



KOH BROTHERS GROUP LIMITED

(Incorporated in Singapore. Registration Number: 199400775D)

Condensed Interim Financial Statements for the Six Months and Full Year Ended 31 December 2021

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KOH BROTHERS GROUP LIMITED
A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the six months and full year ended 31 December 2021

	Note	2H 2021 S\$'000	2H 2020 S\$'000	Change %	FY 2021 S\$'000	FY 2020 S\$'000	Change %
Sales	4(a)	111,658	138,936	(20)	252,621	243,066	4
Cost of sales	6	(98,258)	(126,238)	(22)	(231,047)	(241,606)	(4)
Gross profit		13,400	12,698	6	21,574	1,460	N.M.
Other income	5	1,116	1,493	(25)	1,828	2,741	(33)
Other gains – net	5	1,949	2,526	(23)	8,659	3,116	178
Expenses							
- Distribution and marketing	6	(436)	(1,568)	(72)	(1,229)	(2,948)	(58)
- Administrative	6	(7,720)	(6,325)	22	(14,391)	(13,141)	9
- Finance		(4,650)	(4,962)	(6)	(9,200)	(10,833)	(15)
- Other	6	(258)	(1,481)	(83)	(1,452)	(2,387)	(39)
Share of profit of associated companies and joint ventures		1,584	1,829	(13)	3,039	5,773	(47)
Profit/(loss) before income tax		4,985	4,210	18	8,828	(16,219)	N.M.
Income tax expense	7	641	(447)	N.M.	(635)	(500)	27
Profit/(loss) after income tax		5,626	3,763	50	8,193	(16,719)	N.M.
Profit/(loss) attributable to:							
Equity holders of the Company		4,910	2,948	67	6,900	(14,806)	N.M.
Non-controlling interests		716	815	(12)	1,293	(1,913)	N.M.
		5,626	3,763	50	8,193	(16,719)	N.M.
Earnings/(loss) per share for profit attributable to equity holders of the Company:							
- Basic earnings/(loss) per share (in cents)		1.19	0.71	67	1.67	(3.59)	N.M.
- Diluted earnings/(loss) per share (in cents)		1.19	0.71	67	1.67	(3.59)	N.M.
Profit/(loss) after income tax		5,626	3,763	50	8,193	(16,719)	N.M.
Other comprehensive loss:							
<i>Items that may be reclassified subsequently to profit or loss:</i>							
Currency translation arising from consolidation							
- (Loss)/gain		(358)	341	N.M.	(553)	305	N.M.
- Reclassification		-	-	N.M.	-	(248)	N.M.
Fair value gain/(losses) on debt financial assets, at FVOCI		9	-	N.M.	1	(200)	N.M.
		(349)	341	N.M.	(552)	(143)	(286)
<i>Items that may not be reclassified subsequently to profit or loss:</i>							
Fair value losses on equity financial assets, at FVOCI		(4,151)	(473)	N.M.	(4,151)	(1,181)	(253)
Other comprehensive loss, net of tax		(4,500)	(132)	N.M.	(4,703)	(1,324)	(257)
Total comprehensive income/(loss)		1,126	3,631	(69)	3,490	(18,043)	N.M.
Total comprehensive income/(loss) attributable to:							
Equity holders of the Company		391	2,746	(86)	2,185	(16,020)	N.M.
Non-controlling interests		735	885	(17)	1,305	(2,023)	N.M.
		1,126	3,631	(69)	3,490	(18,043)	N.M.

N.M. – Not Meaningful

KOH BROTHERS GROUP LIMITED
B. CONDENSED INTERIM BALANCE SHEETS

As at 31 December 2021

	Note	GROUP		COMPANY	
		2021 S\$'000	2020 S\$'000	2021 S\$'000	2020 S\$'000
ASSETS					
Current assets					
Cash and bank balances		95,152	101,849	989	186
Investment securities		2,730	3,489	-	218
Trade and other receivables		57,293	40,947	7	7
Contract assets		123,370	130,089	-	-
Amounts due from subsidiaries		-	-	39,920	42,193
Amounts due from joint ventures		45,245	44,009	-	-
Inventories		10,291	2,709	-	-
Development properties		128,402	122,057	-	-
Income tax receivables		730	730	-	-
Other current assets		4,799	5,940	-	-
		468,012	451,819	40,916	42,604
Property held-for-sale		3,216	-	-	-
		471,228	451,819	40,916	42,604
Non-current assets					
Trade and other receivables		30,127	29,393	-	-
Contract assets		4,296	3,869	-	-
Investment securities		10,705	792	-	-
Investment in subsidiaries		-	-	156,615	156,479
Investments in associated companies		439	280	-	-
Investments in joint ventures		94,202	99,516	-	-
Investment properties	12	102,169	95,224	-	-
Property, plant and equipment	11	110,715	133,404	-	-
Goodwill	10	5,078	5,078	-	-
		357,731	367,556	156,615	156,479
Total assets		828,959	819,375	197,531	199,083
LIABILITIES					
Current liabilities					
Trade and other payables		75,783	97,523	1,602	1,706
Contract liabilities		11,352	7,347	-	-
Amounts due to subsidiaries		-	-	8,305	10,934
Amounts due to joint ventures		37,778	38,340	-	-
Current income tax liabilities		818	463	-	-
Bank borrowings and lease liabilities	13	81,219	90,164	-	-
Notes payables	13	70,000	-	70,000	-
		276,950	233,837	79,907	12,640
Non-current liabilities					
Trade and other payables		6,943	4,649	-	-
Amount due to a subsidiary		-	-	19,011	19,011
Bank borrowings and lease liabilities	13	195,050	200,544	-	-
Notes payables	13	-	70,000	-	70,000
Deferred income tax liabilities		7,278	7,775	-	-
		209,271	282,968	19,011	89,011
Total liabilities		486,221	516,805	98,918	101,651
NET ASSETS		342,738	302,570	98,613	97,432
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital	14	36,981	36,981	36,981	36,981
Treasury shares		(7,983)	(7,983)	(7,983)	(7,983)
Other reserves		(3,194)	(2,311)	-	-
Retained profits		270,689	270,633	69,615	68,434
Currency translation reserve		(9,382)	(9,432)	-	-
		287,111	287,888	98,613	97,432
Non-controlling interests		55,627	14,682	-	-
Total equity		342,738	302,570	98,613	97,432

