KOH BROTHERS ECO ENGINEERING LIMITED
(Unique Entity Number: 197500111H)
(Incorporated in Singapore)

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 0.05 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 and bio-refinery 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 prudency, the Board wishes to announce that the Proposed Final Dividend will be revised to a first and final one-tier tax exempt dividend of 0.02 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 by the Board

Koh Keng Siang
Non-Executive and Non-Independent Chairman

5 June 2020

This document has been reviewed by the Company's sponsor, Stamford Corporate Services Pte. Ltd. (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") and the SGX-ST assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.

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