subscription
"Proposed Subscription"	:	The proposed allotment and issue of the KBE Subscription Shares to POC at the issue price of S\$0.047 for each KBE Subscription Share, amounting to an aggregate consideration of S\$38,070,000, which shall be satisfied by POC in cash
"SFA"	:	The Securities and Futures Act, Chapter 289 of Singapore, as amended or modified from time to time
"SGX-ST"	:	Singapore Exchange Securities Trading Limited
"Shareholders"	:	Means: (a) where the Depository is named in the register of members of the Company as the holder of shares, a Depositor in respect of the number of shares standing to the credit of his name in the Depository Register; and (b) in any other case, a person whose name appears on the

¹ Unlike the 2017 Warrants, the 2018 Warrants are in-the-money. Accordingly, the Company has not provided information relating to the enlarged share capital of KBE on the assumption that all of the outstanding 2017 Warrants as at the Latest Practicable Date are exercised, none of the outstanding 2018 Warrants as at the Latest Practicable Date are exercised and that all of the outstanding Share Awards as at the Latest Practicable Date are vested as at the date of completion of the Proposed Subscription.

DEFINITIONS

register of members maintained by the Company pursuant to Section 190 of the Companies Act and/or any other applicable law

- "Shares" : Ordinary shares in the capital of the Company
- "Share Awards" : The share awards granted to KBE's employees under the Koh Brothers Eco Engineering Limited Performance Share Plan 2017
- "Substantial Shareholder" : A person who has an interest in one or more voting shares (excluding treasury shares) in the Company and the total votes attached to such share(s) is not less than 5% of the total votes attached to all the voting shares (excluding treasury shares) in the Company
- "S\$" or "\$" and "cents" : Singapore dollars and cents, respectively
- "%" or "per cent." : Percentage or per centum

The terms "Depositor", "Depository", "Depository Agent" and "Depository Register" shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

The term "subsidiary" shall have the meaning ascribed to it in Section 5 of the Companies Act.

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. References to persons shall include corporations.

Any reference in this Circular to any statute or enactment is a reference to that statute or enactment for the time being amended or re-enacted. Any word defined under the Companies Act, the SFA, the Listing Manual or any modification thereof and used in this Circular shall have the meaning assigned to it under the Companies Act, the SFA, the Listing Manual or any modification thereof, as the case may be, unless otherwise provided.

Any reference to a time of day and date in this Circular is a reference to Singapore time and date, respectively, unless otherwise stated. Any reference to currency set out in this Circular is a reference to S\$ unless otherwise stated.

Any discrepancies in figures included in this Circular between the amounts shown and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Circular may not be an arithmetic aggregation of the figures that precede them.

Rajah & Tann Singapore LLP has been appointed as the legal adviser to the Company as to Singapore law in relation to the Potential Dilution.

LETTER TO SHAREHOLDERS

KOH BROTHERS GROUP LIMITED

(Company Registration No. 199400775D)
(Incorporated in the Republic of Singapore)

Board of Directors

Koh Tiat Meng (*Executive Chairman*)
Koh Teak Huat (*Executive Deputy Chairman*)
Koh Keng Siang (*Managing Director and Group CEO*)
Koh Keng Hiong (*Executive Director and Deputy CEO*)
(*Leisure & Hospitality and Real Estate divisions*)
Lee Sok Khian John (*Executive Director*)
Quek Chee Nee (*Non-Independent Director and Non-Executive Director*)
Er Dr Lee Bee Wah (*Non-Executive and Lead Independent Director*)
Lai Mun Onn (*Non-Executive and Independent Director*)
Gn Hiang Meng (*Non-Executive and Independent Director*)
Ow Yong Thian Soo (*Non-Executive and Independent Director*)
Low Yee Khim (*Non-Executive and Independent Director*)

Registered Office

11 Lorong Pendek
Koh Brothers Building
Singapore 348639

15 May 2021

To: The Shareholders of **Koh Brothers Group Limited**

Dear Shareholders

1. INTRODUCTION

On 15 March 2021, the Company announced the potential dilution of the Company's shareholding interest in its subsidiary, Koh Brothers Eco Engineering Limited ("**KBE**"), pursuant to the proposed allotment and issue of 810,000,000 new ordinary shares in the capital of KBE to Penta-Ocean Construction Co., Ltd. (the "**Potential Dilution**"). As at the Latest Practicable Date, the Company holds 1,544,627,607 shares in KBE, representing approximately 76.94% of KBE's existing issued and fully-paid shares. The Company also holds 218,444,432 2017 Warrants issued by KBE, representing approximately 64.60% of the total number of issued 2017 Warrants, and when converted into shares of KBE, would represent approximately 9.81% of KBE's enlarged issued and fully-paid up shares as at the Latest Practicable Date taking into account the conversion of the 218,444,432 2017 Warrants held by the Company in KBE. KBE is listed on the Catalist.

The purpose of this Circular is to provide Shareholders with information relating to the Potential Dilution and to seek Shareholders' approval by way of an ordinary resolution for the Potential Dilution at the EGM to be held on 31 May 2021 at 11.00 a.m..

The SGX-ST assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Circular.

Shareholders are advised to exercise caution when dealing with the Shares of the Company and to refrain from taking any action which may be prejudicial to their interests. If Shareholders are in any doubt as to the action they should take, they should consult their stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

2. THE POTENTIAL DILUTION

2.1 Background

LETTER TO SHAREHOLDERS

On 15 March 2021, KBE announced that it had entered into a share subscription agreement with Penta-Ocean Construction Co., Ltd. ("**POC**") pursuant to which POC will subscribe for, and KBE will allot and issue to POC, 810,000,000 new ordinary shares in the capital of KBE ("**KBE Subscription Shares**") at an issue price of S\$0.047 for each KBE Subscription Share, amounting to an aggregate consideration of S\$38,070,000, which shall be satisfied by POC in cash (the "**Proposed Subscription**").

POC is incorporated in Japan and is listed on the first section of the Tokyo Stock Exchange with a market capitalisation of approximately JPY221,089,000,000 as at the Latest Practicable Date and a capital of approximately JPY30,449,000,000 as at 31 March 2021. POC is a leading general contractor operating in Japan and overseas. It specialises in marine works and land reclamation. POC also builds residential, commercial, and institutional buildings.

