

**KOH BROTHERS ECO ENGINEERING LIMITED**

(Unique Entity Number: 197500111H)

(Incorporated in Singapore)

(The “Company”)

USE OF NET PROCEEDS OF RIGHTS CUM WARRANTS ISSUE

The board of directors (the “**Board**”) of the Company, 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, 10 October 2018, 15 November 2018 (collectively, the “**Previous Announcements**”), and to the Offer Information Statement dated 3 September 2018 (the “**OIS**”) in relation to the Rights cum Warrants Issue. Unless otherwise defined, all capitalized 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 11 March 2019 (S\$ million)	Amount Unutilised as at 11 March 2019 (S\$ million)
Business Expansion	6.91	30.00%	6.91 ⁽¹⁾	Nil
General Working Capital Purposes	16.12	70.00%	16.12 ⁽²⁾	Nil

Notes:

- (1) Included S\$1.66 million utilised to meet the working capital injection requirements for the operation of a joint operation entity in the ordinary course of business and the repayment of a bridging loan of S\$5.25 million as disclosed in our Previous Announcements, both of which are in line with the Group’s Business Expansion purposes.
- (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 would 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 disclosed in our Previous Announcements, 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 the net proceeds disclosed in the OIS. Following this, the net proceeds raised from the Rights Cum Warrants Issue have been fully utilised.

By order of the Board

Koh Keng Siang

Non-Executive and Non-Independent Chairman

12 March 2019

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 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.

The contact person for the Sponsor is Mr Ng Joo Khin (Tel: 6389 3000 or email: jookhin.ng@morganlewis.com).