KOH BROTHERS ECO ENGINEERING LIMITED
(formerly known as Metax Engineering Corporation Limited)
(the "Company")
(Unique Entity Number: 197500111H)

USE OF NET PROCEEDS

*Unless otherwise defined, all terms and references used herein shall bear the same meaning ascribed to them in the Company's circular to shareholders dated 24 January 2013 (the "**Circular**").*

The Board of Directors of Koh Brothers Eco Engineering Limited (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to update on the utilisation of net proceeds from the allotment and issue of Subscription Shares to Koh Brothers Group Limited on 28 February 2013. As of today, the net proceeds have been partially utilised as follows:-

Proceeds from the Proposed Subscription	**Original allocation of proceeds**	**Cumulative amount utilised as at the date of this announcement**	**Revised allocation of proceeds**
	S$'000	**S$'000**	**S$'000**
	(A)	**(B)**	**(C)**
(a) Business growth and investment opportunities	1,984	-	-
(b) Repayment of the Shareholders' Loans Repayment of the Shareholders' loans were based on the restructuring agreements.	3,724	1,914	3,724
(c) General working capital purposes General working capital relates primarily to general and administrative expenses.	2,227	2,227	4,211
Total	7,935	4,141	7,935

To date, the allocation and utilisation of the net proceeds is in accordance with the intended allocation and utilisation as disclosed in the Circular (please refer to columns A and B). Due to the additional working capital requirements of the Group, including in particular the financing requirements of new and existing projects, the Company intends to change the usage of proceeds. The revised allocation of proceeds is shown in column C above.

The Company will continue to make future periodic announcements on the use of the remaining proceeds as and when they are materially disbursed.

By Order of the Board
Koh Keng Siang
Chairman
2 September 2014

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, Stamford Corporate Services Pte Ltd, for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "**Exchange**"). The Company's Sponsor has not independently verified the contents of this announcement.*

This announcement has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this announcement including the correctness of any of the statements or opinions made or reports contained in this announcement.

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