



KOH BROTHERS GROUP LIMITED

(Unique Entity Number: 199400775D)

PURCHASE OF PROPERTY THROUGH TENDER

1 Introduction

The board of directors (the "**Board**") of Koh Brothers Group Limited (the "**Company**") and together with its subsidiaries, the "**Group**") is pleased to announce that the tender submitted by KBD Ventures Pte Ltd ("**KBV**"), a wholly owned subsidiary of the Company, for the collective purchase (the "**Purchase**") of the property known as "Toho Mansion" located at 186, 186A, 186B, 186C, 188, 188A, 188B, 188C, 190, 190A, 190B, 190C, 192, 192A, 192B, 192C, 194, 194A, 194B, 194C, 196, 196A, 196B, 196C, 198, 198A, 198B, 198C, 200, 200A, 200B and 200C Holland Road, Singapore 278583 (the "**Property**") at the purchase price of S\$120,428,000 (the "**Purchase Price**"), had been duly accepted by the owner of the Property (the "**Owner**") on 8 March 2018 (the "Date of Acceptance").

The Purchase is within the Group's ordinary course of business.

2 Description of Property

The Property comprises 32 freehold walk up apartments with a site area of approximately 4,427.7 square metres. KBV intends to redevelop the Property, subject to obtaining all the necessary approvals from the relevant authorities.

3 Purchase Price

A tender fee of S\$500,000 had been paid upon the submission of the tender offer by KBV. KBV shall make a payment of 10% of the Purchase Price (less the tender fee) within 5 business days after the Date of Acceptance.

The sale and purchase of the Property shall be completed and the balance 90% of the Purchase Price shall be paid 3 months after the Date of the Acceptance.

4 Funding of the Purchase

The Purchase will be funded by internal resources and bank borrowings.

5 Key Terms of the Purchase

In addition to the key terms of the Purchase mentioned above, other key terms include the following:

- (i) the Property is sold with vacant possession to be delivered by 8 December 2018;
- (ii) the Property is sold free from encumbrances and the title to the Property shall be properly deduced; and
- (iii) the sale of the Property is subject to KBV obtaining the approval of the Land Dealings (Approval) Unit pursuant to the Residential Property Act for the purchase of the Property on or before the Completion Date.

6 Rationale for Purchase

The Company believes that the Purchase will allow the Group to expand its development portfolio in Singapore.

7 Financial Effects

The Purchase is not expected to have a material impact on the earnings per share or net tangible assets per share of the Group for the current financial year ending 31 December 2018.

8 Interests of Directors and Controlling Shareholders

None of the directors or controlling shareholders of the Company has any interest, direct or indirect, in the Purchase, save for their shareholdings in the Company.

By order of the Board

Koh Keng Siang
Managing Director & Group CEO

9 March 2018