

APPENDIX DATED 12 APRIL 2021

THIS APPENDIX IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

If you have sold or transferred all your Shares in the capital of Koh Brothers Group Limited (the “**Company**”), you should immediately inform the purchaser or transferee or bank, stockbroker or other agent through whom the sale or transfer was effected for onward notification to the purchaser or transferee, that this Appendix (together with the Notice of Annual General Meeting and the accompanying Proxy Form) and the Annual Report may be accessed at the Company’s website at <https://www.kohbrothers.com/en/for-investors> and SGXNet.

The Singapore Exchange Securities Trading Limited assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Appendix.



KOH BROTHERS GROUP LIMITED
(Unique Entity Number: 199400775D)
(Incorporated in the Republic of Singapore)

APPENDIX TO SHAREHOLDERS
IN RELATION TO
THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE

The purpose of this Appendix is to provide information and explain to shareholders of the Company the rationale for the proposed renewal of the Share Purchase Mandate to be tabled at the Company’s Annual General Meeting to be held by way of electronic means on 27 April 2021 (Tuesday) at 4.00 p.m. (the “**2021 AGM**”).

DEFINITIONS

In this Appendix, the following definitions shall apply throughout unless the context otherwise requires:

“2020 Share Purchase Mandate”	:	Has the meaning ascribed to it in Section 2.1 of this Appendix
“2020 AGM”	:	AGM of the Company which was held on 25 June 2020
“2021 AGM”	:	AGM of the Company to be held on 27 April 2021
“AGM”	:	Annual General Meeting of the Company
“Appendix”	:	This Appendix dated 12 April 2021 in relation to the proposed renewal of the Share Purchase Mandate
“CEO”	:	Chief Executive Officer
“Companies Act”	:	The Companies Act, Chapter 50 of Singapore, as amended or modified from time to time
“Company” or “Koh Brothers”	:	Koh Brothers Group Limited
“Constitution”	:	The constitution of the Company, as amended, modified or supplemented from time to time
“Directors”	:	The directors of the Company as at the Latest Practicable Date
“LPS”	:	Loss per Share
“financial year”	:	The period of 12 months commencing on 1 January each year and ending on 31 December the same year
“FY2020”	:	Financial year ended 31 December 2020
“Group”	:	The Company and its subsidiaries
“Latest Practicable Date”	:	7 April 2021, being the latest practicable date prior to the uploading of this Appendix on the Company’s website and the SGXNet
“Listing Manual”	:	The listing manual of the SGX-ST, as amended or modified from time to time
“Market Day”	:	A day on which the SGX-ST is open for trading in securities
“NAV”	:	Net asset value
“Relevant Directors”	:	Has the meaning ascribed to it in Section 2.10.3 of this Appendix
“SFA”	:	The Securities and Futures Act, Chapter 289 of Singapore, as amended or modified from time to time
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Share Purchase Mandate”	:	The mandate to authorise the Directors to exercise all powers of the Company to purchase or otherwise acquire its issued Shares on the terms of such mandate
“Shareholders”	:	Means: (a) where the Depository is named in the register of members of the Company as the holder of shares, a Depositor in respect of the number of shares standing to the credit of his name in the Depository Register; and

(b) in any other case, a person whose name appears on the register of members maintained by the Company pursuant to Section 190 of the Companies Act and/or any other applicable law

“Shares”	:	Ordinary shares in the capital of the Company
“Substantial Shareholder”	:	A person who has an interest in one or more voting shares (excluding treasury shares) in a company and the total votes attached to such share(s) is not less than 5% of the total votes attached to all the voting shares (excluding treasury shares) in the company
“Take-over Code”	:	The Singapore Code on Take-overs and Mergers, as amended or modified from time to time
“S\$” and “cents”	:	Singapore dollars and cents, respectively
“%” or “per cent.”	:	Percentage or per centum

The terms “Depositor”, “Depository” and “Depository Register” shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

The term “subsidiary” shall have the meaning ascribed to it in Section 5 of the Companies Act.

The term “subsidiary holdings” shall have the meaning ascribed to it in the Listing Manual.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall include corporations.

Any reference in this Appendix to any statute or enactment is a reference to that statute or enactment for the time being amended or re-enacted. Any word defined under the Companies Act, the SFA, the Listing Manual, the Take-over Code or any modification thereof and used in this Appendix shall have the meaning assigned to it under the Companies Act, the SFA, the Listing Manual, the Take-over Code or any modification thereof, as the case may be, unless otherwise provided.

Any reference to a time of day and date in this Appendix is a reference to Singapore time and date, respectively, unless otherwise stated. Any reference to currency set out in this Appendix is a reference to S\$ unless otherwise stated.

Any discrepancies in figures included in this Appendix between the amounts shown and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Appendix may not be an arithmetic aggregation of the figures that precede them.

KOH BROTHERS GROUP LIMITED
(Unique Entity Number: 199400775D)
(Incorporated in the Republic of Singapore)

Board of Directors

Koh Tiat Meng (*Executive Chairman*)
Koh Teak Huat (*Executive Deputy Chairman*)
Koh Keng Siang (*Managing Director and Group CEO*)
Koh Keng Hiong (*Executive Director and Deputy CEO*)
(*Leisure & Hospitality and Real Estate Divisions*)
Lee Sok Khian John (*Executive Director*)
Quek Chee Nee (*Non-Independent Director and Non-Executive Director*)
Er Dr Lee Bee Wah (*Lead Independent Director*)
Lai Mun Onn (*Independent Director*)
Gn Hiang Meng (*Independent Director*)
Ow Yong Thian Soo (*Independent Director*)
Low Yee Khim (*Independent Director*)

Registered Office

11 Lorong Pendek
Koh Brothers Building
Singapore 348639

12 April 2021

To: The Shareholders of **Koh Brothers Group Limited**

Dear Shareholders

1. INTRODUCTION

The purpose of this Appendix is to provide Shareholders with information relating to the proposed renewal of the Share Purchase Mandate to be tabled at the 2021 AGM, and to seek Shareholders' approval at the 2021 AGM for the same.

The SGX-ST assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Appendix.

If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

2. THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE

2.1 Background

At the 2020 AGM held on 25 June 2020, Shareholders had approved the adoption of a share purchase mandate (the "**2020 Share Purchase Mandate**") to enable the Company to purchase or otherwise acquire issued Shares. The rationale for, and the authority and limitations on, the 2020 Share Purchase Mandate were set out in the appendix to Shareholders dated 5 June 2020.

The 2020 Share Purchase Mandate will expire on the date of the forthcoming AGM being the 2021 AGM. Accordingly, Shareholders' approval is being sought for the renewal of the Share Purchase Mandate at the 2021 AGM.