KOH BROTHERS GROUP LIMITED
C. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the financial year ended 31 December 2021

Group	Note	← Attributable to equity holders of the Company →					Non-controlling interests S\$'000	Total equity S\$'000
		Share capital S\$'000	Treasury shares S\$'000	Other reserves S\$'000	Retained profits S\$'000	Currency translation reserve S\$'000		
Balance at 1 January 2021		36,981	(7,983)	(2,311)	270,633	(9,432)	14,682	302,570
Profit for the financial year		-	-	-	6,900	-	1,293	8,193
Other comprehensive (loss)/income for the financial year		-	-	(4,148)	-	(567)	12	(4,703)
Total comprehensive (loss)/income for the financial year		-	-	(4,148)	6,900	(567)	1,305	3,490
Change in ownership interests in subsidiaries		-	-	257	(2,889)	617	2,015	-
Share based payment pursuant to Performance Share Plan by a subsidiary		-	-	8	-	-	7	15
Issuance of shares by a subsidiary, net of expenses		-	-	-	(955)	-	37,789	36,834
Exercise of warrants issued by a subsidiary		-	-	-	-	-	439	439
Transfer upon realisation of fair value loss in equity financial assets, at FVOCI		-	-	3,000	(3,000)	-	-	-
Dividend		-	-	-	-	-	(610)	(610)
Total transactions with owners, recognised directly in equity		-	-	3,265	(6,844)	617	39,640	36,678
Balance at 31 December 2021		36,981	(7,983)	(3,194)	270,689	(9,382)	55,627	342,738

KOH BROTHERS GROUP LIMITED
C. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the financial year ended 31 December 2021

Group	Note	← Attributable to equity holders of the Company →					Non-controlling interests S\$'000	Total equity S\$'000
		Share capital S\$'000	Treasury shares S\$'000	Other reserves S\$'000	Retained profits S\$'000	Currency translation reserve S\$'000		
Balance as at 1 January 2020		36,981	(7,983)	(974)	283,247	(9,475)	20,914	322,710
Loss for the financial year		-	-	-	(14,806)	-	(1,913)	(16,719)
Other comprehensive loss for the financial year		-	-	(1,332)	-	118	(110)	(1,324)
Total comprehensive loss for the financial year		-	-	(1,332)	(14,806)	118	(2,023)	(18,043)
Change in ownership interests in subsidiaries		-	-	(29)	3,242	(75)	(3,138)	-
Share based payment pursuant to performance share plan by a subsidiary		-	-	5	-	-	19	24
Disposal of subsidiaries		-	-	19	(19)	-	(23)	(23)
Dividend		-	-	-	(1,031)	-	(1,067)	(2,098)
Total transactions with owners, recognised directly in equity		-	-	(5)	2,192	(75)	(4,209)	(2,097)
Balance at 31 December 2020		36,981	(7,983)	(2,311)	270,633	(9,432)	14,682	302,570

KOH BROTHERS GROUP LIMITED
C. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the financial year ended 31 December 2021

COMPANY	<u>Share capital</u>	<u>Treasury shares</u>	<u>Retained profits</u>	<u>Total equity</u>
	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 January 2021	36,981	(7,983)	68,434	97,432
Profit for the financial year	-	-	1,181	1,181
Balance at 31 December 2021	36,981	(7,983)	69,615	98,613
Balance at 1 January 2020	36,981	(7,983)	69,653	98,651
Loss for the financial year	-	-	(188)	(188)
Dividend	-	-	(1,031)	(1,031)
Balance at 31 December 2020	36,981	(7,983)	68,434	97,432

KOH BROTHERS GROUP LIMITED
D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
For the financial year ended 31 December 2021

	FY 2021	FY 2020
	S\$'000	S\$'000
Cash flows from operating activities		
Profit/(loss) after income tax	8,193	(16,719)
Adjustments for:		
- Income tax expense	635	500
- (Write-back of allowance of)/allowance for inventory obsolescence	(2,280)	627
- Depreciation of property, plant and equipment	15,943	21,744
- Dividend income	-	(78)
- (Write-back of allowance of)/allowance for impairment of property, plant and equipment	(169)	224
- Property, plant and equipment written off	21	172
- Fair value (gain)/loss on investment properties	(7,089)	317
- Gain on disposal of property, plant and equipment	(682)	(1,081)
- Gain on disposal of subsidiaries	-	(286)
- Fair value gain on financial assets, at fair value through profit or loss	-	(1,717)
- Share of profit of associated companies and joint ventures	(3,039)	(5,773)
- Finance expense	9,200	10,833
- Interest income	(1,209)	(1,986)
- Unrealised translation (gain)/loss	(514)	38
	19,010	6,815
Change in working capital, net of effects from disposal of subsidiaries:		
- Trade and other receivables	(17,050)	13,452
- Inventories	(5,302)	2,097
- Contract assets and liabilities	10,296	2,326
- Development properties	(6,344)	14,481
- Other current assets	1,141	335
- Trade and other payables	(19,531)	(24,677)
- Amount due from/to joint ventures	(1,798)	13,991
Cash (used in)/generated from operations	(19,578)	28,820
Income tax paid	(775)	(302)
Net cash (used in)/generated from operating activities	(20,353)	28,518
Cash flows from investing activities		
Purchase of property, plant and equipment	(3,021)	(2,303)
Proceeds from disposal of property, plant and equipment	3,135	1,398
Proceeds from disposal of a subsidiary, net of cash disposed of	-	34
Proceeds from liquidation of a joint venture	2,539	-
Net (purchase)/proceeds from investment securities	(13,302)	1,922
Additions to investment properties	-	(1,373)
Dividends received from joint ventures	5,757	12,028
Dividend from other investments	-	78
Interest received	1,209	567
Net cash (used in)/provided by investing activities	(3,683)	12,351
Cash flows from financing activities		
Proceeds from issuance of share by a listed subsidiary, net of expenses	36,834	-
Proceeds from exercise of warrants in a subsidiary, net of expenses	439	-
Proceeds from bank borrowings	35,253	24,200
Principal payment of lease liabilities	(8,832)	(8,033)
Repayment of bank borrowings	(36,613)	(27,223)
Dividend paid to equity holders of the Company	-	(1,031)
Dividends paid to non-controlling interests	(610)	(741)
Interest paid	(9,227)	(11,289)
Net cash provided by/(used in) financing activities	17,244	(24,117)
Net change in cash and bank balances	(6,792)	16,752
Beginning of financial year	101,849	85,195
Effects of currency translation on cash and bank balances	95	(98)
End of financial year	95,152	101,849

1. Corporate information

Koh Brothers Group Limited (the “Company”) is listed on the Singapore Exchange and incorporated and domiciled in Singapore.