The Company understands that KBE is undertaking the Proposed Subscription to strengthen its financial position by increasing the KBE Group's capital base and for working capital requirements, and that this will provide the KBE Group with additional resources to bid for more capital-intensive projects and pursue potential growth opportunities. Further, the Company understands that the KBE Group has a strong track record in construction and civil engineering capabilities and intends to continue to pursue higher-value projects to support the KBE Group's long-term growth. The Proposed Subscription will also enable the KBE Group to push the boundaries on the KBE Group's suite of capabilities to leverage on the growth in public sector construction activities in Singapore.

The Company further understands that KBE believes that POC is a strong investor with a global perspective, and views the Proposed Subscription as an affirmation and endorsement of the KBE Group's business model and growth strategy.

The Issue Price is higher by approximately 30.56% as compared to the volume weighted average price of S\$0.036 per KBE share for trades done on the Catalist on 12 March 2021, being the preceding full market day prior to the signing of the Subscription Agreement on 15 March 2021. The Issue Price was arrived at following arm's length negotiations between KBE and POC on a willing buyer willing seller basis, where KBE took into account, *inter alia*, the advice of the financial adviser to KBE in relation to the Proposed Subscription, SAC Capital Private Limited.

Completion of the Proposed Subscription is conditional upon, amongst others, the issuance of a listing and quotation notice from the SGX-ST for the listing and quotation of the KBE Subscription Shares on the Catalist, the approval by the shareholders of KBE in a general meeting to be convened for the Proposed Subscription as well as the approval of the Shareholders at the EGM for the Potential Dilution of the Company's percentage shareholding in KBE, as a result of the issuance and allotment of the KBE Subscription Shares to POC (the "**KBGL Shareholder Approval**") (or the grant of a waiver from the SGX-ST in respect of the KBGL Shareholder Approval).

The Company understands that KBE has made an application to the SGX-ST, via its sponsor, for the listing of and quotation for the KBE Subscription Shares on the Catalist, and that KBE will make the necessary announcement(s) once the listing and quotation notice for the listing and quotation of the KBE Subscription Shares on the Catalist has been obtained from the SGX-ST.

The Company understands, based on KBE's announcement dated 15 March 2021, that KBE intends to use the net proceeds raised by the Proposed Subscription for the KBE Group's general working capital (including but not limited to matters such as funding new projects, capital improvements, the repayment of loans and the KBE Group's operating costs) and for business expansion (including financing new business ventures through joint venture, partnership, acquisitions and/or strategic investments).

2.2 Principal activities of the KBGL Group

The principal activities of the Company are those of investment holding and provision of management services. The KBGL Group is an established construction, property development and specialist engineering solutions provider. The principal activities and business divisions of the KBGL Group are as follows:

- (a) **Construction and Building Materials.** The KBGL Group's Engineering and Construction services are provided through KBE, which provides a complete and diverse range of infrastructure and building project management, products, services and solutions for the construction, bio-refinery and renewable energy industry. In addition, the Group through its Building Materials Division is a supplier of a range of building materials which are for building and infrastructure projects. The Building Materials Division manufactures and supplies ready-mixed concrete, as well as pre-cast concrete products such as facades, household shelters, bathroom units, columns, beams and planks to projects from government agencies, institutions and private developments.
- (b) **Real Estate.** The KBGL Group's Real Estate Division provides quality property developments with specialised lifestyle themes at choice locations. The real estate development projects undertaken by the KBGL Group include residential developments such as bungalows, apartments, condominiums and mixed-used developments. The Real Estate Division is also engaged in property investment and provides property management services.
- (c) **Leisure & Hospitality.** The KBGL Group's Leisure and Hospitality Division provides hospitality services through Oxford Hotel that comprises over 130 hotel rooms. The KBGL Group also owns and operates The Alocassia, which consists of resort-styled service apartments with 45 suites located at Bukit Timah Road.

2.3 Information on the KBE Group

The principal activities of KBE are those of investment holding and provision of management services. The principal activities and business divisions of the KBE Group are as follows:

- (a) **Engineering and Construction.** The Engineering and Construction Division provides engineering, procurement and construction services, specialising in providing building and civil engineering construction services for infrastructure, water and wastewater treatment and hydro-engineering projects.
- (b) **Bio-Refinery and Renewable Energy.** The Bio-Refinery and Renewable Energy Division provides engineering, procurement, construction and commissioning services for edible oil refining plants, turnkey outside-battery-limits infrastructure engineering, downstream high value niche processes and products, biodiesel and biogas recovery plants, and specialty chemical product trading, and engineering component sales and agency.

As at the Latest Practicable Date, KBE, which is listed on the Catalyst, has a market capitalisation of approximately S\$130.49million.

For FY2018, FY2019 and FY2020, the KBE Group's audited consolidated net revenues were approximately S\$328.82 million, S\$290.62 million and S\$182.26 million, respectively, and the KBE Group posted net profit after tax of approximately S\$5.94 million in FY2018, net profit after tax of approximately S\$6.18 million in FY2019 and net loss after tax of approximately S\$10.97 million in FY2020. Please refer to Appendix A of this Circular for more financial information relating to the KBE Group for the last three (3) financial years from FY2018 to FY2020.

The summary audited financial performance of the KBE Group and its contribution to the KBGL Group for FY2018, FY2019 and FY2020, were as follows:

LETTER TO SHAREHOLDERS

	FY2018		
	KBE Group (S\$'000)	KBGL Group (S\$'000)	Contribution of the KBE Group to the KBGL Group (%)
Revenue	328,815	403,645	81.46
Gross Profit	14,613	21,494	67.99
Net profit before income tax	7,021	9,313	75.39
Net profit after income tax	5,940	8,320	71.39

	FY2019		
	KBE Group (S\$'000)	KBGL Group (S\$'000)	Contribution of the KBE Group to the KBGL Group (%)
Revenue	290,623	353,712	82.16
Gross Profit	16,343	17,162	95.23
Net profit before income tax	6,925	8,678	79.80
Net profit after income tax	6,177	8,126	76.02

	FY2020		
	KBE Group (S\$'000)	KBGL Group (S\$'000)	Contribution of the KBE Group to the KBGL Group (%)
Revenue	182,264	243,066	74.99
Gross Profit	583	1,460	39.93
Net loss before income tax	(10,214)	(16,219)	62.98
Net loss after income tax	(10,969)	(16,719)	65.61

The summary audited financial position of the KBE Group and its contribution to the KBGL Group as at 31 December 2018, 31 December 2019 and 31 December 2020, were as follows:

	As at 31 December 2018		
	KBE Group (S\$'000)	KBGL Group (S\$'000)	Contribution of the KBE Group to the KBGL Group (%)
Non-current assets	66,050	347,633	19.00
Current assets	184,047	449,445	40.95
Non-current liabilities	6,934	266,293	2.60
Current liabilities	149,688	227,404	65.82

