KOH BROTHERS GROUP LIMITED
(Company Registration No. 199400775D)
(Incorporated in the Republic of Singapore)

ENTRY INTO IRREVOCABLE UNDERTAKING BY KOH BROTHERS GROUP LIMITED TO FULLY SUBSCRIBE FOR ITS ENTITLEMENT OF 308,925,521 RIGHTS SHARES UNDER THE PROPOSED RIGHTS ISSUE TO BE UNDERTAKEN BY KOH BROTHERS ECO ENGINEERING LIMITED

1. INTRODUCTION

1.1 Koh Brothers Group Limited (the "**Company**", and together with its subsidiaries, the "**Group**") refers to the announcement by its subsidiary, Koh Brothers Eco Engineering Limited ("**KBEEL**"), dated 3 November 2026 (the "**KBEEL Announcement**") in relation to KBEEL's proposed renounceable underwritten rights issue (the "**KBEEL Rights Issue**") of up to 563,644,184 new ordinary shares in the capital of KBEEL (the "**Rights Shares**") at an issue price of S$0.049 per Rights Share (the "**Issue Price**"), on the basis of one (1) Rights Share for every five (5) existing ordinary shares in the capital of KBEEL (the "**KBEEL Shares**") held by shareholders of KBEEL who are eligible to participate in the KBEEL Rights Issue as at a record date to be determined (the "**Record Date**"), fractional entitlements to be disregarded. A copy of the KBEEL Announcement is attached as Appendix A to this announcement.

1.2 In connection with the KBEEL Rights Issue, the Company has given a deed of irrevocable undertaking dated 3 November 2026 in favour of KBEEL (the "**Irrevocable Undertaking**") to accept its total provisional allotment of Rights Shares and subscribe and pay in full for those Rights Shares (the "**Proposed Subscription**"), subject to the terms and conditions of the Irrevocable Undertaking. Based on its current shareholding, and assuming no change before the Record Date, the Company's pro rata entitlement is 308,925,521 Rights Shares, fractional entitlements being disregarded.

2. RATIONALE AND INFORMATION ON THE IRREVOCABLE UNDERTAKING

2.1 The Company is KBEEL's controlling shareholder. As at the date of this announcement, the Company directly holds 1,544,627,607 KBEEL Shares, representing approximately 54.81% of KBEEL's existing issued share capital of 2,818,220,922 KBEEL Shares, excluding treasury shares and subsidiary holdings.

2.2 As an indication of its support and commitment to KBEEL, the Company has provided the Irrevocable Undertaking. KBEEL is an important part of the Company's portfolio, complementing the Company's construction arm and comprising its sustainable engineering solutions business. The Company is therefore committed to the long-term growth of KBEEL.

2.3 As disclosed in the KBEEL Announcement, the KBEEL Rights Issue is intended to strengthen the financial position of KBEEL and its subsidiaries and support their project execution and ongoing operations. KBEEL intends to apply approximately 80.0% of the net proceeds towards working capital requirements, including operational and administrative expenses and payments to subcontractors and suppliers, and approximately 20.0% towards capital expenditure and/or repayment of bank borrowings.

2.4 As disclosed in the KBEEL Announcement, the KBEEL Rights Issue shall be made on the basis of one (1) Rights Share for every five (5) existing ordinary shares in the capital of

KBEEL. Based on the Company's current direct holding of 1,544,627,607 KBEEL Shares and the one-for-five allotment ratio, its pro rata entitlement will be 308,925,521 Rights Shares (the "**Undertaken Rights Shares**"), assuming no change in its holding before the Record Date and disregarding fractional entitlements. Assuming full subscription for all 563,644,184 Rights Shares and no other changes to the relevant shareholdings or KBEEL's issued share capital, the Company will hold 1,853,553,128 KBEEL Shares following completion, representing approximately 54.81% of KBEEL's enlarged issued share capital of 3,381,865,106 KBEEL Shares. Its percentage shareholding will therefore remain substantially unchanged.

2.5 The principal terms and further details of the KBEEL Rights Issue are set out in paragraphs 2 and 3 of the KBEEL Announcement. Details of the irrevocable undertakings given by the Company and the other undertaking shareholders are set out in paragraph 6 of the KBEEL Announcement.