2.2 Shares Purchased or Acquired during the Previous 12 Months

As at the Latest Practicable Date, the Company has not made any purchase or acquisition of Shares pursuant to the 2020 Share Purchase Mandate approved by Shareholders at the 2020 AGM.

2.3 Rationale

The proposed Share Purchase Mandate will give the Company the flexibility to undertake purchases or acquisitions of its issued Shares during the period when the Share Purchase Mandate is in force, if and when circumstances permit. The purchases or acquisitions of Shares may, depending on market conditions and funding arrangements at the time, allow the Directors to better manage the Company's capital structure with a view to enhancing the earnings per share and/or net asset value per share of the Group. The purchases or acquisitions of Shares may, in appropriate circumstances, also help to mitigate short-term market volatility in the Company's share price, offset the effects of short-term speculation and bolster Shareholders' confidence.

The Directors will decide whether to effect the purchases or acquisitions of its Shares after taking into account the prevailing market conditions, the financial position of the Group and other relevant factors.

2.4 Terms of the Share Purchase Mandate

The authority and limitations placed on the purchases or acquisitions of Shares by the Company pursuant to the Share Purchase Mandate, if renewed at the 2021 AGM, are substantially the same as those previously approved by the Shareholders at the 2020 AGM, and are summarised below:

2.4.1 *Maximum Number of Shares*

Only Shares which are issued and fully paid-up may be purchased or acquired by the Company.

The total number of Shares that may be purchased or acquired by the Company shall not exceed 10% of the total number of Shares (excluding subsidiary holdings and any Shares which are held as treasury shares) in issue as at the date of the 2021 AGM at which the renewal of the Share Purchase Mandate is approved.

2.4.2 *Duration of Authority*

Purchases or acquisitions of Shares by the Company may be made, at any time and from time to time, on and from the date of the 2021 AGM at which the renewal of the Share Purchase Mandate is approved, up to the earliest of:

- (a) the date on which the next AGM is held or required by law to be held; or
- (b) the date on which purchases or acquisitions of Shares are carried out to the full extent mandated; or
- (c) the date on which the authority conferred by the Share Purchase Mandate is revoked or varied by the Company in a general meeting.

The Share Purchase Mandate may be renewed by the Shareholders at the next AGM or at any other general meeting of the Company.

2.4.3 *Manner of Purchases or Acquisitions of Shares*

Purchases or acquisitions of Shares by the Company may be made by way of:

- (a) an on-market purchase transacted through the SGX-ST's trading system, through one or more duly licensed stockbrokers appointed by the Company for the purpose ("**Market Purchase**"); and/or
- (b) an off-market purchase in accordance with an equal access scheme as defined in Section 76C of the Companies Act ("**Off-Market Purchase**").

In an Off-Market Purchase, the Directors may impose such terms and conditions, which are not inconsistent with the Share Purchase Mandate, the Constitution of the Company, the Listing Manual, the Companies Act and other applicable laws and regulations, as they consider fit in the interests of the Company in connection with or in relation to an equal access scheme or schemes.

Under the Companies Act, an equal access scheme must satisfy all the following conditions:

- (a) the offers under the scheme are to be made to every person who holds shares to purchase or acquire the same percentage of their shares;
- (b) all of those persons have a reasonable opportunity to accept the offers made to them; and
- (c) the terms of all the offers are the same except that there shall be disregarded:
 - (i) differences in consideration attributable to the fact that the offers relate to shares with different accrued dividend entitlements;
 - (ii) differences in consideration attributable to the fact that the offers relate to shares with different amounts remaining unpaid; and
 - (iii) differences in the offers introduced solely to ensure that each person is left with a whole number of shares.

Under the Listing Manual, in making an Off-Market Purchase, a listed company must issue an offer document to all shareholders containing, *inter alia*, the following information:

- (a) the terms and conditions of the offer;
- (b) the period and procedures for acceptances;
- (c) the reasons for the proposed share purchases;
- (d) the consequences, if any, of share purchases by the listed company that will arise under the Take-over Code or other applicable take-over rules;
- (e) whether the share purchases, if made, could affect the listing of the listed company's equity securities on the SGX-ST;
- (f) details of any share purchases made by the listed company in the previous 12 months (whether by way of Market Purchases or Off-Market Purchases), giving the total number of shares purchased, the purchase price per share or the highest and lowest prices paid for the purchases, where relevant, and the total consideration paid for the purchases; and
- (g) whether the shares purchased by the listed company will be cancelled or kept as treasury shares.

2.4.4 Maximum Purchase Price

The purchase price (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) to be paid for the Shares will be determined by the Directors, provided that such purchase price must not exceed:

- (a) in the case of a Market Purchase, 105% of the Average Closing Price (as defined hereinafter); and
- (b) in the case of an Off-Market Purchase, 120% of the Average Closing Price (as defined hereinafter),

("Maximum Price") in either case, excluding related expenses of the purchase or acquisition.

For the purposes of this Appendix:

"Average Closing Price" means the average of the Closing Market Prices of the Shares over the last five Market Days on the SGX-ST, on which transactions in the Shares were recorded, immediately preceding the day of the Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs during such five-Market Day period and the day of the Market Purchase or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase;

"Closing Market Price" means the last dealt price for a Share transacted through the SGX-ST's trading system as shown in any publication of the SGX-ST or other sources; and

"date of the making of the offer" means the day on which the Company announces its intention to make an offer for the purchase or acquisition of Shares from Shareholders, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

2.5 Status of Purchased or Acquired Shares: Held in Treasury or Cancelled

Any Shares purchased or acquired pursuant to the Share Purchase Mandate will be dealt with in such manner as may be permitted by the Companies Act.

Under the Companies Act, any Share purchased or acquired by the Company shall be deemed to be cancelled immediately on purchase or acquisition (and all rights and privileges attached to that Share shall expire on cancellation), unless such Share is held by the Company in treasury in accordance with Sections 76H to 76K of the Companies Act.

2.5.1 Treasury Shares

Under the Companies Act, Shares purchased or acquired by the Company may be held or dealt with as treasury shares. Certain provisions on treasury shares under the Companies Act are summarised below:

- (a) Maximum Holding: The aggregate number of Shares held by the Company as treasury shares shall not at any time exceed 10% of the total number of Shares in issue at that time. In the event that the aggregate number of treasury shares held by the Company exceeds the aforesaid limit, the Company shall dispose of or cancel the excess treasury shares within six months from the day the aforesaid limit is first exceeded.
- (b) Voting and Other Rights: The Company cannot exercise any right in respect of the treasury shares. In particular, the Company cannot exercise any right to attend or vote at meetings and for the purposes of the Companies Act, the Company shall be treated as having no right to vote and the treasury shares shall be treated as having no voting rights.