	As at 31 December 2019		
	KBE Group (S\$'000)	KBGL Group (S\$'000)	Contribution of the KBE Group to the KBGL Group (%)
Non-current assets	82,825	360,609	22.97
Current assets	232,017	498,169	46.57
Non-current liabilities	29,697	290,764	10.21
Current liabilities	178,164	245,304	72.63

LETTER TO SHAREHOLDERS

	As at 31 December 2020		
	KBE Group (S\$'000)	KBGL Group (S\$'000)	Contribution of the KBE Group to the KBGL Group (%)
Non-current assets	68,545	367,556	18.65
Current assets	209,184	451,819	46.30
Non-current liabilities	28,160	282,968	9.95
Current liabilities	143,558	233,837	61.39

2.4 Potential Dilution

As at the Latest Practicable Date, the Company holds 1,544,627,607 shares in KBE, representing approximately 76.94% of KBE's existing issued and fully-paid shares. The Company also holds 218,444,432 2017 Warrants.

As at the Latest Practicable Date, KBE has an issued and paid-up share capital of 2,007,613,004 ordinary shares, each fully paid-up. KBE does not have any treasury shares and subsidiary holdings. As at the Latest Practicable Date, KBE has 338,153,472 outstanding 2017 Warrants, expiring on 12 November 2021, and 75,777,456 outstanding 2018 Warrants, expiring on 25 September 2023. The 2018 Warrants are in-the-money.

Immediately following completion of the Proposed Subscription:

- (a) on the assumption that none of the outstanding 2017 Warrants and 2018 Warrants as at the Latest Practicable Date are exercised and that none of the outstanding Share Awards as at the Latest Practicable Date are vested as at the date of completion of the Proposed Subscription, KBE will have an enlarged issued and paid-up share capital of 2,817,613,004 shares (the "**Minimum Scenario Enlarged Share Capital of KBE**"). The KBE Subscription Shares would represent approximately 28.75% of the Minimum Scenario Enlarged Share Capital of KBE;
- (b) on the assumption that all of the outstanding 2017 Warrants and 2018 Warrants as at the Latest Practicable Date are exercised and that all of the outstanding Share Awards as at the Latest Practicable Date are vested as at the date of completion of the Proposed Subscription, KBE will have an enlarged issued and paid-up share capital of 3,232,742,592 shares (the "**Maximum Scenario Enlarged Share Capital of KBE**"). The KBE Subscription Shares would represent approximately 25.06% of the Maximum Scenario Enlarged Share Capital of KBE; and
- (c) on the assumption that none of the outstanding 2017 Warrants as at the Latest Practicable Date are exercised, all of the outstanding 2018 Warrants as at the Latest Practicable Date are exercised² and that all of the outstanding Share Awards as at the Latest Practicable Date are vested as at the date of completion of the Proposed Subscription, KBE will have an enlarged issued and paid-up share capital of 2,894,589,120 shares (the "**Partial Scenario Enlarged Share Capital of KBE**"). The KBE Subscription Shares would represent approximately 27.98% of the Partial Scenario Enlarged Share Capital of KBE.

The allotment and issue of the KBE Subscription Shares will result in the reduction of the percentage shareholding of the Company in KBE from approximately 76.94% to approximately 54.82% of the Minimum Scenario Enlarged Share Capital of KBE, approximately 54.54% of the Maximum Scenario Enlarged Share Capital of KBE and approximately 53.36% of the Partial Scenario Enlarged Share Capital of KBE. For the avoidance of doubt, following the allotment and issue of the KBE Subscription Shares, KBE will continue to be a subsidiary of the Company, and the Company will continue to hold more than 50% of the enlarged total number of issued shares in KBE immediately following the completion of the Proposed Subscription.

² Please refer to Footnote 1.

LETTER TO SHAREHOLDERS

The proforma financial statements of the KBGL Group for FY2020 are set out below and have been prepared based on the following key assumptions:

- (a) the Proposed Subscription had been completed on 1 January 2020 for the purpose of computing the financial effects on the consolidated loss of the Company;
 - (b) the Proposed Subscription had been completed on 31 December 2020 for the purpose of computing the financial effects on the NAV of the Company;
 - (c) NAV means total assets less the sum of total liabilities and non-controlling interest;
 - (d) all of the outstanding 2017 Warrants and 2018 Warrants are exercised and all of the outstanding Share Awards are vested as at the date of completion of the Proposed Subscription; and
 - (e) the proceeds from the Proposed Subscription are not used to repay any of the KBGL Group's existing borrowings.
- (A) Summary of consolidated statement of comprehensive income

	Audited FY2020 (S\$'000)	Unaudited Proforma FY2020 (S\$'000)
Revenue	243,066	243,066
Cost of sales	(241,606)	(241,606)
Gross profit	1,460	1,460
Other income	2,741	2,741
Other gains - net	3,116	3,116
Distribution and marketing expenses	(2,948)	(2,948)
Administrative expenses	(13,141)	(13,141)
Other expenses	(2,387)	(2,387)
Finance expenses	(10,833)	(10,833)
Share of loss of associated companies	(1,071)	(1,071)
Share of profit of joint ventures	6,844	6,844
Loss before income tax	(16,219)	(16,219)
Income tax expense	(500)	(500)
Loss after income tax	(16,719)	(16,719)
Loss attributable to:		
- Equity holders of the Company	(14,806)	(12,111)
- Non-controlling interests	(1,913)	(4,608)
	(16,719)	(16,719)

LETTER TO SHAREHOLDERS

(B) Summary of statements of financial position

	Audited as at 31 December 2020 (S\$'000)	Unaudited Proforma as at 1 January 2020 (S\$'000)	Unaudited Proforma as at 31 December 2020 (S\$'000)
Non-current assets	367,556	360,609	367,556
Current assets	451,819	498,169	504,885
Total assets	819,375	858,778	872,441
Non-current liabilities	282,968	290,764	282,968
Current liabilities	233,837	245,304	233,837
Total liabilities	516,805	536,068	516,805
Share capital	36,981	36,981	36,981
Treasury shares	(7,983)	(7,983)	(7,983)
Other reserves	(2,311)	(974)	(2,024)
Retained profits	270,633	283,247	266,806
Currency translation reserves	(9,432)	(9,475)	(8,855)
Equity attributable to equity holders of the Company	287,888	301,796	284,925
Non-controlling interests	14,682	20,914	70,711
Total equity	302,570	322,710	355,636
Total equity and liabilities	819,375	858,778	872,441