The principal activities of the Company are investment holding and provision of management services.

The principal activities of the Group are:

- (a) Building and civil engineering contracting;
- (b) Specialist engineers;
- (c) Manufacturing of building materials and precast products;
- (d) Property investment and development; and
- (e) Hotel investment and management.

2. Basis of preparation

The condensed interim financial statements of the financial year ended 31 December 2021 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)”) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and the Group’s performance since the last audited annual financial statements for the year ended 31 December 2020.

The financial statements are presented in Singapore Dollars, which is the Group’s functional currency. All financial information presented in Singapore Dollars have been rounded to the nearest thousand, unless otherwise stated.

The accounting policies and method of computations used in the condensed consolidated interim financial statements are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out as below:

2.1 New and amended Standards adopted by the Group

The Group has adopted the new and revised SFRS(I)s and SFRS(I) Interpretations and amendments to SFRS(I)s that are mandatory for application from 1 January 2021:

- Amendments to SFRS(I) 16: Covid-19-Related Rent Concessions beyond 30 June 2021
- Amendments to SFRS(I) 9, SFRS(I) 1-39, SFRS(I) 7, SFRS(I) 4 and SFRS(I) 16: Interest Rate Benchmark Reform- Phase 2

The adoption of the above amendments to SFRS(I)s did not result in material changes to the Group’s accounting policies and has no material effect on the amounts reported for the current financial year.

2.2 Use of judgment and estimates

In the process of applying the Group’s accounting policies, there is no instance of application of judgments with significant updates since the audited financial statements as at 31 December 2020 and is expected to have a significant effect on the amounts recognised in the condensed consolidated interim financial statements.

KOH BROTHERS GROUP LIMITED
E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

- (a) Estimation of total contract sum and contract costs for construction contracts
- (b) Valuation of investment properties

3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial year.

4. Revenue and segment information
(a) Disaggregation of revenue
(i) revenue for the 6-month period

	Construction & Building Materials		Real Estate		Leisure and Hospitality		Total	
	2H 2021 S\$'000	2H 2020 S\$'000	2H 2021 S\$'000	2H 2020 S\$'000	2H 2021 S\$'000	2H 2020 S\$'000	2H 2021 S\$'000	2H 2020 S\$'000
Contract revenue – over time	66,534	101,266	-	-	-	-	66,534	101,266
Revenue from sale of products – point in time	33,069	29,389	-	-	-	-	33,069	29,389
Revenue from sale of development properties – over time	-	-	8,510	5,397	-	-	8,510	5,397
Revenue from services rendered – over time	-	-	1,599	1,004	767	794	2,366	1,798
Revenue from contracts with customers	99,603	130,655	10,109	6,401	767	794	110,479	137,850
Rental income from investment properties	-	-	1,179	1,086	-	-	1,179	1,086
Total revenue	99,603	130,655	11,288	7,487	767	794	111,658	138,936

(ii) revenue for the 12-month period

	Construction & Building Materials		Real Estate		Leisure and Hospitality		Total	
	FY 2021 S\$'000	FY 2020 S\$'000	FY 2021 S\$'000	FY 2020 S\$'000	FY 2021 S\$'000	FY 2020 S\$'000	FY 2021 S\$'000	FY 2020 S\$'000
Contract revenue – over time	173,348	178,637	-	-	-	-	173,348	178,637
Revenue from sale of products – point in time	60,110	47,286	-	-	-	-	60,110	47,286
Revenue from sale of development properties – over time	-	-	12,842	10,893	-	-	12,842	10,893
Revenue from services rendered – over time	-	-	2,605	2,028	1,458	2,010	4,063	4,038
Revenue from contracts with customers	233,458	225,923	15,447	12,921	1,458	2,010	250,363	240,854
Rental income from investment properties	-	-	2,258	2,212	-	-	2,258	2,212
Total revenue	233,458	225,923	17,705	15,133	1,458	2,010	252,621	243,066

(b) Segment information

The Group considers the business from a business segment perspective. Management manages and monitors the business in three main business segments which are Construction & Building Materials, Real Estate and Leisure & Hospitality. The Group assesses the performance of these business segments based on sales, segment results, segment assets and segment liabilities.

- (i) Construction & Building Materials – This business segment undertakes construction activities for “Engineering and Construction”, “Bio-Refinery and Renewable Energy” and “Building Materials” segments. Management has aggregated the above businesses under Construction & Building Materials as they have similar economic growth prospects.
- (ii) Real Estate – This business segment involves property investment, development and management services.
- (iii) Leisure & Hospitality – This business segment involves hotel and leisure operations.