In addition, no dividend may be paid, and no other distribution (whether in cash or otherwise) of the Company's assets (including any distribution of assets to members of the Company on a winding up) may be made, to the Company in respect of treasury shares. However, the allotment of shares as fully paid bonus shares in respect of the treasury shares is allowed. A subdivision or consolidation of any treasury share into treasury shares of a smaller amount is allowed so long as the total value of the treasury shares after the subdivision or consolidation is the same as before.

- (c) Disposal or Cancellation: Where Shares are held as treasury shares, the Company may at any time:
 - (i) sell the treasury shares (or any of them) for cash;

- (ii) transfer the treasury shares (or any of them) for the purposes of or pursuant to any share scheme, whether for employees, directors or other persons;
- (iii) transfer the treasury shares (or any of them) as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (iv) cancel the treasury shares (or any of them); or
- (v) sell, transfer or otherwise use the treasury shares for such other purposes as the Minister for Finance may by order prescribe.

In addition, under the Listing Manual, an immediate announcement must be made of any sale, transfer, cancellation and/or use of treasury shares. Such announcement must include details such as (A) the date of the sale, transfer, cancellation and/or use of such treasury shares, (B) the purpose of such sale, transfer, cancellation and/or use of such treasury shares, (C) the number of treasury shares which have been sold, transferred, cancelled and/or used, (D) the number of treasury shares before and after such sale, transfer, cancellation and/or use, (E) the percentage of the number of treasury shares against the total number of issued shares (of the same class as the treasury shares) which are listed before and after such sale, transfer, cancellation and/or use and (F) the value of the treasury shares if they are used for a sale or transfer, or cancelled.

2.5.2 Purchased or Acquired Shares Cancelled

Under the Companies Act, where Shares purchased or acquired by the Company are cancelled, the Company shall:

- (a) reduce the amount of its share capital where the Shares were purchased or acquired out of the capital of the Company;
- (b) reduce the amount of its profits where the Shares were purchased or acquired out of the profits of the Company; or
- (c) reduce the amount of its share capital and profits proportionately where the Shares were purchased or acquired out of both the capital and the profits of the Company,

by the total amount of the purchase price paid by the Company for the Shares cancelled, which shall include any expenses (including brokerage or commission) incurred directly in such purchase or acquisition of Shares.

Shares which are cancelled will be automatically delisted by the SGX-ST, and certificates (if any) in respect thereof will be cancelled and destroyed by the Company as soon as reasonably practicable following such cancellation. The total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company and which are cancelled and not held as treasury shares.

2.6 Source of Funds

In purchasing or acquiring its Shares, the Company may only apply funds legally available for such purchase or acquisition as provided in the Constitution of the Company and in accordance with applicable laws in Singapore. Under the Companies Act, purchases or acquisitions of Shares by the Company may be made out of the Company's profits and/or capital so long as the Company is solvent.

The Company intends to use the Group's internal resources to finance its purchases or acquisitions of Shares pursuant to the Share Purchase Mandate.

The Directors do not propose to exercise the Share Purchase Mandate in a manner and to such an extent that would materially and adversely affect the working capital requirements, the financial position of the Group

taken as a whole, the financial flexibility or the investment ability of the Group.

2.7 Financial Effects

The financial effects on the Company and the Group arising from purchases or acquisitions of Shares which may be made pursuant to the Share Purchase Mandate will depend on, *inter alia*, the aggregate number of Shares purchased or acquired, the price paid for such Shares, whether the purchase or acquisition is made out of capital or profits of the Company and whether the Shares purchased or acquired are held in treasury or cancelled. The financial effects on the Company and the Group, based on the audited financial statements of the Company and the Group for FY2020, are based on the assumptions set out below.

2.7.1 Purchase or Acquisition of Shares made out of Capital or Profits

Where the purchase or acquisition of Shares is made out of capital, the profits available for distribution as dividends by the Company will not be reduced. Where the purchase or acquisition of Shares is made out of profits, the purchase price paid by the Company for the Shares will correspondingly reduce the profits available for distribution as dividends by the Company.

Based on the audited accounts of the Company for FY2020, the Company had retained profits of about S\$68.43 million as at 31 December 2020. In respect of the Share Purchase Mandate sought at the 2021 AGM, it is expected that any purchase or acquisition of Shares will be made out of capital and not out of profits.

For the purposes of Section 2.7 of this Appendix, the purchase price paid by the Company for the Shares does not include any expenses (including brokerage or commission) incurred in such purchase or acquisition of the Shares.

2.7.2 Number of, and Maximum Price paid for, Shares Purchased or Acquired

As at the Latest Practicable Date, the Company has a total of 412,459,100 Shares in issue (excluding treasury shares) and has no subsidiary holdings. Further, as at the Latest Practicable Date, 25,540,900 Shares are held by the Company as treasury shares.

Based on 412,459,100 Shares in issue (excluding treasury shares and subsidiary holdings) as at the Latest Practicable Date and assuming that no further Shares are issued, no Shares are purchased or acquired and held by the Company as treasury shares and there are no subsidiary holdings on or prior to the forthcoming 2021 AGM, the purchase or acquisition by the Company of up to the maximum limit of 10% of the total number of its issued Shares (excluding treasury shares and subsidiary holdings) will result in the purchase or acquisition by the Company of up to 41,245,910 Shares.

The financial effects of the purchase or acquisition of Shares by the Company set out below in this Section 2.7 are on the basis of the purchase or acquisition of 41,245,900 Shares (rounded down to the nearest 100 Shares) made entirely out of the capital of the Company.

In the case of Market Purchases by the Company made entirely out of capital and assuming that the Company purchases or acquires 41,245,900 Shares at the Maximum Price of S\$0.175 for each Share (being the price equivalent to 105% of the Average Closing Price of the Shares over the last five Market Days on the SGX-ST, on which transactions in the Shares were recorded, immediately preceding the Latest Practicable Date (rounded down to the nearest S\$0.005)), the maximum amount of funds required for the purchase or acquisition of 41,245,900 Shares is approximately S\$7.22 million.

In the case of Off-Market Purchases by the Company made entirely out of capital and assuming that the Company purchases or acquires 41,245,900 Shares at the Maximum Price of S\$0.200 for each Share (being the price equivalent to 120% of the Average Closing Price of the Shares over the last five Market Days on the SGX-ST, on which transactions in the Shares were recorded, immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 41,245,900 Shares is approximately S\$8.25 million.

2.7.3 *Illustrative Financial Effects*

It is not possible for the Company to realistically calculate or quantify the financial effects of Share purchases or acquisitions that may be made pursuant to the Share Purchase Mandate as the resultant effect would depend on, *inter alia*, the aggregate number of Shares purchased or acquired, the price paid for such Shares and whether the Shares purchased or acquired are held in treasury or cancelled.