(C) Summary of statements of cash flow

	Audited FY2020 (S\$'000)	Unaudited Proforma FY2020 (S\$'000)
<u>Cash Flows from Operating Activities</u>		
Net cash generated from operating activities	28,518	28,518
<u>Cash Flows from Investing Activities</u>		
Net cash provided by investing activities	12,351	12,351
<u>Cash Flows from Financing Activities</u>		
Net cash (used in)/provided by financing activities	(24,117)	28,949
Net change in cash and bank balances	16,752	69,818
Cash and bank balances at beginning of financial year	85,195	85,195
Effect of currency translation on cash and bank balances	(98)	(98)
Cash and bank balances at end of financial year	101,849	154,915

LETTER TO SHAREHOLDERS

3. REQUIREMENTS UNDER THE LISTING MANUAL

3.1 Rule 805(2) of the Listing Manual

Under Rule 805(2) of the Listing Manual, an issuer must obtain the prior approval of its shareholders in a general meeting if a principal subsidiary of the issuer issues shares that will or may result in (a) the principal subsidiary ceasing to be a subsidiary of the issuer; or (b) a percentage reduction of 20% or more of the issuer's equity interest in the principal subsidiary.

The allotment and issue of the KBE Subscription Shares pursuant to the Proposed Subscription will result in the reduction of the percentage shareholding of the Company in KBE from approximately 76.94% to between 53.36% and 54.82% of the enlarged total number of issued shares in KBE (depending on whether the outstanding 2017 Warrants and 2018 Warrants are exercised and Share Awards are vested as at the date of completion of the Proposed Subscription). Accordingly, the Company's shareholding interest in KBE will be diluted by more than 20% from its current shareholding interest.

The Company is therefore seeking the approval of Shareholders at the EGM for the Potential Dilution which arises from the issuance and allotment of the KBE Subscription Shares to POC, pursuant to Rule 805(2)(b) of the Listing Manual.

4. CERTAIN FINANCIAL EFFECTS OF THE POTENTIAL DILUTION

4.1 Bases and Assumptions

The proforma financial effects of the Potential Dilution set out below are for illustrative purposes only and are based on (i) the KBGL Group's audited consolidated financial statements for FY2020 and (ii) the KBE Group's audited consolidated financial statements for FY2020, and the key assumptions as set out in Section 2.4 of this Circular.

4.2 NAV per Share

The NAV per Share of the Company would be as follows:

	As at 31 December 2020	Immediately after the Potential Dilution	% (Decrease)/ Increase
NAV attributable to equity holders (S\$'000)	287,888	284,925	(1.03)
Number of issued Shares ('000)	412,459	412,459	-
NAV per Share (Singapore cents)⁽¹⁾	69.80	69.08	(1.03)

Note:

- (1) The NAV per Share is calculated using the Company's NAV attributable to equity holders as at 31 December 2020 divided by the share capital of 412,459,100 ordinary shares (excluding 25,540,900 shares which are held as treasury shares) as at 31 December 2020.

4.3 LPS

The LPS for FY2020 of the Company would be as follows:

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	For FY2020 (Before the Potential Dilution)	For FY2020 (Assuming that the Potential Dilution had occurred on 1 January 2020)	% (Decrease)/ Increase
Net loss attributable to equity holders of the company (S\$'000)	(14,806)	(12,111)	(18.20)
Weighted average number of issued Shares ('000)	412,459	412,459	-
LPS on a fully diluted basis (Singapore cents)	(3.59)	(2.94)	(18.20)

4.4 Gearing

The gearing of the Company would be as follows:

	As at 31 December 2020	Immediately after the Potential Dilution	% (Decrease)/ Increase
Total borrowings (S\$'000)⁽¹⁾	360,708	360,708	-
Cash and bank balances (S\$'000)	101,849	154,915	52.10
Shareholders' funds (S\$'000)	287,888	284,925	(1.03)
Net gearing ratio (times)⁽²⁾	0.90	0.72	(19.67)

Notes:

- (1) Total borrowings comprise bank borrowings, lease liabilities and notes payables.
- (2) Net gearing ratio has been computed based on total borrowings net of cash and bank balances divided by shareholders' funds.

5. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

5.1 Directors' Interests

As at the Latest Practicable Date, the direct and deemed interests of the Directors in the Shares of the Company, based on information recorded in the register of Directors' shareholdings maintained by the Company, are as follows:

Directors	Direct Interest		Deemed Interest		Total	
	Number of Shares	%	Number of Shares	%	Number of Shares	%
Koh Tiat Meng ⁽¹⁾	8,908,654	2.16	Nil	-	8,908,654	2.16
Koh Teak Huat ⁽¹⁾	35,713,088	8.66	325,000 ⁽³⁾	0.08	36,038,088	8.74
Koh Keng Siang ⁽²⁾	30,007,035	7.28	60,020,000 ⁽⁴⁾⁽⁵⁾	14.55	90,027,035	21.83
Koh Keng Hiong ⁽²⁾	55,260,100	13.40	10,000 ⁽⁶⁾	0.00	55,270,100	13.40
Quek Chee Nee	25,896,814	6.28	Nil	-	25,896,814	6.28

LETTER TO SHAREHOLDERS

Directors	Direct Interest		Deemed Interest		Total	
	Number of Shares	%	Number of Shares	%	Number of Shares	%
Lee Sok Khian John	Nil	-	Nil	-	Nil	Nil
Er Dr Lee Bee Wah	605,000	0.15	Nil	-	605,000	0.15
Lai Mun Onn	100,000	0.02	Nil	-	100,000	0.02
Gn Hiang Meng	Nil	-	200,000	0.05	200,000	0.05
Ow Yong Thian Soo	Nil	-	Nil	-	Nil	Nil
Low Yee Khim	Nil	-	Nil	-	Nil	Nil

Notes:

- (1) Mr Koh Tiat Meng and Mr Koh Teak Huat are brothers.
- (2) Mr Koh Keng Siang and Mr Koh Keng Hiong are the sons of Mr Koh Tiat Meng and Mdm Quek Chee Nee, and the nephews of Mr Koh Teak Huat.
- (3) Mr Koh Teak Huat is deemed interested in the Shares held by his spouse, Mdm Quek Siew Lang.
- (4) Mr Koh Keng Siang is deemed interested in the 60,000,000 Shares held by Kohs Investment Pte. Ltd., of which Mr Koh Keng Siang is the sole shareholder and beneficial owner. Pursuant to Section 4 of the SFA, Mr Koh Keng Siang is deemed to have an interest in the 60,000,000 Shares held by Kohs Investment Pte. Ltd.
- (5) Mr Koh Keng Siang's deemed interest comprises (i) 60,000,000 Shares held by Kohs Investment Pte. Ltd., and (ii) 20,000 Shares held by his spouse, Mdm Phua Siew Gaik.
- (6) Mr Koh Keng Hiong is deemed interested in 10,000 Shares held by his spouse, Mdm Erliana Sutadi.