KOH BROTHERS GROUP LIMITED
E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
For the financial year ended 31 December 2021

The segment information and the reconciliations of segment results to profit before tax and segment assets and liabilities to total assets and liabilities are as follows:

Group (\$'000)	Construction & Building Materials	Real Estate	Leisure & Hospitality	Others	Total
<u>2H 2021</u>					
Sales					
- External	99,603	11,288	767	-	111,658
- Inter-segment	4,752	698	-	(470)	4,980
	<u>104,355</u>	<u>11,986</u>	<u>767</u>	<u>(470)</u>	<u>116,638</u>
Elimination					(4,980)
					<u>111,658</u>
Results					
Segment results					
- Company and subsidiaries	5,906	722	(288)	1,115	7,455
- Associated companies	164	-	-	-	164
- Joint ventures	-	1,420	-	-	1,420
Earnings/(loss) before interest and tax	<u>6,070</u>	<u>2,142</u>	<u>(288)</u>	<u>1,115</u>	<u>9,039</u>
Interest income					596
Finance expenses					(4,650)
Profit before income tax					<u>4,985</u>
Other information					
Capital expenditure	2,563	21	551	-	3,135
Depreciation	7,358	174	218	-	7,750
<u>FY 2021</u>					
Sales					
- External	233,458	17,705	1,458	-	252,621
- Inter-segment	7,656	1,022	-	488	9,166
	<u>241,114</u>	<u>18,727</u>	<u>1,458</u>	<u>488</u>	<u>261,787</u>
Elimination					(9,166)
					<u>252,621</u>
Results					
Segment results					
- Company and subsidiaries	5,934	6,918	(755)	1,683	13,780
- Associated companies	159	-	-	-	159
- Joint ventures	-	2,880	-	-	2,880
Earnings/(loss) before interest and tax	<u>6,093</u>	<u>9,798</u>	<u>(755)</u>	<u>1,683</u>	<u>16,819</u>
Interest income					1,209
Finance expenses					(9,200)
Profit before income tax					<u>8,828</u>
Other information					
Capital expenditure	3,388	40	614	-	4,042
Depreciation	15,140	356	447	-	15,943
<u>As at 31 December 2021</u>					
Segment assets	295,617	367,450	24,714	3,474	691,255
Associated companies	439	-	-	-	439
Joint ventures	-	94,202	-	-	94,202
Unallocated assets:					
Income tax receivables					730
Short-term bank deposits					28,898
Investment securities					13,435
Consolidated total assets					<u>828,959</u>
Segment liabilities	81,830	47,844	557	1,625	131,856
Unallocated liabilities:					
Current income tax liabilities					818
Deferred income tax liabilities					7,278
Bank borrowings, notes payables, and lease liabilities					346,269
Consolidated total liabilities					<u>486,221</u>

KOH BROTHERS GROUP LIMITED
E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
For the financial year ended 31 December 2021

Group (\$'000)	Construction & Building Materials	Real Estate	Leisure & Hospitality	Others	Total
<u>2H 2020</u>					
Sales					
- External	130,655	7,487	794	-	138,936
- Inter-segment	2,647	271	-	(331)	2,587
	<u>133,302</u>	<u>7,758</u>	<u>794</u>	<u>(331)</u>	<u>141,523</u>
Elimination					<u>(2,587)</u>
					<u>138,936</u>
Results					
Segment results					
- Company and subsidiaries	5,441	960	49	80	6,530
- Associated companies	(996)	-	-	-	(996)
- Joint ventures	-	2,825	-	-	2,825
Earnings before interest and tax	<u>4,445</u>	<u>3,785</u>	<u>49</u>	<u>80</u>	<u>8,359</u>
Interest income					813
Finance expenses					<u>(4,962)</u>
Loss before income tax					<u>4,210</u>
Other information					
Capital expenditure	3,329	1,767	72	-	5,168
Depreciation	11,499	184	242	-	11,925
<u>FY 2020</u>					
Sales					
- External	225,923	15,133	2,010	-	243,066
- Inter-segment	4,213	548	-	563	5,324
	<u>230,136</u>	<u>15,681</u>	<u>2,010</u>	<u>563</u>	<u>248,390</u>
Elimination					<u>(5,324)</u>
					<u>243,066</u>
Results					
Segment results					
- Company and subsidiaries	(12,717)	(254)	(62)	(112)	(13,145)
- Associated companies	(1,071)	-	-	-	(1,071)
- Joint ventures	-	6,844	-	-	6,844
(Loss)/earnings before interest and tax	<u>(13,788)</u>	<u>6,590</u>	<u>(62)</u>	<u>(112)</u>	<u>(7,372)</u>
Interest income					1,986
Finance expenses					<u>(10,833)</u>
Loss before income tax					<u>(16,219)</u>
Other information					
Capital expenditure	3,796	1,793	291	-	5,880
Depreciation	20,875	379	490	-	21,744
<u>As at 31 December 2020</u>					
Segment assets	320,078	352,056	24,693	1,660	698,487
Associated companies	280	-	-	-	280
Joint ventures	-	99,516	-	-	99,516
Unallocated assets:					
Income tax receivables					730
Short-term bank deposits					16,081
Investment securities					<u>4,281</u>
Consolidated total assets					<u>819,375</u>
Segment liabilities	100,121	45,996	299	1,443	147,859
Unallocated liabilities:					
Current income tax liabilities					463
Deferred income tax liabilities					7,775
Bank borrowings, notes payables, and lease liabilities					<u>360,708</u>
Consolidated total liabilities					<u>516,805</u>

KOH BROTHERS GROUP LIMITED
E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
For the financial year ended 31 December 2021
(c) Geographical information

The Group's three business segments operate in four main geographical areas: Singapore, Malaysia, Indonesia and others.

The following table presents sales and non-current assets information for the main geographical areas for the financial period ended 31 December 2021 and 31 December 2020.

Group	2H 2021 S\$'000	2H 2020 S\$'000	FY 2021 S\$'000	FY 2020 S\$'000
<u>Total sales</u>				
Singapore	93,742	123,976	219,440	215,263
Malaysia	2,732	4,399	10,411	6,822
Indonesia	7,577	2,730	11,983	3,439
Others	7,607	7,831	10,787	17,542
	111,658	138,936	252,621	243,066

Group	As at 31 December 2021 S\$'000	As at 31 December 2020 S\$'000
<u>Total non-current assets</u>		
Singapore	336,924	341,025
Malaysia	11,565	11,818
Others	9,242	14,713
	357,731	367,556

5. Other income and other gains – (net)

Group	2H 2021 S\$'000	2H 2020 S\$'000	FY 2021 S\$'000	FY 2020 S\$'000
<u>Other income</u>				
Interest income	596	813	1,209	1,986
Other income	520	680	619	755
	1,116	1,493	1,828	2,741
<u>Other gains – net</u>				
Fair value gain/(loss) on investment properties	509	98	7,089	(317)
Fair value gain on investment securities	-	1,717	-	1,717
Gain on disposal of property, plant and equipment	246	694	682	1,081
Gain on disposal of subsidiaries	-	286	-	286
Net foreign exchange gain/(loss)	1,194	(269)	888	349
	1,949	2,526	8,659	3,116