Purely for illustrative purposes only, based on the audited financial statements of the Company and the Group for FY2020, the assumptions stated above and assuming the purchases or acquisitions of Shares by the Company are funded solely from internal resources, the effects of such purchases or acquisitions of Shares by way of Market Purchases and Off-Market Purchases on the financial positions of the Company and the Group under each of the following Scenarios A to D are as set out in the tables below.

SHAREHOLDERS SHOULD NOTE THAT THE FINANCIAL EFFECTS SET OUT BELOW, BASED ON THE RESPECTIVE ASSUMPTIONS STATED BELOW, ARE FOR ILLUSTRATION PURPOSES ONLY AND ARE NOT NECESSARILY REPRESENTATIVE OF FUTURE FINANCIAL PERFORMANCE. IN ADDITION, THE ACTUAL IMPACT WILL DEPEND ON, *INTER ALIA*, THE ACTUAL NUMBER AND PRICE OF SHARES THAT MAY BE PURCHASED OR ACQUIRED BY THE COMPANY, WHETHER THE PURCHASE OR ACQUISITION OF SHARES IS MADE OUT OF THE PROFITS OR CAPITAL OF THE COMPANY AND WHETHER THE SHARES PURCHASED OR ACQUIRED ARE HELD IN TREASURY OR CANCELLED.

Although the Share Purchase Mandate would authorise the Company to purchase up to 10% of the total number of the Company's issued Shares (excluding treasury shares and subsidiary holdings), the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire 10% of the total number of the issued Shares (excluding treasury shares and subsidiary holdings) as mandated. In addition, the Company may cancel all or part of the Shares purchased or hold all or part of the Shares purchased in treasury. The Directors would emphasise that they do not propose to exercise the Share Purchase Mandate to such an extent that would, or in circumstances that might, result in a material adverse effect on the financial position of the Group taken as a whole, or result in the Company being delisted from the SGX-ST.

(1) Market Purchases¹

As at 31 December 2020 (audited)	GROUP				
	Before Share Purchase	After Share Purchase			
		Scenario A	Scenario B	Scenario C	Scenario D
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Loss attributable to equity holders for the year	(14,806)	(14,806)	(14,806)	(14,806)	(14,806)
Share capital	36,981	36,981	36,981	36,981	29,763
Treasury shares	(7,983)	(15,201)	(15,201)	(7,983)	(7,983)
Other reserves	(2,311)	(2,311)	(2,311)	(2,311)	(2,311)
Retained profits	270,633	270,633	270,633	263,415	270,633
Currency translation reserve	(9,432)	(9,432)	(9,432)	(9,432)	(9,432)
Shareholders' funds	287,888	280,670	280,670	280,670	280,670
NAV ⁽¹⁾	287,888	280,670	280,670	280,670	280,670
Current assets	451,819	444,601	444,601	444,601	444,601
Current liabilities	(233,837)	(233,837)	(233,837)	(233,837)	(233,837)
Net current assets	217,982	210,764	210,764	210,764	210,764
Total borrowings ⁽²⁾	360,708	360,708	360,708	360,708	360,708
Cash and bank balances	101,849	94,631	94,631	94,631	94,631
Number of Shares (in '000) ⁽³⁾	412,459	371,213	371,213	371,213	371,213
Treasury Shares (in '000) ⁽³⁾	25,541	66,787	66,787	25,541	25,541
Weighted Average Number of Shares (in '000)	412,459	371,213	371,213	371,213	371,213
Financial Ratios					
LPS – (cents)	(3.59)	(3.99)	(3.99)	(3.99)	(3.99)
NAV per Share – (cents) ⁽³⁾	69.80	75.61	75.61	75.61	75.61
Net gearing ratio (times) ⁽⁴⁾	0.90	0.95	0.95	0.95	0.95
Current ratio (times) ⁽⁵⁾	1.93	1.90	1.90	1.90	1.90

Notes:

- (1) NAV equals to total assets less total liabilities and excludes non-controlling interests.
(2) Total borrowing comprises of notes payables, bank borrowings and lease liabilities.
(3) Based on the number of Shares issued as at the Latest Practicable Date and adjusted for the effect of the Share purchases or acquisitions.
(4) Net gearing ratio means total borrowings less cash and bank balances divided by shareholders' funds.
(5) Current ratio means current assets divided by current liabilities.

¹ This is computed based on 412,459,100 Shares in issue as at the Latest Practicable Date (excluding 25,540,900 Shares held in treasury as at the Latest Practicable Date).

As at 31 December 2020 (audited)	COMPANY				
	Before Share Purchase	After Share Purchase			
		Scenario A	Scenario B	Scenario C	Scenario D
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Loss attributable to equity holders for the year	(188)	(188)	(188)	(188)	(188)
Share capital	36,981	36,981	36,981	36,981	29,763
Treasury shares	(7,983)	(15,201)	(15,201)	(7,983)	(7,983)
Retained profits	68,434	68,434	68,434	61,216	68,434
Shareholders' funds	97,432	90,214	90,214	90,214	90,214
NAV ⁽¹⁾	97,432	90,214	90,214	90,214	90,214
Current assets ⁽²⁾	42,604	42,604	42,604	42,604	42,604
Current liabilities ⁽²⁾	(12,640)	(19,858)	(19,858)	(19,858)	(19,858)
Net current assets ⁽²⁾	29,964	22,746	22,746	22,746	22,746
Total borrowings ⁽³⁾	70,000	70,000	70,000	70,000	70,000
Cash and bank balances	186	186	186	186	186
Number of Shares (in '000) ⁽⁴⁾	412,459	371,213	371,213	371,213	371,213
Treasury Shares (in '000) ⁽⁴⁾	25,541	66,787	66,787	25,541	25,541
Weighted Average Number of Shares (in '000)	412,459	371,213	371,213	371,213	371,213
Financial Ratios					
LPS – (cent)	(0.05)	(0.05)	(0.05)	(0.05)	(0.05)
NAV per Share – (cents) ⁽⁴⁾	23.62	24.30	24.30	24.30	24.30
Net gearing ratio (times) ⁽⁵⁾	0.72	0.77	0.77	0.77	0.77
Current ratio (times) ⁽⁶⁾	3.37	2.15	2.15	2.15	2.15

Notes:

- (1) NAV equals to total assets less total liabilities and excludes non-controlling interests.
- (2) As at 31 December 2020, the Company has approximately S\$42.60 million of current assets, out of which S\$0.19 million is in the form of cash and bank balances. The Company also has current liabilities of approximately S\$12.64 million as at 31 December 2020. The Group on a consolidation basis has S\$101.85 million of cash and bank balances as at 31 December 2020. The Directors believe that the Company will be able to use the Group's internal financial resources to carry out purchases or acquisitions under the Share Purchase Mandate, after taking into account the prevailing market conditions, the financial position of the Group and other relevant factors.
- (3) Total borrowing comprises of notes payables, bank borrowings and lease liabilities.
- (4) Based on the number of Shares issued as at the Latest Practicable Date and adjusted for the effect of the Share purchases or acquisitions.
- (5) Net gearing ratio means total borrowings less cash and bank balances divided by shareholders' funds.
- (6) Current ratio means current assets divided by current liabilities.