5.2 Substantial Shareholders' Interests

As at the Latest Practicable Date, the direct and deemed interests of the Substantial Shareholders in the Shares of the Company, based on information recorded in the register of Substantial Shareholders maintained by the Company, are as follows:

Name of Substantial Shareholder	Direct Interest		Deemed Interest		Total	
	Number of Shares	%	Number of Shares	%	Number of Shares	%
Koh Teak Huat	35,713,088	8.66	325,000 ⁽¹⁾	0.08	36,038,088	8.74
Koh Keng Siang	30,007,035	7.28	60,020,000 ⁽²⁾⁽⁴⁾	14.55	90,027,035	21.83
Koh Keng Hiong	55,260,100	13.40	10,000 ⁽³⁾	0.00	55,270,100	13.40
Quek Chee Nee	25,896,814	6.28	Nil	-	25,896,814	6.28
Kohs Investment Pte. Ltd.	60,000,000	14.55	Nil	-	60,000,000	14.55

Notes:

- (1) Mr Koh Teak Huat is deemed interested in the Shares held by his spouse, Mdm Quek Siew Lang.
- (2) Mr Koh Keng Siang is deemed interested in (i) 60,000,000 Shares held by Kohs Investment Pte. Ltd., and (ii) 20,000 Shares held by his spouse, Mdm Phua Siew Gaik.
- (3) Mr Koh Keng Hiong is deemed interested in 10,000 Shares held by his spouse, Mdm Erliana Sutadi.
- (4) The deemed interest arises from the 60,000,000 Shares held by Kohs Investment Pte. Ltd., of which Mr Koh Keng Siang is the sole shareholder and beneficial owner. Pursuant to Section 4 of the SFA, Mr Koh Keng Siang is deemed to have an interest in the 60,000,000 Shares held by Kohs Investment Pte. Ltd.

5.3 Interests in the Potential Dilution

As at the Latest Practicable Date, Koh Keng Siang (the Managing Director and Group CEO of the Company) has a direct interest in 13,120,000 shares in KBE, representing approximately 0.65% of KBE's existing issued and fully-paid up shares, and a deemed interest in

LETTER TO SHAREHOLDERS

1,544,629,607 shares in KBE, representing approximately 76.94% of KBE's existing issued and fully-paid up shares. Koh Keng Siang also holds directly 7,204,041 2017 Warrants and 2018 Warrants and has a deemed interest in 218,444,432 2017 Warrants held by the Company in KBE. Koh Keng Siang does not have any interest in the Share Awards of KBE.

As at the Latest Practicable Date, Lee Sok Khian John (an Executive Director of the Company) does not have any interest (direct or indirect) in the shares of KBE, nor does he have any interest (direct or indirect) in the 2017 Warrants, 2018 Warrants or the Share Awards of KBE.

Save for Koh Keng Siang (who is the Non-Executive and Non-Independent Chairman of KBE) and Lee Sok Khian John (who is a Non-Executive and Non-Independent Director of KBE), none of the Directors nor (so far as the Directors are aware) any Controlling Shareholders of the Company has any interest, direct or indirect, in the Potential Dilution (other than their direct or indirect shareholdings in the Company and KBE).

6. DIRECTORS' RECOMMENDATION

The Directors (save for Koh Keng Siang and Lee Sok Khian John who have abstained from making a recommendation) having considered, among others, the rationale for the Potential Dilution (as set out in Section 2.1 above), are of the view that the Potential Dilution is in the interests of the Company, and they recommend that Shareholders vote in favour of the Ordinary Resolution relating to the Potential Dilution at the EGM.

7. IRREVOCABLE UNDERTAKINGS

Mr Koh Tiat Meng, Mr Koh Teak Huat, Mr Koh Keng Siang, Mr Koh Keng Hiong, Mdm Quek Chee Nee and Kohs Investment Pte. Ltd. who in aggregate have an interest in approximately 52.41% of the total number of issued Shares in the Company as at the Latest Practicable Date, have undertaken, *inter alia*, (i) not to sell, transfer or otherwise dispose of, their respective shareholding interests in the Company, on or before the date of the EGM and (ii) to vote in favour of all resolutions which are proposed at the EGM to approve the Potential Dilution.

8. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages 21 to 22 of this Circular, will be held by way of electronic means at 11.00 a.m. on 31 May 2021 for the purpose of considering and, if thought fit, passing with or without modifications the ordinary resolution set out in the Notice of EGM on pages 21 to 22 of this Circular.

9. NO DESPATCH OF PRINTED COPIES OF CIRCULAR, NOTICE OF EGM AND PROXY FORM

No printed copies of this Circular, the Notice of EGM and the Proxy Form in respect of the EGM will be despatched to Shareholders. Copies of this Circular, the Notice of EGM and the Proxy Form have been uploaded to the Company's website at the URL <https://www.kohbrothers.com/for-investors> and will also be made available on SGXNET at the URL <https://www.sgx.com/securities/company-announcements>. A Shareholder will need an Internet browser and PDF reader to view these documents on the Company's website and on SGXNET.

10. ACTION TO BE TAKEN BY SHAREHOLDERS

10.1 No Attendance at EGM

To minimise physical interactions and COVID-19 transmission risks, Shareholders will not be

LETTER TO SHAREHOLDERS

able to attend the EGM in person.

10.2 Alternative Arrangements

Instead, alternative arrangements have been put in place to allow Shareholders who pre-register to participate at the EGM by (a) observing and/or listening to the EGM proceedings via "live" audio-visual webcast or "live" audio-only stream; (b) submitting questions related to the resolution tabled for approval, in advance of the EGM; and/or (c) appointing the Chairman of the EGM as proxy to attend, speak and vote on their behalf at the EGM.

Shareholders may begin to pre-register at <https://complete-corp.com/koh-brothers-group-egm/> for the "live" audio-visual webcast or "live" audio-only stream of the EGM proceedings and/or submit any questions that are related to the resolution tabled for approval via the pre-registration website at <https://complete-corp.com/koh-brothers-group-egm/>, by email to kohbrothersgroup-egm@complete-corp.com or by post to the Company's registered address at 11 Lorong Pendek, Koh Brothers Building, Singapore 348639 (Attn: The Company Secretary). Shareholders are to pre-register for the "live" audio-visual webcast or "live" audio-only stream of the EGM proceedings by 11.00 a.m. on 28 May 2021.

11. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Potential Dilution and the KBGL Group in relation to the Potential Dilution, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading.

Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

12. DOCUMENTS AVAILABLE FOR INSPECTION

Subject to prevailing regulations, orders, advisories and guidelines relating to safe distancing which may be issued by the relevant authorities, copies of the following documents are available for inspection at the registered office of the Company at 11 Lorong Pendek, Koh Brothers Building, Singapore 348639, during normal business hours from the date of this Circular up to and including the date of the EGM:

- (a) the Constitution of the Company; and
- (b) the annual report of the Company for FY2020.

The Constitution of the Company and the annual report of the Company for FY2020 may also be accessed at the Company's website at: <https://www.kohbrothers.com/for-investors>.

Yours faithfully,
For and on behalf of the Board of Directors of
Koh Brothers Group Limited

Koh Keng Siang
Managing Director & Group CEO

**APPENDIX A - CERTAIN FINANCIAL INFORMATION OF KBE GROUP FOR FY2018, FY2019 AND
FY2020**

**A. AUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME OF KBE GROUP
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2018, 2019 AND 2020**

	FY2018	FY2019	FY2020
	S\$'000	S\$'000	S\$'000
Revenue	328,815	290,623	182,264
Cost of sales	(314,202)	(274,280)	(181,681)
Gross profit	14,613	16,343	583
Other income	312	202	435
Other gains – net	2,863	949	1,058
Selling and distribution expenses	(854)	21	(847)
Administrative expenses	(9,175)	(8,620)	(8,209)
Finance expenses	(1,055)	(2,345)	(2,163)
Share of profit/(loss) of associated companies	317	375	(1,071)
Profit/(loss) before income tax	7,021	6,925	(10,214)
Income tax expense	(1,081)	(748)	(755)
Profit/(loss) after income tax	5,940	6,177	(10,969)
Other comprehensive (loss)/income:			
Currency translation differences arising from consolidation	(253)	39	(84)
Fair value gain/(loss) on debt financial assets, at FVOCI	48	(40)	(215)
	(205)	(1)	(299)
Total comprehensive income/(loss) for the period	5,735	6,176	(11,268)
Total comprehensive (loss)/income attributable to:			
Equity holders of the Company	5,427	5,647	(12,049)
Non-controlling interests	308	529	781
Total comprehensive (loss)/income	5,735	6,176	(11,268)

**APPENDIX A - CERTAIN FINANCIAL INFORMATION OF KBE GROUP FOR FY2018, FY2019 AND
FY2020**

**B. AUDITED STATEMENT OF FINANCIAL POSITION OF KBE GROUP AS AT 31 DECEMBER
2018, 31 DECEMBER 2019 AND 31 DECEMBER 2020**

	31 December 2018 S\$'000	31 December 2019 S\$'000	31 December 2020 S\$'000
Assets			
Non-current assets			
Trade and other receivables	5,640	-	-
Contract assets	10,882	2,411	3,869
Investments in associated companies	1,765	2,140	1,069
Property, plant and equipment	40,854	71,365	56,739
Goodwill	6,857	6,857	6,857
Deferred tax assets	52	52	11
	66,050	82,825	68,545
Current assets			
Cash and bank balances	20,553	47,206	56,215
Trade and other receivables	53,536	44,085	29,483
Contract assets	105,077	132,974	116,702
Inventories	116	216	355
Financial assets, at FVOCI	763	709	489
Income tax receivables	773	552	-
Other assets	3,229	6,275	5,940
	184,047	232,017	209,184
Total assets	250,097	314,842	277,729
Equity and liabilities			
Share capital	73,145	83,983	96,564
Warrants reserve	4,507	3,724	2,812
Currency translation reserve	(2,517)	(2,484)	(2,539)
Other reserves	(607)	(643)	(853)
Retained profits	15,868	19,958	7,780
Equity attributable to equity holders of the Company	90,396	104,538	103,764
Non-controlling interests	3,079	2,443	2,247
Total equity	93,475	106,981	106,011
Liabilities			
Non-current liabilities			
Trade and other payables	4,808	3,820	4,649
Bank borrowings and lease liabilities	1,632	25,354	23,009
Deferred tax liabilities	494	523	502
	6,934	29,697	28,160
Current liabilities			
Trade and other payables	98,803	101,200	73,532
Current income tax liabilities	-	-	361
Contract liabilities	4,990	12,447	7,347
Bank borrowings and lease liabilities	45,895	64,517	62,318
	149,688	178,164	143,558
Total liabilities	156,622	207,861	171,718
Total equity and liabilities	250,097	314,842	277,729

**APPENDIX A - CERTAIN FINANCIAL INFORMATION OF KBE GROUP FOR FY2018, FY2019 AND
FY2020**

**C. AUDITED CONSOLIDATED STATEMENT OF CASH FLOWS OF KBE GROUP FOR THE
FINANCIAL YEARS ENDED 31 DECEMBER 2018, 2019 AND 2020**

	FY2018 S\$'000	FY2019 S\$'000	FY2020 S\$'000
<u>Cash Flows from Operating Activities</u>			
Profit/(loss) after income tax	5,940	6,177	(10,969)
Adjustments for:			
Income tax expense	1,081	748	755
Depreciation of property, plant and equipment	6,634	14,042	16,740
Property, plant and equipment written off	-	-	2
Gain on disposal of property, plant and equipment	(2,258)	(828)	(1,146)
Fair value loss on financial assets at fair value through profit or loss	37	-	-
Share of (profit)/loss of associated companies	(317)	(375)	1,071
Interest expense	1,055	2,345	2,163
Interest income	(174)	(167)	(104)
Unrealised translation (gain)/loss	(460)	209	101
	11,538	22,151	8,613
Changes in working capital:			
- Trade and other receivables	5,714	9,458	14,626
- Inventories	74	(100)	(139)
- Contract assets and liabilities	(60,667)	(11,969)	9,714
- Other assets	1,980	(3,046)	335
- Trade and other payables	(1,539)	1,464	(27,105)
Cash generated from operating activities	(42,900)	17,958	6,044
Income tax (paid)/refunded	(2,240)	(497)	171
Net cash (used in)/ generated from operating activities	(45,140)	17,461	6,215
<u>Cash Flows from Investing Activities</u>			
Purchase of property, plant and equipment	(16,338)	(21,087)	(518)
Proceeds from disposal of property, plant and equipment	4,098	1,473	1,390
Proceeds from redemption of financial assets, at FVOCI	50	14	5
Interest received	211	159	104
Net cash (used in)/ generated from investing activities	(11,979)	(19,441)	981
<u>Cash Flows from Financing Activities</u>			
Deposit released	1,355	-	-
Proceeds from bank borrowings	34,539	36,550	11,250
Proceeds from rights cum warrants issue	23,287	-	-
Proceeds from exercise of warrants	-	10,000	11,650
Share issuance expenses	(260)	-	-
Repayment of bank borrowings	-	(3,800)	(11,727)
Principal repayment of lease liabilities	(2,657)	(8,875)	(5,941)
Dividends paid to equity holders of the Company	(1,047)	(1,564)	(399)
Dividends paid to non-controlling interests	(274)	(1,165)	(652)
Interest paid	(988)	(2,341)	(2,192)
Net cash/(used in) generated from financing activities	53,955	28,805	1,989
Net change in cash and bank balances	(3,164)	26,825	9,185
Beginning of financial year	23,509	20,553	47,206
Effect of currency translation on cash and bank balances	208	(172)	(176)
End of financial year	20,553	47,206	56,215