KOH BROTHERS GROUP LIMITED
E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
For the financial year ended 31 December 2021

6. Expenses by nature

Group	2H 2021 S\$'000	2H 2020 S\$'000	FY 2021 S\$'000	FY 2020 S\$'000
(Write-back of allowance for)/allowance for impairment of trade receivables	(741)	616	(658)	645
Allowance for impairment of sundry debtor	(9)	238	(9)	238
Allowance for impairment of loans to joint ventures	225	731	1,377	1,469
(Write back of allowance for)/allowance for impairment on inventories obsolescence	(1,974)	(409)	(2,280)	627
(Write-back of allowance for)/allowance for impairment of property, plant and equipment	(169)	224	(169)	224
Depreciation of property, plant and equipment	7,750	11,925	15,943	21,744

7. Taxation

The major components of income tax expense in the condensed interim consolidated statement of comprehensive income are:

Group	2H 2021 S\$'000	2H 2020 S\$'000	FY 2021 S\$'000	FY 2020 S\$'000
Tax expense attributable to profit is made up of:				
- Current income tax	666	822	1,104	1,171
- Deferred income tax	(1,347)	(371)	(234)	(349)
	(681)	451	870	822
Under/(over) provision of current income tax in prior financial period/years	40	(4)	(235)	(322)
	(641)	447	635	500

KOH BROTHERS GROUP LIMITED
E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
For the financial year ended 31 December 2021

8. Related party transactions

The Group has significant transactions with related parties during the financial year:

	2H 2021	2H 2020	FY 2021	FY 2020
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Sales and purchases of goods and services</u>				
(i) Progressive billing recognised from sale of residential property to related parties	349	-	349	698
(ii) Construction works performed by a related party	-	-	-	876

Related party comprises companies which are controlled or significantly influenced by the Group's key management personnel and their close family members.

9. Fair value measurements

The following presents the assets and liabilities measured at fair value and classified by level of the following fair value measurement hierarchy:

- (i) quoted price (unadjusted) in active markets for identical assets or liabilities (Level 1);
- (ii) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (is as prices) or indirectly (i.e. derived from prices) (Level 2); and
- (iii) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

Investment properties

The Group's investment properties are measured at fair value based on valuations performed by independent professional valuers at least once a year. The valuation techniques and key unobservable inputs that were used to determine the fair value of the investment properties are classified within Level 3 of the fair value hierarchy.

Other financial assets and liabilities

The fair value of financial instruments traded in active markets (such as trading and available-for-sale securities) is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1.

The fair value of financial instruments that are not traded in active market is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. Quoted market prices or dealer quotes for similar instruments with adjustment on the market price of linked listed equity securities and interest rate curve are used to estimate the fair value of unquoted short-term structured notes. These instruments are classified as Level 2.

For unquoted convertible notes, the fair value is determined using discounted cash flow analysis which involves the use of significant unobservable inputs. These instruments are classified as Level 3.

The following table presented the assets measured at fair value:

	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
Group				
As at 31 December 2021				
Investment properties	-	-	102,169	102,169
Investment securities	11,196	-	-	11,196
As at 31 December 2020				
Investment properties	-	-	95,224	95,224
Investment securities	1,281	-	-	1,281

10. Goodwill

	Group	
	As at 31 December 2021 S\$'000	As at 31 December 2020 S\$'000
<i>Cost</i>	5,078	5,078

Impairment tests for goodwill

Goodwill arising from the Group's acquisition of Koh Brothers Eco Engineering Limited and its subsidiaries is allocated to the "Bio-Refinery and Renewable Energy" cash-generating unit ("CGU").

The Group tests the CGU annually for impairment or more frequently if there are indicators that the goodwill might be impaired.

The recoverable amount of the CGU was determined based on value-in-use calculation. Cash flow projections used in the value-in-use calculations were based on financial budgets approved by management covering a one-year period.

11. Property, plant and equipment

During the current financial year, the Group acquired assets amounted to S\$4,042,000 (2020: S\$4,507,000), and disposed assets at net book value amounted to S\$2,453,000 (2020: S\$317,000).

12. Investment properties

	Group	
	2021 S\$'000	2020 S\$'000
Balance at 1 January	95,224	94,564
Additions	-	1,373
Fair value gain/(loss) recognised in profit or loss	7,089	(317)
Reclassification to property, plant and equipment	-	(523)
Currency translation difference	(144)	127
Balance at 31 December	102,169	95,224

As at 31 December 2021, the Group's investment properties with a total carrying amount of S\$94,900,000 (31 December 2020: S\$87,200,000) are mortgaged to banks for banking facilities granted.

Valuation processes of the Group

The fair value of investment properties determined by independent professional valuers at least once a year based on the properties "As-Is" market value. They are carried at fair value at 31 December 2021 and 31 December 2020.

At each reporting date, management:

- provides all major inputs to the independent valuation report;
- assesses property valuation movements when compared to the prior year valuation reports; and
- holds discussions with the independent valuers.

KOH BROTHERS GROUP LIMITED
E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
For the financial year ended 31 December 2021
13. Bank borrowing, lease liabilities and notes payables

	Group	
	As at 31 December 2021 S\$'000	As at 31 December 2020 S\$'000
<u>Current</u>		
Bank borrowings payable within one year		
- Secured [Note 13(i)]	17,983	24,893
- Unsecured	55,852	55,596
	73,835	80,489
Lease liabilities payable within one year	7,384	9,675
	81,219	90,164
Notes payables within one year		
- Unsecured [Note 13(ii)]	70,000	-
	151,219	90,164
<u>Non-current</u>		
Bank borrowings payable after one year		
- Secured [Note 13(i)]	180,994	171,005
- Unsecured	3,584	8,324
	184,578	179,329
Lease liabilities payable after one year	10,472	21,215
	195,050	200,544
Notes payables after one year		
- Unsecured [Note 13(ii)]	-	70,000
	195,050	270,544
	346,269	360,708

- (i) The Group's secured borrowings are secured by the Group's properties, plant and machinery, motor vehicles, development properties and investment properties.
- (ii) The Company has established a S\$250 million Multicurrency Medium Term Note programme, under which the Company may, from time to time, issue notes in series or tranches in Singapore Dollars or in other currencies, in various amounts and tenors and interest rates agreed between Company and the relevant dealer. The net proceeds arising from the issue of notes will be used for general corporate purposes, financing investments and general working capital of the Group.

