

**KOH BROTHERS GROUP LIMITED**

(Unique Entity Number: 199400775D)

MATERIAL VARIANCES BETWEEN THE UNAUDITED FINANCIAL STATEMENTS AND AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

Koh Brothers Group Limited (the “Company” and together with its subsidiaries, the “Group”) refers to its unaudited full year financial results announcement for the financial year ended 31 December 2022 (“FY2022”) released on 25 January 2023 (“Unaudited Financial Statements”).

Pursuant to Rule 704(6) of the Listing Manual of Singapore Exchange Trading Limited, the Company wishes to highlight and clarify the material differences between the Unaudited Financial Statements and the audited financial statements for the financial year ended 31 December 2022 following the finalisation of the audit and issuance of the auditor’s report by the Company’s external auditors, PricewaterhouseCoopers LLP (“Audited Financial Statements”).

The material differences between the Unaudited Financial Statements and Audited Financial Statements relate to the Group’s share of results arising from its joint operations (“Joint Operations”) and is due to the adjustments arising from the Joint Operations’ audits which were concluded after the issuance of the Unaudited Financial Statements. These adjustments have been reviewed by the Audit and Risk Committee of the board of directors of the Company, and increase the Group’s revenue, cost of sales, contract assets and contract liabilities by S\$2.368 million. There is no impact on the Group’s gross profit and profit before income tax for the financial year ended 31 December 2022 and net asset position as at 31 December 2022.

A summary of the differences between the Audited Financial Statements and Unaudited Financial Statements are as follows:

	Note	Audited Financial Statements	Unaudited Financial Statements	Variance	Increase/ (Decrease)
		S\$’000	S\$’000	S\$’000	%
Revenue	A	353,050	350,682	2,368	0.7
Cost of sales	A	(327,012)	(324,644)	(2,368)	0.7
Contract assets	A	182,243	179,875	2,368	1.3
Contract liabilities	A	15,058	12,690	2,368	18.7

Note A - The variance is due to the adjustments made by the auditors of the Joint Operations as the audits of the Joint Operations were concluded only after the issuance of the Unaudited Financial Statements on 25 January 2023.

By Order of the Board

Koh Keng Siang
Managing Director & Group CEO

10 April 2023