KOH BROTHERS GROUP LIMITED

(Company Registration No. 199400775D)
(Incorporated in the Republic of Singapore)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (“**EGM**”) of Koh Brothers Group Limited (the “**Company**”) will be held by way of electronic means at 11.00 a.m. on 31 May 2021 for the purpose of considering and, if thought fit, passing with or without any amendments the following ordinary resolution:

THE POTENTIAL DILUTION OF THE COMPANY’S SHAREHOLDING INTEREST IN KOH BROTHERS ECO ENGINEERING LIMITED

That:

- (a) the potential dilution of the Company’s shareholding interest in Koh Brothers Eco Engineering Limited (“**Potential Dilution**”) be and is hereby approved;
- (b) the Directors of the Company and each of them be and are/is hereby authorised to perform, complete and do all such acts and things (including approving, amending, modifying, supplementing and executing all such documents as the Directors may deem necessary or desirable) in connection with the Potential Dilution and/or any other transactions contemplated thereby and/or as they or he may consider necessary or desirable to give effect to this Resolution; and
- (c) any acts, matters and things done or performed, and/or documents signed, executed, sealed and/or delivered by a Director in connection with the Potential Dilution and this Resolution be and are hereby approved.

BY ORDER OF THE BOARD

Koh Keng Siang
Managing Director & Group CEO

Singapore, 15 May 2021

Notes:

1. The EGM is being convened and will be held by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Printed copies of this Notice of EGM will not be sent to members. Instead, this Notice of EGM will be sent to members by electronic means via publication on the Company’s website at <https://www.kohbrothers.com/for-investors>. This Notice of EGM will also be made available on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>.
2. Alternative arrangements relating to attendance at the EGM via electronic means (including arrangements by which the meeting can be electronically accessed via live audio-visual webcast or live audio-only stream), submission of questions to the Chairman of the EGM (“**Chairman**”) in advance of the EGM, addressing of substantial and relevant questions prior to or at the EGM and voting by appointing the Chairman as proxy at the EGM, are set out in the accompanying Company’s announcement dated 15 May 2021. This announcement may be accessed at the Company’s website at the URL <https://www.kohbrothers.com/for-investors> and will also be made available on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>.
3. **To minimise physical interactions and COVID-19 transmission risks, a member will not be able to attend the EGM in person. A member will also not be able to vote online on the resolution to be tabled for approval at the EGM. A member (whether individual or corporate) must appoint the Chairman as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM if such member wishes to exercise his/her/its voting rights at the EGM. The Chairman, as proxy, need not be a member of the Company.** The instrument for the appointment of proxy (“**proxy form**”) may be accessed at the Company’s website at <https://www.kohbrothers.com/for-investors> or the SGX website at the URL <https://www.sgx.com/securities/company-announcements>. Where a member (whether individual or corporate) appoints the Chairman as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the proxy form, failing which the appointment of the Chairman as proxy for that resolution will be treated as invalid.
4. The proxy form is not valid for use by investors who hold Shares through relevant intermediaries (“**Investors**”) (including CPF/SRS investors) and shall be ineffective for all intents and purposes if used or purported to be used by them. An Investor who wishes to vote should instead approach his/her/its relevant intermediary as soon as possible to specify his/her/its voting instructions. A CPF/SRS investor who wishes to vote should approach his/her CPF Agent Bank or SRS Operator by 5.00 p.m. on 19 May 2021,

being 7 working days before the date of the EGM to submit his/her voting instructions. This is so as to allow sufficient time for the respective relevant intermediaries to in turn submit a proxy form to appoint the Chairman to vote on their behalf by 11.00 a.m. on 28 May 2021.

5. The proxy form must be submitted to the Company in the following manner:
- (a) if submitted by post, be lodged at the Company's registered address at 11 Lorong Pendek, Koh Brothers Building, Singapore 348639 (Attn: The Company Secretary); or
 - (b) if submitted electronically, be submitted via email to kohbrothersgroup-egm@complete-corp.com.

in either case, by 11.00 a.m. on 28 May 2021, being 72 hours before the time appointed for holding the EGM.

A member who wishes to submit the proxy form must first download, complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

In view of the current COVID-19 situation and the related safe management measures which may make it difficult for members to submit completed proxy forms by post, members are strongly encouraged to submit completed proxy forms electronically via email.

6. In the case of members of the Company whose Shares are entered against their names in the Depository Register, the Company may reject any proxy form submitted if such members are not shown to have Shares entered against their names in the Depository Register (as defined in Part IIIA of the Securities and Futures Act, Chapter 289 of Singapore), as at 72 hours before the time appointed for holding the EGM as certified by The Central Depository (Pte) Limited to the Company.
7. All documents (including the annual report for FY2020, the proxy form, this Notice of EGM and the Circular) or information relating to the business of the EGM have been, or will be, published on SGXNet and the Company's website at <https://www.kohbrothers.com/for-investors>. **Printed copies of the documents will not be despatched to members.** Members and Investors are advised to check SGXNet and/or the Company's website regularly for updates.

Personal data privacy:

By submitting an instrument appointing the Chairman to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of the appointment of the Chairman as proxy for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines (collectively, the "Purposes").