The Company issued the second series of notes amounting to S\$70,000,000 in October 2017. The notes bear a fixed rate of 5.10% per annum payable semi-annually in arrear and are due on 27 October 2022.

KOH BROTHERS GROUP LIMITED
E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
For the financial year ended 31 December 2021

14. Share capital

	No. of ordinary shares		Amount	
	Issued share <u>capital</u> '000	Treasury <u>shares</u> '000	Share <u>capital</u> S\$'000	Treasury <u>shares</u> S\$'000
Group and Company				
2021				
Balance at 1 January and 31 December	438,000	(25,541)	36,981	(7,983)
2020				
Balance at 1 January and 31 December	438,000	(25,541)	36,981	(7,983)

All issued ordinary shares are fully paid. There is no par value for these ordinary shares. Fully paid ordinary shares carry one vote per share and carry a right to dividends as and when declared by the Company.

- 1(i) Details of any changes in the Company's share capital and arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other shares of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of corresponding period of the immediately preceding financial year.

	No. of shares	
	As at 31 December 2021	As at 31 December 2020
Total number of issued shares	438,000,000	438,000,000
Less: number of treasury shares	(25,540,900)	(25,540,900)
Total number of issued shares excluding treasury shares	412,459,100	412,459,100

- 1(ii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	No. of shares	
	As at 31 December 2021	As at 31 December 2020
Total number of issued shares excluding treasury shares	412,459,100	412,459,100

- 1(iii) A statement showing all sales, transfer, disposal, cancellation and/or use of treasury shares as at end of the current financial period reported on.

	No. of shares
	As at 31 December 2021
Beginning and end of the financial period	25,540,900

- 1(iv) A statement showing all sales, transfer, cancellation and/or use of subsidiaries holdings as at the end of the current financial period reported on.

Not applicable.

2. Whether the figures have been audited, or reviewed and if so which auditing standard or practice has been followed

The figures have not been audited or reviewed by the Company's auditors.

3. Where the figures have been audited or reviewed, the auditor's report (including any modification or emphasis of matter)

Not applicable.

4. **Whether the same accounting policies and methods of computation as in the issuer's most recent audited annual financial statements have been applied**

Refer to note 2 - basis of preparation of the condensed interim consolidated financial statement.

5. **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change**

Refer to note 2 - basis of preparation of the condensed interim consolidated financial statement.

6. **Earnings per ordinary share of the Group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

Group		2H 2021 (cents)	2H 2020 (cent)	FY 2021 (cents)	FY 2020 (cents)
(i)	Basic	1.19	0.71	1.67	(3.59)
(ii)	On a fully diluted basis	1.19	0.71	1.67	(3.59)

Basic earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to equity holders of the Company over the weighted average number of ordinary shares in issue during the current financial year of 412,459,100 ordinary shares (2020: 412,459,100 ordinary shares).

Diluted earnings per share

For the financial year ended 31 December 2021, warrants of the Group's subsidiary, Koh Brothers Eco Engineering Limited ("KBE Warrants"), are not included in the calculation of diluted earnings per share because they are antidilutive, except for the KBE Warrants with total number of 75,777,456 are dilutive ("Dilutive Warrants"). Diluted earnings per share have been adjusted for the effect arising from exercising the Dilutive Warrants, and the impact on the diluted earnings per share is immaterial.

For the previous financial year ended 31 December 2020, no adjustment was made to the diluted earnings per share because all the outstanding KBE Warrants are antidilutive.

7. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer as at the end of the (a) current financial period reported on and (b) immediately preceding financial year.**

	Group		Company	
	As at 31 December 2021 (cents)	As at 31 December 2020 (cents)	As at 31 December 2021 (cents)	As at 31 December 2020 (cents)
Net asset value per ordinary share based on existing issued share capital (excluding treasury shares) as at the end of the period reported on	69.61	69.80	23.92	23.62

The net asset value per share is calculated based on the issued share capital excluding treasury shares of 412,459,100 ordinary shares as at 31 December 2021 (31 December 2020: 412,459,100 ordinary shares).

8. **A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. The review must discuss any significant factors, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flows, working capital, assets or liabilities of the Group during the current financial period reported on.**

(a) Review of Group Performance

The resurgence of COVID-19 and tightened movement restrictions continue to weigh on the Group's financial performance for the financial year ended 31 December 2021 ("FY 2021"). Nevertheless, with the gradual resumption of construction activities in FY 2021, the Group's financial performance improved as compared to 2020. While the government has taken measures to manage the spread of coronavirus, the operating situation has not returned to the pre-COVID period, and key difficulties and challenges still remain.

2H 2021 VS 2H 2020

Revenue

The Group's sales decreased from S\$138.94 million in 2H 2020 to S\$111.66 million in 2H 2021. The decrease was primarily due to lower contribution by the Construction and Building Materials division.

Gross profit

The Group's gross profit increased from S\$12.70 million in 2H 2020 to S\$13.40 million in 2H 2021, this was mainly due to improved gross profit margin from the Construction and Building Materials division, as more construction activities gradually resumed in 2021.

Other income and other gains-net

Other income decreased from S\$1.49 million in 2H 2020 to S\$1.12 million in 2H 2021 mainly due to decrease in interest income.

Other gains decreased from S\$2.53 million in 2H 2020 to S\$1.95 million in 2H 2021 mainly due to absence of fair value gain on investment securities.

Expenses

Distribution expenses decreased from S\$1.57 million in 2H 2020 to S\$0.44 million in 2H 2021 mainly due to write-back of allowance made for impairment on trade receivables.

Administrative expenses increased from S\$6.33 million in 2H 2020 to S\$7.72 million in 2H 2021 mainly due to increase in staff costs as a result of lower government grants received in 2H 2021.

