



## **NEWS RELEASE**

### **KOH BROTHERS AWARDED S\$144.6 MILLION HDB CONTRACT FOR PUNGGOL WATERWAY**

*Singapore, January 28, 2009* – Koh Brothers Group Limited (“Koh Brothers” or the “Group”), a well-established construction, property development and specialist engineering solutions provider, has been awarded a S\$144.6 million contract by the Housing Development Board (“HDB”) for the construction of part one of the Punggol Waterway in Punggol Town.

As part of the Punggol Waterway project, the contract entails the construction of a 2.4-kilometre waterway and its related engineering works in Punggol Town. At an average depth of about 4.0 metres and width which varies from 10 metres to 85 metres, the waterway will be connected to Sungei Punggol. In addition, a 10-metre wide promenade will also be built on both banks of the waterway.

Said Mr Francis Koh, Koh Brothers’ Group Managing Director and CEO: “We are delighted to start off the year with a significant award by HDB. Our works on the Punggol Waterway is part of a larger project by HDB towards making Punggol a vibrant people-centred township, and we are proud to be part of it.

Koh Brothers has a proven expertise and track record in building and civil engineering works. For this tender, we believe that our strength in drainage work and soil improvement technique, in particular our value engineering to re-configure soil improvement techniques such as using diaphragm wall, jet-grouting and Deep Soil Mix (“DSM”) where cement is used to mix with soil to stabilise and strengthen the river banks, has given us an edge in the clinching of the award. With this contract, we have total contracts-in-hand of over S\$690 million. We are confident that our

track record and ability to innovate will continue to serve us well as we continue to tender for higher value projects going forward.”

Works on the project will commence in February 2009 and is expected to be completed by fourth quarter 2010.

Koh Brothers expects a positive material impact on the Group’s financial performance for the year ending December 31, 2009.

### **About Koh Brothers Group Limited**

Koh Brothers, a well-established construction, property development and specialist engineering solutions provider, was established as a sole proprietorship in 1960 by Mr Koh Tiat Meng. Today, the Group has 44 subsidiaries, five JV companies and one associated companies in Singapore, PRC, Indonesia, Malaysia and Vietnam.

Over the years, the Group has undertaken numerous mega construction and infrastructure projects with its A1 grading by the Building and Construction Authority (“BCA”), which is currently the highest grade for contractors’ registration in this category, and allows it 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’ diversified businesses present them with multiple revenue streams, with operating synergies arising from its three core areas of expertise:

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

## **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 the Group's real estate division.

KBD is noted for its 'lifestyle-and-theme' developments. For example, its latest project – Starville, was the first to introduce a star-gazing observatory, complete with an astronomy theme. Launched in June 2003, this joint venture project is between KBD and AIG Lengkong Investment Limited, a member of America 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.

In June 2007, Koh Brothers Group Ltd, Heeton Holdings Ltd, KSH Holdings Ltd and Lian Beng Group Ltd had 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, for a total consideration of S\$243 million.

Other completed projects include:

- The highly successful Sun Plaza, located next to Sembawang MRT station, which introduced a sun flower theme. The residential block in Sun Plaza has been fully sold and the retail mall is currently held as investment with 100% occupancy;

- The Capri, an 18-unit residential development, is situated along the prime Stevens Road;
- The Sierra, an 18-storey residential development comprising 60 units located in the established and popular enclave of Mount Sinai.

### **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. Current mega projects include the Changi Water Reclamation Plant and Common Service Tunnel at Business Financial Centre.

The iconic Marina Barrage was successfully completed in October last year.

The Building Materials division 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.

### **Leisure & Hospitality**

This division provides 'no-frills' hospitality services through its chain of Oxford and Asian Hotel Saigon brand names with more than 180 hotel rooms in Singapore and the region.

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