2.6 Based on a subscription for 308,925,521 Rights Shares at the Issue Price of S$0.049 per Rights Share, the aggregate subscription amount payable by the Company will be approximately S$15.1 million. The subscription amount is payable in full in cash upon acceptance in accordance with the terms and conditions of the KBEEL Rights Issue. The Proposed Subscription will be funded by the Company's internal source of funds.

2.7 KBEEL intends to enter into a management and underwriting agreement with SAC Capital Private Limited ("**SAC**"), as the proposed manager and underwriter for the KBEEL Rights Issue. That agreement has not been entered into as at the date of this announcement. Subject to its execution and terms and conditions, SAC is intended to subscribe and pay for, or procure subscribers to subscribe and pay for, at the Issue Price, up to 89,338,899 Rights Shares not covered by the subscription undertakings of the Company and the other undertaking shareholders and remaining unsubscribed after valid acceptances and excess applications have been satisfied. KBEEL will separately announce the execution and material terms of that agreement.

3. TERMS OF THE IRREVOCABLE UNDERTAKING

3.1 Under the Irrevocable Undertaking, the Company has irrevocably undertaken to KBEEL that, subject to any prohibitions or restrictions imposed by the relevant regulatory authorities and the terms of the Irrevocable Undertaking, among others:

(a) as at the Record Date, it will directly hold not less than 1,544,627,607 KBEEL Shares and have a registered address in Singapore with The Central Depository (Pte) Limited;

(b) it will accept its total provisional allotment of Rights Shares and subscribe and pay in full for those Rights Shares in accordance with the terms and conditions of the KBEEL Rights Issue; and

(c) it will not, whether directly or through any nominee or agent acting on its behalf, apply for Rights Shares made available for subscription by way of excess applications under the KBEEL Rights Issue.

3.2 The Company's subscription undertaking under the Irrevocable Undertaking is conditional upon:

(a) the lodgement of the offer information statement in connection with the KBEEL Rights Issue, together with all other necessary accompanying documents, where applicable, with the Monetary Authority of Singapore;

(b) all other necessary approvals, consents and/or waivers required from any person, financial institution or regulatory body or authority of Singapore or elsewhere under any agreements applicable to KBEEL and/or applicable laws for the KBEEL Rights Issue and to give effect to it having been obtained and not having been withdrawn or revoked before completion of the KBEEL Rights Issue; and

(c) the approval in-principle of the SGX-ST for the listing and quotation of, and dealing in, the Rights Shares on its Mainboard having been obtained and not having been withdrawn or revoked before completion of the KBEEL Rights Issue.

3.3 The Irrevocable Undertaking terminates when the Rights Shares are admitted to listing and quotation on the Mainboard of the SGX-ST, or earlier if KBEEL decides not to proceed with the KBEEL Rights Issue and announces that decision through SGXNET, other than for reasons attributable to a breach or non-performance by the Company. Termination is without prejudice to accrued claims and the provisions of the Irrevocable Undertaking expressly stated to survive termination.

4. RELATIVE FIGURES UNDER RULE 1006 OF THE LISTING MANUAL

4.1 The relative figures for the Proposed Subscription, computed on the applicable bases set out in Rule 1006 of the Listing Manual of the SGX-ST applicable to Mainboard issuers (the "**Listing Manual**"), are set out below. Where applicable, the financial figures are based on the Group's latest announced unaudited consolidated financial statements for the half year ended 30 June 2026:

Bases of calculation		Size of relative figures (%)
Rule 1006(a)	The net asset value of the assets to be disposed of, compared with the Group's net asset value.	Not applicable, as there are no disposal of assets by the Company
Rule 1006 (b)	The net profit attributable to the assets acquired or disposed of, compared with the Group's net profit.	Nil[(1)]
Rule 1006 (c)	The aggregate value of the consideration given or received, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares.	18.9 [(2)]
Rule 1006 (d)	The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not applicable, as the Proposed Subscription does not involve an issue of equity securities by the Company

Note:

(1) No profit attributable to the assets acquired as there is no change in the Company's percentage shareholding in KBEEL.

(2) The market capitalisation of the Company of approximately S$80.0 million is determined by multiplying the Company's total number of issued shares of 412,459,100 (excluding treasury shares) by S$0.194, being the weighted average share price of the Company's shares on 2 November 2026, being the market day preceding the date of the Irrevocable Undertaking.