Other expenses decreased from S\$1.48 million in 2H 2020 to S\$0.26 million in 2H 2021 mainly due to lower impairment on sundry creditors, loans to joint ventures and property, plant and equipment.

Finance expenses decreased from S\$4.96 million in 2H 2020 to S\$4.65 million in 2H 2021 mainly due to decrease in bank borrowings and interest rate for the Group.

Depreciation expenses decreased from S\$11.93 million in 2H 2020 to S\$7.75 million in 2H 2021 mainly due to decrease in depreciable assets.

Share of profit of associated companies and joint ventures

Share of profit of associated companies and joint ventures decreased from S\$1.83 million in 2H 2020 to S\$1.58 million in 2H 2021 mainly due to lower contribution from a property development project in South Korea, which was completed in the second half of 2020.

Profit before income tax and net profit attributable to equity holders of the Company

Overall, the Group's profit before income tax increased from S\$4.21 million in 2H 2020 to S\$4.99 million in 2H 2021. The Group's net profit attributable to shareholders increased from S\$2.95 million in 2H 2020 to S\$4.91 million in 2H 2021.

Earnings per share for 2H 2021 stood at 1.19 Singapore cents, increased from 0.71 Singapore cent in 2H 2020.

FY 2021 VS FY 2020

Revenue

The Group's sales increased from S\$243.07 million in FY2020 to S\$252.62 million in FY2021. The increase was largely due to the low base in FY2020 when most of construction progress ceased during the Circuit Breaker from 7 April 2020.

Gross profit

The Group's gross profit increased from S\$1.46 million in FY 2020 to S\$21.57 million in FY 2021, this was mainly due to improved gross profit margin from the Construction and Building Materials division, as more construction activities gradually resumed in 2021.

Other income and other gains-net

Other income decreased from S\$2.74 million in FY 2020 to S\$1.83 million in FY 2021 mainly due to decrease in interest income.

Other gains increased from S\$3.12 million in FY 2020 to S\$8.66 million in FY 2021 mainly due to fair value gain on investment properties.

Expenses

Distribution expenses decreased from S\$2.95 million in FY 2020 to S\$1.23 million in FY 2021 mainly due to write-back of allowance made for impairment on trade receivables and lower marketing expenses.

Administrative expenses increased from S\$13.14 million in FY 2020 to S\$14.39 million in FY 2021 mainly due to increase in staff costs as a result of lower government grants received in FY 2021.

Other expenses decreased from S\$2.39 million in FY 2020 to S\$1.45 million in FY 2021 mainly due to lower impairment on sundry creditors, loans to joint ventures and property, plant and equipment.

Finance expenses decreased from S\$10.83 million in FY 2020 to S\$9.20 million in FY 2021 mainly due to decrease in bank borrowings and interest rate for the Group.

Depreciation expenses decreased from S\$21.74 million in FY 2020 to S\$15.94 million in FY 2021 mainly due to decrease in depreciable assets.

Share of profit of associated companies and joint ventures

Share of profit of associated companies and joint ventures decreased from S\$5.77 million in FY 2020 to S\$3.04 million in FY 2021 mainly due to lower contribution from a property development project in South Korea, which was completed in the second half of 2020.

Profit before income tax and net profit attributable to equity holders of the Company

Overall, the Group recorded profit before income tax and net profit attributable to shareholder of S\$8.83 million and S\$6.90 million in FY 2021, reversed from loss before income tax and net loss attributable to shareholders of S\$16.22 million and S\$14.81 million in FY 2020 respectively.

Earnings per share for FY 2021 stood at 1.67 Singapore cents, reversed from a loss per share of 3.59 Singapore cents in FY 2020.

(b) Review of change in working capital, assets and liabilities

The Group's current assets increased by S\$19.41 million mainly due to increase in trade and other receivables of S\$16.35 million, inventories of S\$7.58 million, development properties of S\$6.35 million, property held-for-sale of S\$3.22 million, partially offset by the decrease in contract assets of S\$6.72 million and cash and bank balances of S\$6.70 million. The increase in trade and other receivables was mainly due to progressive billing to customers.

The Group's non-current assets decreased by S\$9.83 million mainly due to decrease in property, plant and equipment of S\$22.69 million and investment in joint ventures of S\$5.31 million, and partially offset by the increase in investment securities of S\$9.91 million and investment properties of S\$6.95 million. The decrease in property, plant and equipment was mainly due to depreciation charges and reclassification of property held-for-sale. The decrease in investment in joint ventures was mainly due to dividend received from joint ventures.

The Group's current liabilities increased by S\$43.11 million mainly due to the reclassification of notes payables of S\$70 million to current liabilities, partially offset by decrease in trade and other payables of S\$21.74 million resulting from settlement of amount owing to creditors.

The Group's non-current liabilities decreased by S\$73.70 million mainly due to the reclassification of notes payables to current liabilities as mentioned above.

(c) Review of change in cash flow

The Group reported a net decrease in cash and bank balances mainly due to net cash used in operating activities and investing activities, partially offset by net cash provided by financing activities.

The net cash used in operating activities was primarily due to increase in trade and other receivables and payments made to trade and other payables.

The net cash provided by financing activities was primarily due to net proceeds from issuance of new shares by a listed subsidiary, and partially offset by repayment of bank borrowings and lease liabilities.

(d) Review of changes in turnover and earnings by business and geographical segments

By Business Segment

The sales increased by S\$9.56 million in FY2021 as compared to FY2020. This was mainly due to increase in both the Construction and Building Materials segment and the Real Estate segment.

The Group recorded earnings before interest and tax of S\$16.82 million in FY2021, reversed from a loss before interest and tax of S\$7.37 million in FY2020, this was mainly contributed by the Construction and Building Materials segment, as more construction activities gradually resumed in 2021.

By Geographical Segment

Total sales have mainly attributed to Singapore market for both FY2021 and FY2020. The increases in sales are across all major geographical segments, except for a decrease in sales from Africa under Others in FY2021.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

The current announced results are in line with the general prospect commentary previously disclosed in the results announcement for the financial period ended 31 December 2020.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months.