- (a) Scenario A: Market Purchases of 41,245,900 Shares made entirely out of profits and held as treasury shares.⁽¹⁾

As illustrated under Scenario A in the tables above, such purchase of Shares will have the effect of reducing the working capital and NAV of the Company and of the Group by the dollar value of the Shares purchased. The consolidated NAV per Share of the Group as at 31 December 2020 will increase from 69.80 cents to 75.61 cents.

- (b) Scenario B: Market Purchases of 41,245,900 Shares made entirely out of capital and held as treasury shares.⁽¹⁾

As illustrated under Scenario B in the tables above, such purchase of Shares will have the effect of reducing the working capital and NAV of the Company and of the Group by the dollar value of the Shares purchased. The consolidated NAV per Share of the Group as at 31 December 2020 will increase from 69.80 cents to 75.61 cents.

- (c) Scenario C: Market Purchases of 41,245,900 Shares made entirely out of profits and cancelled.⁽¹⁾

As illustrated under Scenario C in the tables above, such purchase of Shares will have the effect of reducing the working capital and NAV of the Company and of the Group by the dollar value of the Shares purchased. The consolidated NAV per Share of the Group as at 31 December 2020 will increase from 69.80 cents to 75.61 cents.

- (d) Scenario D: Market Purchases of 41,245,900 Shares made entirely out of capital and cancelled.⁽¹⁾

As illustrated under Scenario D in the tables above, such purchase of Shares will have the effect of reducing the working capital and NAV of the Company and of the Group by the dollar value of the Shares purchased. The consolidated NAV per Share of the Group as at 31 December 2020 will increase from 69.80 cents to 75.61 cents.

Note:

- (1) Assuming that the purchase of Shares had taken place on 1 January 2020, the consolidated basic LPS of the Group for FY2020 would be increased from (3.59) cents to (3.99) cents per Share as a result of the reduction in the number of issued Shares. No adjustments have been made to take into account foregone interest income as a result of the use of funds for the purchase of Shares.

(2) Off-Market Purchases²

As at 31 December 2020 (audited)	GROUP				
	Before Share Purchase	After Share Purchase			
		Scenario A	Scenario B	Scenario C	Scenario D
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Loss attributable to equity holders for the year	(14,806)	(14,806)	(14,806)	(14,806)	(14,806)
Share capital	36,981	36,981	36,981	36,981	28,732
Treasury shares	(7,983)	(16,232)	(16,232)	(7,983)	(7,983)
Other reserves	(2,311)	(2,311)	(2,311)	(2,311)	(2,311)
Retained profits	270,633	270,633	270,633	262,384	270,633
Currency translation reserve	(9,432)	(9,432)	(9,432)	(9,432)	(9,432)
Shareholders' funds	287,888	279,639	279,639	279,639	279,639
NAV ⁽¹⁾	287,888	279,639	279,639	279,639	279,639
Current assets	451,819	443,570	443,570	443,570	443,570
Current liabilities	(233,837)	(233,837)	(233,837)	(233,837)	(233,837)
Net current assets	217,982	209,733	209,733	209,733	209,733
Total borrowings ⁽²⁾	360,708	360,708	360,708	360,708	360,708
Cash and bank balances	101,849	93,600	93,600	93,600	93,600
Number of Shares (in '000) ⁽³⁾	412,459	371,213	371,213	371,213	371,213
Treasury Shares (in '000) ⁽³⁾	25,541	66,787	66,787	25,541	25,541
Weighted Average Number of Shares (in '000)	412,459	371,213	371,213	371,213	371,213
Financial Ratios					
LPS – (cents)	(3.59)	(3.99)	(3.99)	(3.99)	(3.99)
NAV per Share – (cents) ⁽³⁾	69.80	75.33	75.33	75.33	75.33
Net gearing ratio (times) ⁽⁴⁾	0.90	0.96	0.96	0.96	0.96
Current ratio (times) ⁽⁵⁾	1.93	1.90	1.90	1.90	1.90

Notes:

- (1) NAV equals to total assets less total liabilities and excludes non-controlling interests.
- (2) Total borrowing comprises of notes payables, bank borrowings and lease liabilities.
- (3) Based on the number of Shares issued as at the Latest Practicable Date and adjusted for the effect of the Share purchases or acquisitions.
- (4) Gearing ratio means total borrowings less cash and bank balances divided by shareholders' funds.
- (5) Current ratio means current assets divided by current liabilities.

² This is computed based on 412,459,100 Shares in issue as at the Latest Practicable Date (excluding 25,540,900 Shares held in treasury as at the Latest Practicable Date).

As at 31 December 2020 (audited)	COMPANY				
	Before Share Purchase	After Share Purchase			
		Scenario A	Scenario B	Scenario C	Scenario D
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Loss attributable to equity holders for the year	(188)	(188)	(188)	(188)	(188)
Share capital	36,981	36,981	36,981	36,981	28,732
Treasury shares	(7,983)	(16,232)	(16,232)	(7,983)	(7,983)
Retained profits	68,434	68,434	68,434	60,185	68,434
Shareholders' funds	97,432	89,183	89,183	89,183	89,183
NAV ⁽¹⁾	97,432	89,183	89,183	89,183	89,183
Current assets ⁽²⁾	42,604	42,604	42,604	42,604	42,604
Current liabilities ⁽²⁾	(12,640)	(20,889)	(20,889)	(20,889)	(20,889)
Net current assets ⁽²⁾	29,964	21,715	21,715	21,715	21,715
Total borrowings ⁽³⁾	70,000	70,000	70,000	70,000	70,000
Cash and bank balances	186	186	186	186	186
Number of Shares (in '000) ⁽⁴⁾	412,459	371,213	371,213	371,213	371,213
Treasury Shares (in '000) ⁽⁴⁾	25,541	66,787	66,787	25,541	25,541
Weighted Average Number of Shares (in '000)	412,459	371,213	371,213	371,213	371,213
Financial Ratios					
LPS – (cent)	(0.05)	(0.05)	(0.05)	(0.05)	(0.05)
NAV per Share – (cents) ⁽⁴⁾	23.62	24.02	24.02	24.02	24.02
Net gearing ratio (times) ⁽⁵⁾	0.72	0.78	0.78	0.78	0.78
Current ratio (times) ⁽⁶⁾	3.37	2.04	2.04	2.04	2.04

Notes:

- (1) NAV equals to total assets less total liabilities and exclude non-controlling interests.
- (2) As at 31 December 2020, the Company has approximately S\$42.60 million of current assets, out of which S\$0.19 million is in the form of cash and bank balances. The Company also has current liabilities of approximately S\$12.64 million as at 31 December 2020. The Group on a consolidation basis has S\$101.85 million of cash and bank balances as at 31 December 2020. The Directors believe that the Company will be able to use the Group's internal financial resources to carry out purchases or acquisitions under the Share Purchase Mandate, after taking into account the prevailing market conditions, the financial position of the Group and other relevant factors.
- (3) Total borrowing comprises of notes payables, bank borrowings and lease liabilities.
- (4) Based on the number of Shares issued as the Latest Practicable Date and adjusted for the effect of the Share purchases or acquisitions.
- (5) Net gearing ratio means total borrowings less cash and bank balances divided by shareholders' funds.
- (6) Current ratio means current assets divided by current liabilities.

