



NEWS RELEASE

KOH BROTHERS UNIT OPENS ITS FIRST PRECAST PLANT IN SENAI WITHIN ISKANDAR, MALAYSIA

- *Building materials division, G & W Group, invests S\$13 million for 47,000 sqm of freehold land in Iskandar Malaysia*
- *Total land area for Precast Plants, including 49,000 sqm of land in Singapore, jumps to 96,000 sqm*
- *Additional production capacity of 75,000 m³ to boost total annual production capacity to 150,000 m³*
- *To cater to strong demand for precast concrete arising from ramp up of public housing supply in Singapore and development of Iskandar Malaysia*
- *Precast Plant in Iskandar Malaysia is in response to the Singapore Government's call to raise productivity in the construction sector*

Singapore, October 9, 2013 - Koh Brothers Group Limited ("Koh Brothers", and together with its subsidiaries, the "Group"), a well-established construction, property development and specialist engineering solutions provider, today announced that its wholly-owned building materials unit, G & W Group, has kick-started operations at its first precast plant in Senai, within Iskandar, Malaysia. This plant is expected to be fully operational in the last quarter of 2013.

As a strategic base to complement its existing precast plants in Singapore, the 47,000 sqm Iskandar Precast Plant, which has an annual production capacity of 75,000 m³, is expected to boost G & W Group's precast plants to 96,000 sqm in land size, and total precast concrete capacity to approximately 150,000 m³ per annum.

Mr Francis Koh, Managing Director and Group CEO of Koh Brothers, said: “The establishment of our new plant in Malaysia is timely, in view of Singapore’s government’s intention to ramp up housing supply. Our decision to have another new precast plant was first made when the government announced the intention to ramp up housing supply to 90,000 private units and 110,000 public homes by 2016¹.



Koh Brothers building material unit, G & W group’s first precast plant in Senai, Iskandar, Malaysia.



The 47,000 sqm Iskandar Precast Plant has an annual production capacity of 75,000 m³.

¹ <http://www.btinvest.com.sg/property/local/700000-new-homes-2030-too-many-or-too-few-20130201/>

“The plant is also expected to benefit from the development of Iskandar Malaysia, where demand for high quality precast components or ‘Industrialised Building System’ is expected to be tremendous. Ideally located in Senai, an industrial zone where many new and existing precast and precast related suppliers are based, the new plant opens up vast opportunities for us to better cater to our clients’ needs.

The plant, equipped with six production lines served by 12 gantry cranes, will manufacture a full range of precast components for residential and industrial buildings, and infrastructural use, from Columns, Beams, Facades, Pre-stressed component, Slabs to volumetric Household Shelters etc.

The plant is designed to be self-sufficient, and includes a dormitory that can accommodate over 100 workers; a full scale ready-mixed concrete batching plant; a steel mould fabrication and a well-equipped repair and maintenance workshop. The overall planning and control of the plant will be linked with the Singapore main plant at Tampines via SAP, an Enterprise Resource Planning system.

Mr Francis Koh added, “In addition, the new plant’s close proximity to our HQ in Singapore ensures highly efficient supply-chain management. The new plant is also expected to benefit our Building Materials arm significantly. Not only will the new plant enhance our productivity, it also brings greater cost efficiencies and therefore potential margin improvements.

“As one of the largest precast concrete producers and in line with our advancement in the industry, our precast plants will also use green technology to produce environmentally-friendly concrete precast products, as part of our growth strategy.”

About G & W Group

Established in 1979, G & W Group, a wholly-owned subsidiary of Koh Brothers, is a renowned total concrete solutions provider in Singapore. G & W Group's expansive track record includes many award-winning prestigious projects such as the new Supreme Court, Republic Polytechnic and The Solitaire Condominium. G & W Group has been awarded the OHSAS 18001, BIZSAFE Star etc, bearing testimony to its commitment to quality products and services.

About Koh Brothers Group Limited

Listed on SGX Mainboard in August 1994, Koh Brothers Group is a well-established construction, property development and specialist engineering solutions provider, which was started as a sole proprietorship in 1966 by Mr Koh Tiat Meng. Today, the Group has more than 40 subsidiaries, joint venture companies and associated companies spread over Singapore, PRC, Indonesia, and Malaysia.

Over the years, the Group has undertaken numerous construction and infrastructure projects with its A1 grading by the Building and Construction Authority ("BCA"). It is currently the highest grade for contractors' registration in this category, and allows the Group to tender for public sector construction projects of unlimited value. In addition, the Group has developed a name for itself as a niche real estate developer, with an established reputation for quality and innovation.

Koh Brothers Group's diversified businesses present them with multiple revenue streams from three core areas:

- Construction and Building Materials;
- Real Estate; and
- Leisure & Hospitality.

More recently, in February 2013, the Group also broadened its reach into the environmental engineering sector, with a strategic acquisition of 41% stake in SGX Catalyst-listed Metax Engineering Corporation Ltd ("Metax").

