



KOH BROTHERS GROUP LIMITED

(Unique Entity Number: 199400775D)

(Incorporated in Singapore)

(The “**Company**”)

PROPOSED REDUCTION OF FINAL DIVIDEND FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

The Board of Directors (the “**Board**”) of the Company refers to the Full Year Financial Statements and Dividend Announcement released on 23 January 2020 and to the Company’s Annual Report 2019 released on 14 April 2020 in relation to the proposed first and final tax-exempt dividend (one-tier) of 0.40 Singapore cent per ordinary share (the “**Proposed Final Dividend**”).

The current Covid-19 situation that began at the start of 2020 has developed into a rapidly evolving global pandemic, which has severely impacted the economies in Singapore and overseas. The construction, building materials, real estate and hospitality industries, the Group’s core industries, have been affected. Financial uncertainty in the current economic climate is expected to continue, prompting the need to conserve cash flow resources in the event that the Covid-19 measures were to be extended and to meet anticipated business challenges.

Management is taking precautionary steps to adopt measures to conserve the cash resources of the Group to sustain its business operations and ongoing projects to ensure the viability of the Group and that its working capital requirements are met until the Covid-19 situation improves.

After careful consideration and for sake of prudence, the Board wishes to announce that the Proposed Final Dividend will be revised to a first and final one-tier tax exempt dividend of 0.25 Singapore cent per ordinary share for the financial year ended 31 December 2019 (the “**Proposed Revised Final Dividend**”) and the same will be tabled at the forthcoming AGM for shareholders’ approval.

The Board will announce the record date and payment date for the Proposed Revised Final Dividend in due course.

By Order of the Board

Koh Keng Siang
Managing Director & Group CEO

5 June 2020