- (a) Scenario A: Off-Market Purchases of 41,245,900 Shares made entirely out of profits and held as treasury shares.⁽¹⁾

As illustrated under Scenario A in the tables above, such purchase of Shares will have the effect of reducing the working capital and NAV of the Company and of the Group by the dollar value of the Shares purchased. The consolidated NAV per Share of the Group as 31 December 2020 will increase from 69.80 cents to 75.33 cents.

- (b) Scenario B: Off-Market Purchases of 41,245,900 Shares made entirely out of capital and held as treasury shares.⁽¹⁾

As illustrated under Scenario B in the tables above, such purchase of Shares will have the effect of reducing the working capital and NAV of the Company and of the Group by the dollar value of the Shares purchased. The consolidated NAV per Share of the Group as 31 December 2020 will increase from 69.80 cents to 75.33 cents.

- (c) Scenario C: Off-Market Purchases of 41,245,900 Shares made entirely out of profits and cancelled.⁽¹⁾

As illustrated under Scenario C in the tables above, such purchase of Shares will have the effect of reducing the working capital and NAV of the Company and of the Group by the dollar value of the Shares purchased. The consolidated NAV per Share of the Group as at 31 December 2020 will increase from 69.80 cents to 75.33 cents.

- (d) Scenario D: Off-Market Purchases of 41,245,900 Shares made entirely out of capital and cancelled.⁽¹⁾

As illustrated under Scenario D in the tables above, such purchase of Shares will have the effect of reducing the working capital and NAV of the Company and of the Group by the dollar value of the Shares purchased. The consolidated NAV per Share of the Group as at 31 December 2020 will increase from 69.80 cents to 75.33 cents.

Note:

- (1) Assuming that the purchase of Shares had taken place on 1 January 2020, the consolidated basic LPS of the Group for FY2020 would be increased from 3.59 cents to 3.99 cents per Share as a result of the reduction in the number of issued Shares. No adjustments have been made to take into account foregone interest income as a result of the use of funds for the purchase of Shares.

2.8 Tax Implications

Shareholders who are in doubt as to their respective tax positions or any tax implications arising from the purchase or acquisition of Shares by the Company, including those who may be subject to tax in a jurisdiction outside Singapore, should consult their own professional advisers.

2.9 Listing Manual

2.9.1 No Purchases during Price Sensitive Developments

Whilst the Listing Manual does not expressly prohibit any purchase of shares by a listed company during any particular time or times, because the listed company would be regarded as an “insider” in relation to any proposed purchase or acquisition of its issued shares, the Company will not undertake any purchase or acquisition of Shares pursuant to the proposed Share Purchase Mandate at any time after a price sensitive development has occurred or has been the subject of a consideration and/or decision of the board of directors of the Company until the price sensitive information has been publicly announced.

In particular, in line with Rule 1207(19) of the Listing Manual, the Company will not purchase or acquire any Shares through Market Purchases or Off-Market Purchases during the period of one (1) month

immediately preceding the announcement of the Company's half-year and full year financial statements (if the Company does not announce its quarterly financial statements) or, if the Company announces its quarterly financial statements (whether required by the SGX-ST or otherwise), during the period of two (2) weeks immediately preceding the announcement of the Company's financial statements for each of the first three quarters of its financial year and one month before the announcement of the Company's full year financial statements.

2.9.2 Listing Status of the Shares

Under Rule 723 of the Listing Manual, a listed company shall ensure that at least 10% of the total number of issued Shares excluding treasury shares (excluding preference shares and convertible equity securities) in a class that is listed is at all times held by the public. The word "public" is defined in the Listing Manual as persons other than directors, chief executive officer, substantial shareholders, or controlling shareholders of the listed company and its subsidiaries, as well as the associates of such persons.

As at the Latest Practicable Date, there are approximately 180,322,609 Shares, representing approximately 43.72% of the total number of issued Shares (excluding treasury shares), held by the public. In the event that the Company purchases the maximum of 10% of its total number of issued Shares (excluding treasury shares) from public Shareholders, based on information available as at the Latest Practicable Date, the percentage of the Company's public float would be reduced to approximately 37.47% of the total number of Shares in issue (excluding treasury shares). Accordingly, based on information available as at the Latest Practicable Date, the Directors are of the view that, at present, there is a sufficient number of Shares in issue (excluding treasury shares) held by public Shareholders that would permit the Company to potentially undertake purchases or acquisitions of Shares through Market Purchases up to the full 10% limit pursuant to the Share Purchase Mandate without affecting adversely the listing status of the Shares on the SGX-ST, and the number of Shares remaining in the hands of the public will not fall to such a level as to cause market illiquidity or adversely affect orderly trading of the Shares.

Although the Share Purchase Mandate would authorise the Company to purchase up to 10% of the total number of the Company's issued Shares (excluding treasury shares and subsidiary holdings), the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire 10% of the total number of the issued Shares (excluding treasury shares and subsidiary holdings) as mandated. The Directors would emphasise that they do not propose to exercise the Share Purchase Mandate to such an extent that would, or in circumstances that might, result in the Company being delisted from the SGX-ST.

2.9.3 Reporting Requirements

The Listing Manual specifies that a listed company shall report all purchases or acquisitions of its shares to the SGX-ST not later than 9.00 a.m. (a) in the case of a Market Purchase, on the Market Day following the day of purchase or acquisition of any of its shares and (b) in the case of an Off-Market Purchase, on the second Market Day after the close of acceptances of the offer. Such announcement must include details of the date of the purchase, the total number of shares purchased, the number of shares cancelled, the number of shares held as treasury shares, the purchase price per share or the highest and lowest prices paid for such shares, as applicable, the total consideration (including stamp duties and clearing charges) paid or payable for the shares, the number of shares purchased as at the date of announcement (on a cumulative basis), the number of issued shares (excluding treasury shares and subsidiary holdings) after the purchase, the number of treasury shares held after the purchase and the number of subsidiary holdings after the purchase.

