**KOH BROTHERS GROUP LIMITED**
(Unique Entity Number: 199400775D)
(the "Company")

**RESPONSES TO SGX-ST'S QUERIES IN RELATION TO THE ANNUAL REPORT 2014**

**SGX-ST'S QUERY**

*"Paragraph 9.3 of the Code states that the Company should disclose in aggregate the total remuneration paid to the top five key management personnel (who are not directors or the CEO). As required by Rule 1207(12) of the Listing Manual, please make disclosures as recommended in paragraph 9.3 of the Code of Corporate Governance 2012 (the "Code") or otherwise explain the reason(s) for the deviation from the following Code recommendations."*

**OUR RESPONSE**

The Company is mindful of Rule 9.3 of the Code. On page 31 of the Company's annual report, it has disclosed the remuneration of the Company's top 5 key management personnel in two bands of "S$250,000 to S$499,999" and "Below S$250,000". Due to the competitiveness of the current market for talent and the commercial sensitivity for remuneration, the Board has on review, decided not to disclose the remuneration of the top five key management personnel.

In compliance with the Code, the Company has also disclosed on page 31 of the annual report, the breakdown, in percentage terms of each key management personnel's remuneration earned through fees, salary, bonuses and other variable performance components and allowances and other benefits.

**SGX-ST'S QUERY**

*"Please provide further details on the rigorous review of independent directors who have served for more than nine years."*

**OUR RESPONSE**

On page 25 of the annual report, the Company disclosed that it had done a rigorous review of Independent Directors who have served for more than nine years.

This includes, and not limited to, considering the length of service and the continued independence of the relevant Directors. The Board has determined that Messrs Lee Khoon Choy, Ling Teck Luke and Lai Mun Onn remained independent of character and judgment and there were no relationship or circumstances which were likely to affect, or could appear to affect, the judgment of the aforesaid Independent Directors. The independence of character and judgment of each Director concerned was not in any way affected or impaired by the length of service. Therefore, the Board is satisfied as to the performance and continued independence of judgment of Mr Lee, Mr Ling and Mr Lai.

**SGX-ST'S QUERY**

*"Pursuant to Rules 610(5) and 1207(10), please disclose opinion of the board, with the concurrence of the audit committee on the adequacy of the internal controls, addressing financial, operational and compliance risks."*

**OUR RESPONSE**

On page 33 of the Company's annual report, the Company stated that the Board is of the view that the Group's risk management and internal control systems are adequate and effective.

The Board wishes to confirm that with the concurrence of the Audit and Risk Committee, it is of the view that the internal controls, addressing financial, operational and compliance risks are adequate.

BY ORDER OF THE BOARD

Koh Keng Siang
Managing Director & Group CEO
27 April 2015