

**KOH BROTHERS ECO ENGINEERING LIMITED**

(Unique Entity Number: 197500111H)

(Incorporated in Singapore)

USE OF NET PROCEEDS OF RIGHTS CUM WARRANTS ISSUE

The board of directors (the “**Board**”) of Koh Brothers Eco Engineering Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the announcements dated 29 June 2018, 23 August 2018, 3 September 2018, 21 September 2018, 26 September 2018 and 10 October 2018 as well as the Offer Information Statement dated 3 September 2018 (“**OIS**”) in relation to the Rights cum Warrants Issue. Unless otherwise defined, all capitalised terms shall bear the same meanings ascribed to them in the OIS.

The Board wishes to update Shareholders on the use of the net proceeds raised from the Rights cum Warrants Issue as set out below:

Use of Net Proceeds	Amount Allocated (S\$ million)	As a percentage of the Net Proceeds	Amount Utilised as at 15 November 2018 (S\$ million)	Amount Remaining as at 15 November 2018 (S\$ million)
Business Expansion	6.91	30.00%	5.25 ⁽¹⁾	1.66
General Working Capital Purposes	16.12	70.00%	16.12 ⁽²⁾	Nil

Notes:

- (1) *This amount was used for the repayment of an existing bridging loan which was utilised for business expansion purposes (ie, to meet the working capital injection requirements for the operations of a joint operation entity in the ordinary course of business).*
- (2) *As disclosed on Pages 28 to 29 of the OIS, “General Working Capital Purposes” includes but is not limited to project funding, capital improvements and repayment of loans and it was estimated that approximately S\$4.0 million shall be used to discharge, reduce or retire the existing indebtedness of the Group, being an existing working capital revolving credit facility maturing on or about 3 October 2018. As at 15 November 2018, the Company has utilised approximately S\$16.12 million for General Working Capital Purposes for: (i) the repayment of a bank loan which amounted to S\$4.0 million; and (ii) project funding of S\$12.12 million.*

The above utilisation of the net proceeds raised from the Rights cum Warrants Issue is consistent with the intended use of net proceeds disclosed in the OIS.

The Company will continue to make periodic announcements on the utilisation of the balance of the net proceeds as and when such proceeds are materially deployed.

By Order of the Board

Koh Keng Siang
Non-Executive and Non-Independent Chairman

15 November 2018

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 “**SGX-ST**”). The Company's Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST 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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