Construction and Building Materials

This division leads in providing a complete and diverse range of infrastructure project management, products, services and solutions for the construction industry.

One of its major projects is the iconic Marina Barrage which was successfully completed in October 2008. In November 2010, the Group announced it was awarded PUB's Geylang River Makeover Project worth S\$37.8 million. In November 2012, Koh Brothers secured a S\$30.9 million contract from Changi Airport Group for a proposed retention pond at Changi Airport. In April 2012, Koh Brothers, through a joint venture, was awarded a S\$54.6 million contract by national water agency, PUB, for the construction of a used water lift station at PUB's Jurong Water Reclamation Plant.

More recently in February 2013, Koh Brothers secured a S\$99.8 million contract from the PUB, Singapore's national water agency, to carry out improvement works to the existing trapezoidal canal and crossings at the Bukit Timah First Diversion Canal (Bukit Timah Road to Holland Green). Other Ongoing projects include the construction of Downtown Line 1 Bugis Station, makeover of Geylang River and Lincoln Suites – a luxurious condominium project at Kiang Guan Avenue, off Newton Road, in District 11.

Recently completed projects include Punggol Waterway Parts One and Two, the Common Service Tunnel at the Business Financial Centre, and public housing at Choa Chu Kang.

The Building Materials division also provides total ready-mix concrete solutions to the construction industry. The supply chain includes cement, ready-mix concrete, equipment rental and various types of products such as pre-cast elements and interlocking concrete blocks.

Real Estate

The Group's Real Estate division provides quality property developments with specialised themes at choice locations. Koh Brothers Development Pte Ltd ("KBD"), established in 1993, a wholly-owned subsidiary of Koh Brothers Group, is our flagship company for the Group's Real Estate division.

KBD is noted for its 'lifestyle-and-theme' developments. For example, its Starville project was the first to introduce a star-gazing observatory, complete with an astronomy theme. Launched in June 2003, this project is a joint venture between KBD and AIG Lengkong Investment Limited, a member of American International Group Inc. Earlier projects include The Montana, in which KBD became the first developer to introduce state-of-the-art home automation features, broadband cable and an infinity pool. The Montana, launched in November 1999, is a 108-unit luxury freehold apartment located off River Valley Road. In October 2006, it also launched its four-units-only luxurious, freehold bungalow project, "Bungalows @ Caldecott", uniquely designed with a number of firsts in Singapore such as bathrooms studded with Swarovski wall crystals, Avant-Garde sanitary fittings incorporating luxury brand names like Visentin, and a specially-designed Water Conservation System. In April 2006, it announced the acquisition of Hilton Tower, located in the prime freehold Leonie Hill area, for S\$79.2 million together with Heeton Land Pte Ltd. It is now the site for the premium condominium, The Lumos.

In June 2007, Koh Brothers Group Limited, Heeton Holdings Ltd, KSH Holdings Limited and Lian Beng Group Ltd formed a consortium with equal shares each and were successfully awarded the prime Lincoln Lodge site at 1/3 Kiang Guan Avenue, off Newton Road in District 11. The site has been redeveloped to the luxurious condominium project, Lincoln Suites, which features sky-high elevated gyms, wireless multi – room music systems and thematic communal dining facilities. Lincoln Suites was launched in October 2009.

Fiorenza, another prized freehold development by KBD, was launched in April 2009. Inspired by the passionate Italian culture with its bold artistic tastes, unrestrained luxury and a free-spirited lifestyle, this Avant-Garde development, located at Florence Road, received its TOP in June 2011.

Parc Olympia, a sporting themed condominium, was launched in Flora Drive in July 2012. The 99-year, 486-unit development offers over 60,000 sq ft of wide-range sporting area and facilities, with special facilities including a synthetic jogging track, a rockclimbing wall, an air-conditioned badminton court, a skate park and even a putting green for golf-lovers.

Other completed projects include:

- The highly successful Sun Plaza, located next to Sembawang MRT station, which introduced a sunflower theme. The residential block in Sun Plaza has been fully sold and the retail mall is currently held as an investment with high occupancy;
- The Capri, an 18-unit residential development, is situated along the prime Stevens Road; and
- The Sierra, an 18-storey residential development comprising 60 units located in the established and popular enclave of Mount Sinai.

Leisure & Hospitality

This division provides 'no-frills' hospitality services through its Oxford Hotel brand name with more than 130 hotel rooms.

Environmental Engineering

Through its majority stake in Metax, the Group is able to offer Engineering, Procurement & Construction ("EPC") services for water and wastewater treatment and hydroengineering projects. With over 35 years of EPC experience, Metax has been involved in many public and private sector projects in Singapore, Indonesia, Malaysia, Thailand, the Philippines and India. In 2008, Metax extended their EPC business into the palm oil refining industry with the acquisition of WS Bioengineering Pte. Ltd. ("WS Bio"), whose principal business is the engineering and construction of biofuel and palm oil refining facilities.

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