



**KOH BROTHERS GROUP LIMITED**

(Unique Entity Number: 199400775D)

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**RESPONSES TO SGX-ST'S QUERIES ON THE COMPANY'S ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021**

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The Board of Directors (the "Board") of Koh Brothers Group Limited (the "Company", and together with its subsidiaries, the "Group") wishes to announce the following in response to the queries raised by the Singapore Exchange Securities Trading Limited ("SGX-ST") on 22 April 2022 in relation to the Company's Annual Report for the financial year ended 31 December 2021. All capitalised terms used in this announcement shall bear the meaning as ascribed to them in the Annual Report.

**SGX-ST's Queries**

We refer to Koh Brothers Group Ltd's Annual Report for FY2021 issued on 11 April 2022. Please find our queries below which we require the Company to respond to via an announcement on SGXNet by Monday, 25 April 2022. In your announcement, please disclose our questions and your corresponding answers to enable investors to understand the matters raised by the Exchange. If our queries have been addressed previously, please contact us to clarify.

- 1) Provision 2.4 of the Code of Corporate Governance 2018 (the "Code") requires the board diversity policy and progress made towards implementing the board diversity policy, including objectives, to be disclosed in the Company's Annual Report.

We note that the Company had not disclosed your board diversity policy and progress made towards implementing the board diversity policy, including objectives. Please disclose if the Company has a formal board diversity policy and the progress made towards implementing the board diversity policy, or explain how the practices the Company had adopted are consistent with the intent of Principle 2 of the Code.

- 2) Listing Rule 907 prescribes the format for disclosure of interested person transactions, which includes disclosure of the nature of relationship with the interested person. We note that the Company has not disclosed the nature of relationship in its interested person transactions on page 39 of the Annual Report. Please disclose the required information accordingly.

**SGX-ST's Query 1**

Provision 2.4 of the Code of Corporate Governance 2018 (the "Code") requires the board diversity policy and progress made towards implementing the board diversity policy, including objectives, to be disclosed in the Company's Annual Report.

We note that the Company had not disclosed your board diversity policy and progress made towards implementing the board diversity policy, including objectives. Please disclose if the Company has a formal board diversity policy and the progress made towards implementing the board diversity policy, or explain how the practices the Company had adopted are consistent with the intent of Principle 2 of the Code.

### **The Company's Response to Query 1**

As disclosed on page 26 of the Company's Annual Report, the Board is made up of 13 Directors comprising 5 Executive Directors, 1 Non-Executive and Non-Independent Director, and 7 Independent Directors. The Directors have been appointed based on their calibre, expertise and experience. Board members comprise business leaders and professionals with finance, legal and industry knowledge. The Board, in concurrence with the Nominating Committee ("NC"), is satisfied that the Board has the appropriate mix of expertise and experience, and collectively possess the necessary core competencies to lead and govern the Group effectively. The NC had considered, amongst others, the skills, knowledge and experience required of the Board, in light of (a) the geographical spread and diversity of the Group's business; (b) the strategic direction and progress of the Group; (c) the current composition of the Board; and (d) the need for independence. Three (3) new independent directors were appointed on 1 January 2022.

The Board supports diversity as part of its policy for the selection, appointment and re-appointment of Directors, for the purpose of enhancing Board effectiveness. The Board currently comprises two (2) female directors, Er Dr Lee Bee Wah and Mdm Quek Chee Nee. They were selected taking into account, amongst others, their qualifications, extensive experience and expertise in relevant areas such as construction and engineering and their ability to add to the depth of Board and Committee discussions. The Audit & Risk Committee is chaired by Dr. Lee Bee Wah. Dr. Lee is also the Lead Independent Director and Mdm. Quek is a Non-Executive and Non-Independent Director. The Company's two female Directors represent about 15.4% of the Board.

The Board is therefore of the view that the Board has an appropriate level of independence. They comprise Directors who, as a group, have an appropriate balance and mix (as well as breadth and depth) of skills, knowledge and experience, and diversity of thought and background, so as to foster constructive and robust debate and avoid "groupthink". On this basis, the Board believes that the Company's practice is consistent with the intent of Principle 2 of the Code.

The Board does not intend to appoint persons as Directors solely by reason of their race, religion, gender or age simply to meet quotas as they believe that the candidate must have the relevant skills, expertise and experience, and be of the right fit to meet the relevant needs and vision of the Board and the Company at the material time. The Board remains committed to its diversity policy and is currently applying the same principles when looking for potential candidates as Directors. Nonetheless, the Board acknowledges that improvements to Board diversity are an ongoing process and will continue to review its diversity policy from time to time.

### **SGX-ST's Query 2**

Listing Rule 907 prescribes the format for disclosure of interested person transactions, which includes disclosure of the nature of relationship with the interested person. We note that the Company has not disclosed the nature of relationship in its interested person transactions on page 39 of the Annual Report. Please disclose the required information accordingly.

## The Company's Response to Query 2

<b>Name of interested person</b>	<b>Nature of relationship</b>	<b>Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) (S\$'000)</b>	<b>Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000) (S\$'000)</b>
Benjamin Koh Yong Jun ("Mr Benjamin Koh")	Note 1	147	-
Rachel Koh Han Ling ("Miss Rachel Koh")	Note 2	202	-

Note 1:

Mr Benjamin Koh is the son of Mr Koh Keng Siang ("KKS"), who is a Substantial Shareholder, the Managing Director and Group CEO of the Company; nephew of Mr Koh Keng Hiong ("KKH"), who is a Substantial Shareholder and the Executive Director and Deputy CEO (Real Estate and Leisure & Hospitality divisions) of the Company; grandson of Mr Koh Tiat Meng ("KTM"), who is the Executive Chairman of the Company; grandson of Mdm Quek Chee Nee ("QCN"), who is a Substantial Shareholder, Non-Executive and Non-Independent Director of the Company and grandnephew of Mr Koh Teak Huat ("KTH"), who is a Substantial Shareholder and the Executive Deputy Chairman of the Company.

Note 2:

Miss Rachel Koh is the daughter of KKS, who is a Substantial Shareholder, the Managing Director and Group CEO of the Company; niece of KKH, who is a Substantial Shareholder, the Executive Director and Deputy CEO (Real Estate and Leisure & Hospitality divisions) of the Company; granddaughter of KTM, who is the Executive Chairman of the Company; granddaughter of QCN, who is a Substantial Shareholder, Non-Executive and Non-Independent Director of the Company and grandniece of KTH, who is a Substantial Shareholder and the Executive Deputy Chairman of the Company.

By Order of the Board

Koh Keng Siang  
Managing Director and Group CEO

25 April 2022