Based on advance estimates from the Ministry of Trade and Industry announced on 3 January 2022, the Singapore economy grew by 5.9% on a year-on-year basis in the fourth quarter of 2021, moderating from the 7.1% growth in the previous quarter. On a quarter-on-quarter seasonally-adjusted basis, the Singapore economy expanded by 2.6% in the fourth quarter, faster than the 1.2% growth in the preceding quarter. For the whole of 2021, the economy grew by 7.2%, rebounding from the 5.4% contraction in 2020.

The construction sector grew by 2.0% on a year-on-year basis in the fourth quarter of 2021, slower than the 66.3% growth in the preceding quarter. In absolute terms, the value-added of the sector remained 26.0% below its pre-COVID level, as activity at construction worksites continued to be weighed down by labour shortages due to border restrictions on the entry of migrant workers. On a quarter-on-quarter seasonally-adjusted basis, the construction sector contracted by 4.4% in the fourth quarter of 2021, a reversal from the 4.9 % growth in the previous quarter.

According to the projection by the Building and Construction Authority Singapore ("BCA") on 26 January 2022, BCA expects a steady improvement in construction demand over the medium term, it is projected to reach between S\$27 billion and S\$32 billion in 2022. The public sector is

expected to lead the demand and contribute S\$16 billion to S\$19 billion per year with similar proportions of demand coming from building projects and civil engineering works. Besides public housing projects including those under the Home Improvement Programme, public sector construction demand over the medium term will continue to be supported by large infrastructure and institutional projects such as Cross Island MRT Line (Phase 2 and 3), the Downtown Line Extension to Sungei Kadut and the Deep Tunnel Sewerage System Phase 2.

The Group expects the construction industry to remain challenging on the back of a competitive environment, supply chain disruptions, manpower shortage and higher cost of construction materials. The Group will continue to tender for more construction projects where we have the requisite track record, experience and capabilities which will help us to maintain a strong order book for sustainable growth. As at 31 December 2021, the Group's construction order book stood at S\$775.0 million.

According to flash estimates from the Urban Redevelopment Authority on 3 January 2022, the private residential property index increased by 8.3 points from the third quarter to reach 173.6 points in the fourth quarter of 2021. This represents an increase of 5.0% compared to the 1.1% increase in the previous quarter. For the whole of 2021, private home prices increased by 10.6%, compared to a 2.2% increase in 2020. With the latest round of property cooling measures including ABSD rates, lower TDSR and LTV rules on 16 December 2021, we expect the private residential market to remain challenging. Although the underlying property market appears to be stable, going forward, the Group will remain cautious and selective in replenishing our land bank.

11. Dividend

(a) Current Financial Period Reported On:

Any dividend declared for the current financial period reported on? Yes

Name of dividend	Final
Dividend type	Cash
Dividend amount per share	0.20 cent per ordinary share
Tax rate	Tax exempt

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

No

(c) Date payable

Subject to approval by shareholders at the next Annual General Meeting and to be announced at a later date.

(d) Book closure date

Subject to approval by shareholders at the next Annual General Meeting and to be announced at a later date.

12. If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.

Not applicable.

13. Interested Person Transaction

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) (S\$'000)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000) (S\$'000)
<u>Transaction for the sales of goods and services</u>		
Benjamin Koh Yong Jun	147	-
Rachel Koh Han Ling	202	-

The Group has not obtained a general mandate from shareholders for Interested Person Transactions.

14. Disclosure on acquisition and realisation of shares pursuant to rule 706a of the listing manual

(a) Change of interest in Koh Brothers Eco Engineering Limited ("KBE")

On 8 June 2021, KBE issued 810,000,000 new ordinary shares to Penta-Ocean Construction Co. Ltd. through private placement, after obtaining shareholders' approval from both the Company and KBE on 31 May 2021. The Company's percentage shareholding in KBE has been reduced from approximately 76.94% to approximately 54.82% of KBE's enlarged issued and paid-up share capital.

(b) Members' voluntary liquidation of subsidiaries and joint venture

On 10 February 2021, the Company announced via SGX-Net that KBD Westwood Pte. Ltd. and Megacity Investment Pte Ltd have each resolved to be liquidated and have initiated members' voluntary liquidation process.

(c) Dissolution/striking off/removal from Company Registry

On 20 December 2021, the Company announced via SGX-Net that K-Skin Pte. Ltd. was struck off the register.

15. Confirmation pursuant to rule 720(1) of the listing manual

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

KOH BROTHERS GROUP LIMITED**F. OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2***For the financial year ended 31 December 2021*

- 16. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 701(11) in the format below. If there are no such persons, the issuers must make an appropriate negative announcement.**

Name	Age	Family relationship with any Director and/or substantial shareholder	Current position and duties, and the year the position was held	Detail of changes in the duties and position held, if any, during the year
Phua Siew Gaik	56	Spouse of Mr Koh Keng Siang, daughter-in-law of Mr Koh Tiat Meng and Mdm Quek Chee Nee, and sister-in-law of Mr Koh Keng Hiong	Senior Group Human Resources and Administration Manager since 2015. Responsible for overseeing the Group's human resources and administration function.	Nil
Erliana Sutadi	52	Spouse of Mr Koh Keng Hiong, daughter-in-law of Mr Koh Tiat Meng and Mdm Quek Chee Nee, and sister-in-law of Mr Koh Keng Siang	Office Manager, Oxford Hotel, since 2000. Responsible for office administration.	Nil
Koh Keng Seng	58	Nephew of Mr Koh Tiat Meng and Mr Koh Teak Huat and cousin of Mr Koh Keng Siang and Mr Koh Keng Hiong	Executive Director, Construction division, since 2008. Responsible for overseeing machinery, equipment and logistic functions.	Nil
Phua Eng Hong	59	Brother-in-law of Mr Koh Keng Siang	Director of Dalian Megacity Trading Co., Ltd, since 2008. No executive duties.	Nil
Koh Kheng Yeow	54	Nephew of Mr Koh Tiat Meng and Mr Koh Teak Huat and cousin of Mr Koh Keng Siang and Mr Koh Keng Hiong	Director of Dalian Megacity Trading Co., Ltd, since 2008. No executive duties.	Nil

By Order of the Board

Koh Keng Siang
Managing Director & Group CEO

Koh Keng Hiong
Executive Director

29 January 2022