4.2 As the relative figure under Rules 1006(c) of the Mainboard Rules is more than 5.0% but less than 20.0%, the Proposed Subscription constitutes a discloseable transaction under Chapter 10 of the Listing Manual. This announcement is made pursuant to Rule 1010 of the Listing Manual.

5. FINANCIAL EFFECTS OF THE PROPOSED SUBSCRIPTION

5.1 Bases and Assumptions

For the purposes of illustration only, the pro forma financial effects of the Proposed Subscription taken as a whole are set out below. The pro forma financial effects have been prepared based on the latest audited consolidated financial statements of the Group for the full year ended 31 December 2025 and do not necessarily reflect the actual future financial position and performance of the Group following completion of the KBEEL Rights Issue.

The pro forma financial effects assume that the Company subscribes for 308,925,521 Rights Shares at the Issue Price, that the KBEEL Rights Issue is fully subscribed and that there are no other changes to the relevant shareholdings or KBEEL's issued share capital.

5.2 Net Tangible Assets ("**NTA**")

Assuming that the Proposed Subscription was completed on 31 December 2025 and based on the Group's audited consolidated financial statements for the financial year ended 31 December 2025, the pro forma financial effects of the Proposed Subscription on the consolidated NTA of the Group are as follows:

	Before Proposed Subscription	**After Proposed Subscription**
Consolidated NTA attributable to the shareholders of the Company (S$'000)	277,885	277,612
Number of issued shares (excluding treasury shares) ('000)	412,459	412,459
NTA per share (Singapore cents)	67.37	67.31

5.3 Earnings Per Share

Assuming that the Proposed Subscription was completed on 1 January 2025 and based on the latest audited consolidated financial statements of the Group for the full year ended 31 December 2025, the pro forma financial effects of the Proposed Subscription on the consolidated earnings per share of the Group are as follows:

	Before Proposed Subscription	**After Proposed Subscription**
Net profit attributable to shareholders after tax (S$'000)	18,575	18,575
Weighted average number of issued shares (excluding treasury shares) ('000)	412,459	412,459
Earnings per share (Singapore cents)	4.50	4.50

5.4 Issued and Paid-up Share Capital

As the Proposed Subscription concerns a rights issue by KBEEL and does not involve the allotment or issue of new shares by the Company, it will not change the number of issued shares or the issued and paid-up share capital of the Company.

5.5 Book Value and Net Tangible Asset

The relevant book value and net tangible asset value attributable to the Undertaken Rights Shares which are the subject of the Proposed Subscription are S$12.9 million and S$12.3 million, respectively, based on KBEEL's first half-year result announcement dated 5 August 2026. The latest available open-market value is S$21.3 million, calculated by reference to last traded price on 29 October 2026.

6. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Mr Koh Keng Siang, the Executive Chairman and Group CEO of the Company, is also the Non-Executive and Non-Independent Chairman of KBEEL. He directly holds 15,254,800 KBEEL Shares, representing approximately 0.54% of KBEEL's existing issued share capital, and has separately undertaken to subscribe and pay in full for his pro rata entitlement of 3,050,960 Rights Shares, assuming no change in his holding before the Record Date.

Save as disclosed above and for their interests through their shareholdings in the Company, none of the directors or controlling shareholders of the Company has any interest, direct or indirect, in the Irrevocable Undertaking or the Proposed Subscription.

7. SERVICE CONTRACTS

No person is proposed to be appointed as a director of the Company in connection with the Proposed Subscription. Accordingly, no service contract is proposed to be entered into between the Company and any person.

8. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the Irrevocable Undertaking will be available for inspection during normal business hours at the Company's registered office at 15 Genting Road, Singapore 349493 for a period of three (3) months from the date of this announcement.

9. FURTHER ANNOUNCEMENTS

The Company will make further announcements on the KBEEL Rights Issue, the Irrevocable Undertaking and the Proposed Subscription as appropriate or when there are further developments on the same.

10. CAUTIONARY STATEMENT

The KBEEL Rights Issue and the Proposed Subscription are subject to the applicable conditions and may not proceed or be completed. Shareholders and potential investors should exercise caution when dealing in the Company's shares and should read this announcement and the KBEEL Announcement in full. Persons in doubt about the action to take should consult their professional advisers.

By Order of the Board

Koh Keng Siang
Executive Chairman and Group CEO

3 November 2026