In the case of a member who is a relevant intermediary, by submitting an instrument containing personal data of individuals, such member (i) warrants that it has obtained the prior consent of such individuals for the collection, use and disclosure by the Company (and/or its agents or service providers) of the personal data of such individuals in connection with their participation in the broadcast of the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes, and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (and/or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines, and (ii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

PROXY FORM

KOH BROTHERS GROUP LIMITED

(Company Registration No. 199400775D)
(Incorporated in the Republic of Singapore)

IMPORTANT

1. The EGM (as defined below) is being convened, and will be held, by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Printed copies of the Notice of EGM and this Proxy Form will not be sent to members. Instead, the Notice of EGM and this Proxy Form will be sent to members by electronic means via publication on the Company's website at the URL <https://www.kohbrothers.com/for-investors>. The Notice of EGM will also be made available on the SGX website at the URL <https://www.sqx.com/securities/company-announcements>.
2. Alternative arrangements relating to attendance at the EGM via electronic means (including arrangements by which the meeting can be electronically accessed via "live" audio-visual webcast or "live" audio-only stream), submission of questions to the Chairman (as defined below) in advance of the EGM, addressing of substantial and relevant questions prior to or at the EGM and voting by appointing the Chairman as proxy at the EGM, are set out in the accompanying Company's announcement dated **15 May 2021**. This announcement may be accessed at the Company's website at the URL <https://www.kohbrothers.com/for-investors> and will also be made available on the SGX website at the URL <https://www.sqx.com/securities/company-announcements>.
3. **To minimise physical interactions and COVID-19 transmission risks, a member will not be able to attend the EGM in person. A member will also not be able to vote online on the resolution to be tabled for approval at the EGM. A member (whether individual or corporate) must appoint the Chairman as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM if such member wishes to exercise his/her/its voting rights at the EGM. In appointing the Chairman as proxy, a member must give specific instructions as to voting, or abstentions from voting, in the proxy form, failing which the appointment will be treated as invalid.**
4. This proxy form is not valid for use by investors holding shares in the Company through relevant intermediaries (as defined in Section 181 of the Companies Act (Chapter 50 of Singapore)) ("Investors") (including investors holding through Central Provident Fund ("CPF") and Supplementary Retirement Scheme ("SRS") ("CPF/SRS investors")) and shall be ineffective for all intents and purposes if used or purported to be used by them. An Investor who wishes to vote should instead approach his/her relevant intermediary as soon as possible to specify his/her/its voting instructions. CPF/SRS investors who wish to appoint the Chairman as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 5.00 p.m. on 19 May 2021, being 7 working days before the date of the EGM.
5. By submitting an instrument appointing the Chairman as proxy, the member accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated **15 May 2021**.
6. **Please read the notes overleaf which contain instructions on, *inter alia*, the appointment of the Chairman as a member's proxy to attend, speak and vote on his/her/its behalf at the EGM.**

EXTRAORDINARY GENERAL MEETING

*I/We _____ (Name)
of _____ (Address)

being a *member/members of Koh Brothers Group Limited (the "**Company**") hereby appoint the Chairman of the Extraordinary General Meeting ("**Chairman**") as *my/our proxy to attend, speak and vote for *me/us on *my/our behalf at the Extraordinary General Meeting of the Company ("**EGM**") to be held by way of electronic means on **31 May 2021 at 11.00 a.m.** and at any adjournment thereof in the following manner:

ORDINARY RESOLUTION		For**	Against**	Abstain**
1.	To approve the Potential Dilution			

* *Delete accordingly*

** A tick or cross would represent that you are exercising all your votes "For" or "Against" or "Abstain" from voting on the resolution. Alternatively, you may indicate the number of Shares that you wish to vote for or against, and/or abstain from voting, for each resolution in the relevant box. **In the absence of specific directions in respect of a resolution, the appointment of the Chairman as your proxy for that resolution will be treated as invalid.**

Dated this _____ day of _____ 2021

Total Number of Shares held	
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Signature(s) or Common Seal of Members

IMPORTANT: PLEASE READ NOTES OVERLEAF

Notes:

1. A member should insert the total number of Shares held. If the member has Shares entered against his name in the Depository Register maintained by The Central Depository (Pte) Limited (as defined in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore), he should insert that number of Shares. If the member has Shares registered in his name in the Register of Members of the Company, he should insert that number of Shares. If the member has Shares entered against his name in the Depository Register and Shares registered in his name in the Register of Members of the Company, he should insert the aggregate number of Shares. If no number of Shares is inserted, this form of proxy will be deemed to relate to all the Shares held by the member of the Company.
2. To minimise physical interactions and COVID-19 transmission risks, a member will not be able to attend the EGM in person. A member will also not be able to vote online on the resolution to be tabled for approval at the EGM. A member (whether individual or corporate) must appoint the Chairman as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM if such member wishes to exercise his/her/its voting rights at the EGM. The Chairman, as proxy, need not be a member of the Company. This proxy form may be accessed at the Company's website at <https://www.kohbrothers.com/for-investors> and on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>. Where a member (whether individual or corporate) appoints the Chairman as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the proxy form, failing which the appointment of the Chairman as proxy for that resolution will be treated as invalid.
3. This proxy form is not valid for use by Investors and shall be ineffective for all intents and purposes if used or purported to be used by them. An Investor who wishes to vote should instead approach his/her relevant intermediary as soon as possible to specify his/her voting instructions. A CPF/SRS investor who wishes to vote should approach his/her CPF Agent Bank or SRS Operator by 5.00 p.m. on 19 May 2021, being 7 working days before the date of the EGM to submit his/her voting instructions.
4. This proxy form must be submitted to the Company in the following manner:
 - (a) if submitted by post, be lodged at the Company's registered address at 11 Lorong Pendek, Koh Brothers Building, 348639 (Attn: The Company Secretary); or
 - (b) if submitted electronically, be submitted via email to kohbrothersgroup-egm@complete-corp.com,

in either case, by 11.00 a.m. on 28 May 2021, being 72 hours before the time appointed for holding the EGM.

A member who wishes to submit the proxy form must first download, complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

In view of the current COVID-19 situation and the related safe management measures which may make it difficult for members to submit completed proxy forms by post, members are strongly encouraged to submit completed proxy forms electronically via email.

5. The proxy form must be under the hand of the appointor or of his attorney duly authorised in writing. Where the proxy form is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where a proxy form is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the proxy form, failing which the proxy form may be treated as invalid.
6. The Company shall be entitled to reject the proxy form if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the proxy form. In addition, in the case of members of the Company whose Shares are entered against their names in the Depository Register, the Company shall be entitled to reject any proxy form lodged if such members are not shown to have Shares entered against their names in the Depository Register as at 72 hours before the time appointed for holding the EGM as certified by The Central Depository (Pte) Limited to the Company.