2.10 Certain Take-over Code implications arising from the Proposed Share Purchase Mandate

Certain take-over implications arising from the purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate are summarised below.

If, as a result of any purchase or acquisition of Shares made by the Company under the Share Purchase Mandate, the proportionate interest of a Shareholder and persons acting in concert with him in the voting capital of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code. Consequently, a Shareholder or group of Shareholders acting in concert could obtain or consolidate effective control of the Company and become obliged to make a take-over offer for the Company under Rule 14.

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), co-operate, through the acquisition by any of them of shares in a company, to obtain or consolidate effective control of that company. Unless the contrary is established, the Take-over Code presumes, *inter alia*, the following individuals and companies to be acting in concert with each other: (a) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts) and (b) a company, its parent, subsidiaries and fellow subsidiaries, and their associated companies and companies of which such companies are associated companies, all with each other. For this purpose, a company is an associated company of another company if the second-mentioned company owns or controls at least 20% but not more than 50% of the voting rights of the first-mentioned company.

The circumstances under which Shareholders, including Directors, and persons acting in concert with them, respectively, will incur an obligation to make a take-over offer as a result of a purchase or acquisition of Shares by the Company are set out in Rule 14 and Appendix 2 of the Take-over Code.

In general terms, the effect of Rule 14 and Appendix 2 is that unless exempted, Directors and persons acting in concert with them will incur an obligation to make a take-over offer under Rule 14 if, as a result of a purchase or acquisition of Shares by the Company:

- (a) the percentage of voting rights held by such Directors and their concert parties in the Company increases to 30% or more; or
- (b) if the Directors and their concert parties hold between 30% and 50% of the Company's voting rights, and their voting rights increase by more than 1% in any period of six months.

Under Appendix 2 of the Take-over Code, a Shareholder not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder would increase to 30% or more, or, if such Shareholder holds between 30% to 50% of the Company's voting rights, the voting rights of such Shareholder would increase by more than 1% in any period of six months. Such Shareholder need not abstain from voting in respect of the resolution authorising the Share Purchase Mandate.

Any Shares held by the Company as treasury shares shall be excluded from the calculation of the percentages of voting rights under the Take-over Code referred to above.

2.10.1 Shareholding Interests of Directors

Based on information in the Register of Directors' Shareholdings as at the Latest Practicable Date, the interests of the Directors in the Shares of the Company before and after the purchase or acquisition of Shares pursuant to the Share Purchase Mandate, on the basis that (a) the Company purchases the maximum of 10% of the total number of issued Shares (excluding treasury shares) as at the Latest Practicable Date, (b) there is no change in the number of Shares in which the Directors have an interest as at the Latest Practicable Date, (c) there are no further issues of Shares, (d) there are no subsidiary holdings, and (e) no Shares (other than the Shares already purchased or acquired by the Company) are purchased or acquired and are held by the Company as treasury shares on or prior to the 2021 AGM, will be as follows:

Name of Director	← Number of Shares Held →			% Before Share Purchase	% After Share Purchase
	Direct Interest	Deemed Interest	Total Interest		
Koh Tiat Meng ⁽¹⁾	8,908,654	Nil	8,908,654	2.16	2.40
Koh Teak Huat ⁽¹⁾	35,713,088	325,000 ⁽³⁾	36,038,088	8.74	9.71
Koh Keng Siang ⁽²⁾	30,007,035	60,020,000 ^{(4) (5)}	90,027,035	21.83	24.25
Koh Keng Hiong ⁽²⁾	55,260,100	10,000 ⁽⁶⁾	55,270,100	13.40	14.89
Quek Chee Nee	25,896,814	Nil	25,896,814	6.28	6.98
Lee Sok Khian John	Nil	Nil	Nil	Nil	Nil
Er Dr Lee Bee Wah	605,000	Nil	605,000	0.15	0.16
Lai Mun Onn	100,000	Nil	100,000	0.02	0.03
Gn Hiang Meng	Nil	200,000	200,000	0.05	0.05
Ow Yong Thian Soo	Nil	Nil	Nil	Nil	Nil
Low Yee Khim	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) Mr Koh Tiat Meng and Mr Koh Teak Huat are brothers.
- (2) Mr Koh Keng Siang and Mr Koh Keng Hiong are the sons of Mr Koh Tiat Meng and Mdm Quek Chee Nee, and the nephews of Mr Koh Teak Huat.
- (3) Mr Koh Teak Huat is deemed interested in the Shares held by his spouse, Mdm Quek Siew Lang.
- (4) Mr Koh Keng Siang is deemed interested in the 60,000,000 Shares held by Kohs Investments Limited, which is wholly owned by The Kohs Trust set up pursuant to the Trust Deed dated 11 January 2017 (the "Trust"). The Trust is a discretionary trust of which the present eligible beneficiaries are Mr Koh Keng Siang, his wife (Madam Phua Siew Gaik), their children (Rachel Koh Han Ling, Benjamin Koh Yong Jun and Nicholas Koh Yong Wei), and their remoter issue. Pursuant to Section 4 of the SFA, the beneficiaries of the Trust are deemed to have an interest in the 60,000,000 Shares held by Kohs Investments Limited.
- (5) Mr Koh Keng Siang's deemed interest comprises (i) 60,000,000 Shares held by Kohs Investments Limited, and (ii) 20,000 Shares held by his spouse, Mdm Phua Siew Gaik.
- (6) Mr Koh Keng Hiong is deemed interested in 10,000 Shares held by his spouse, Mdm Erliana Sutadi.

2.10.2 Shareholding Interests of Substantial Shareholders

Based on information in the Register of Substantial Shareholders as at the Latest Practicable Date, the interests of the substantial shareholders of the Company ("**Substantial Shareholders**") in the Shares of the Company before and after the purchase or acquisition of Shares pursuant to the Share Purchase Mandate, on the basis that (a) the Company purchases or acquires the maximum of 10% of the total number of issued Shares (excluding treasury shares) as at the Latest Practicable Date, (b) there is no change in the number of Shares in which the Substantial Shareholders have an interest as at the Latest Practicable Date, (c) there are no further issues of Shares, (d) there are no subsidiary holdings, and (e) no Shares (other than the Shares already purchased or acquired by the Company) are purchased or acquired and held by the Company as treasury shares on or prior to the Latest Practicable Date, will be as follows:

Name of Substantial Shareholder	← Number of Shares Held →			% Before Share Purchase	% After Share Purchase
	Direct Interest	Deemed Interest	Total Interest		
Koh Teak Huat	35,713,088	325,000 ⁽¹⁾	36,038,088	8.74	9.71
Koh Keng Siang	30,007,035	60,020,000 ⁽²⁾⁽⁴⁾	90,027,035	21.83	24.25
Koh Keng Hiong	55,260,100	10,000 ⁽³⁾	55,270,100	13.40	14.89
Quek Chee Nee	25,896,814	Nil	25,896,814	6.28	6.98
Phua Siew Gaik	20,000	60,000,000 ⁽⁴⁾	60,020,000	14.55	16.17
Rachel Koh Han Ling	Nil	60,000,000 ⁽⁴⁾	60,000,000	14.55	16.16
Benjamin Koh Yong Jun	Nil	60,000,000 ⁽⁴⁾	60,000,000	14.55	16.16
Nicholas Koh Yong Wei	Nil	60,000,000 ⁽⁴⁾	60,000,000	14.55	16.16
Kohs Investments Limited ⁽⁵⁾	60,000,000	Nil	60,000,000	14.55	16.16
HSBC Trustee (Singapore) Limited	Nil	60,000,000 ⁽⁵⁾	60,000,000	14.55	16.16
HSBC International Trustee Limited	Nil	60,000,000 ⁽⁵⁾	60,000,000	14.55	16.16
HSBC International Trustee (Holdings) Pte. Limited	Nil	60,000,000 ⁽⁵⁾	60,000,000	14.55	16.16
The Hongkong and Shanghai Banking Corporation Limited	Nil	60,000,000 ⁽⁵⁾	60,000,000	14.55	16.16
HSBC Asia Holdings Limited	Nil	60,000,000 ⁽⁵⁾	60,000,000	14.55	16.16
HSBC Holdings plc	Nil	60,000,000 ⁽⁵⁾	60,000,000	14.55	16.16

Notes:

- (1) Mr Koh Teak Huat is deemed interested in the Shares held by his spouse, Mdm Quek Siew Lang.
- (2) Mr Koh Keng Siang is deemed interested in (i) 60,000,000 Shares held by Kohs Investments Limited, and (ii) 20,000 Shares held by his spouse, Mdm Phua Siew Gaik.
- (3) Mr Koh Keng Hiong is deemed interested in 10,000 Shares held by his spouse, Mdm Erliana Sutadi.
- (4) The deemed interest arises from the 60,000,000 Shares held by Kohs Investments Limited, which is wholly owned by The Kohs Trust set up pursuant to the Trust Deed dated 11 January 2017 (the "Trust"). The Trust is a discretionary trust of which the present eligible beneficiaries are Mr Koh Keng Siang, his wife (Mdm Phua Siew Gaik), their children (Rachel Koh Han Ling, Benjamin Koh Yong Jun and Nicholas Koh Yong Wei), and their remoter issue. Pursuant to Section 4 of the SFA, the beneficiaries of the Trust are deemed to have an interest in the 60,000,000 Shares held by Kohs Investments Limited.
- (5) Kohs Investments Limited is wholly owned by a trust for which HSBC Trustee (Singapore) Limited acts as trustee. HSBC Trustee (Singapore) Limited is wholly owned by HSBC International Trustee Limited, which is, in turn, wholly owned by HSBC International Trustee (Holdings) Pte. Limited, which is, in turn, wholly owned by The Hongkong and Shanghai Banking Corporation Limited, which is, in turn, wholly owned by HSBC Asia Holdings Limited, which is, in turn, wholly owned by HSBC Holdings plc.

2.10.3 Consequences of Share Purchases or Acquisitions by the Company

Based on the Register of Directors' Shareholdings and the Register of Substantial Shareholders of the Company, since the aggregate shareholdings and voting rights of Messrs Koh Tiat Meng, Koh Teak Huat, Koh Keng Siang, Koh Keng Hiong and Quek Chee Nee and their concert party(ies) (the "Relevant Directors") in the Company are more than 50% of the total number of issued Shares (excluding treasury shares) as at the Latest Practicable Date, the Relevant Directors would not be obliged to make a mandatory take-over offer for the Company under the Take-over Code in the event that the Company purchases or acquires the maximum 41,245,900 Shares (being 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the Latest Practicable Date) (rounded to the nearest hundred Share) pursuant to the Share Purchase Mandate.

The Directors are not aware of any other Substantial Shareholder or Director who would become obliged to make a take-over offer for the Company under Rule 14 of the Take-over Code as a result of the purchase by the Company of the maximum limit of 10% of its total number of issued Shares (excluding treasury shares) as at the Latest Practicable Date.

THE STATEMENTS HEREIN DO NOT PURPORT TO BE A COMPREHENSIVE OR EXHAUSTIVE DESCRIPTION OF ALL IMPLICATIONS THAT MAY ARISE UNDER THE TAKE-OVER CODE. SHAREHOLDERS WHO ARE IN DOUBT AS TO WHETHER THEY WOULD INCUR ANY OBLIGATION TO MAKE A TAKE-OVER OFFER UNDER THE TAKE-OVER CODE AS A RESULT OF ANY PURCHASE OR ACQUISITION OF SHARES BY THE COMPANY PURSUANT TO THE SHARE PURCHASE MANDATE ARE ADVISED TO CONSULT THEIR PROFESSIONAL ADVISERS AND/OR THE SECURITIES INDUSTRY COUNCIL OF SINGAPORE AT THE EARLIEST OPPORTUNITY.

3. DIRECTORS' RECOMMENDATIONS³

The Directors are of the opinion that the proposed renewal of the Share Purchase Mandate is in the interests of the Company and, accordingly, recommend that Shareholders **vote in favour** of Ordinary Resolution 10 relating to the proposed renewal of the Share Purchase Mandate as set out in the Notice of the 2021 AGM.

4. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Appendix and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Appendix constitutes full and true disclosure of all material facts about the proposed renewal of the Share Purchase Mandate and the Group, and the Directors are not aware of any facts the omission of which would make any statement in this Appendix misleading.

Where information in this Appendix has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Appendix in its proper form and context.

³ Please note that a Shareholder must appoint the Chairman of the meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the 2021 AGM if such Shareholder wishes to exercise his/her/its voting rights at the 2021 AGM.

5. DOCUMENTS AVAILABLE FOR INSPECTION

Subject to prevailing regulations, orders, advisories and guidelines relating to safe distancing which may be issued by the relevant authorities, copies of the following documents are available for inspection at the registered office of the Company at 11 Lorong Pendek, Koh Brothers Building, Singapore 348639 during normal business hours from the date of this Appendix up to and including the date of the 2021 AGM:

- (a) the Constitution of the Company; and
- (b) the annual report of the Company for the financial year ended 31 December 2020.

The annual report of the Company for the financial year ended 31 December 2020 may also be accessed at the URL: <https://www.kohbrothers.com/for-investors>.

Yours faithfully,
For and on behalf of the Board of Directors of
Koh Brothers Group Limited

Koh Keng Siang
Managing Director & Group CEO