

**Responses to SGX Queries :: On Financial Statements :: RESPONSES TO SGX QUERIES ON THE FULL YEAR RESULTS ENDED 31 DECEMBER 2011**

\* Asterisks denote mandatory information


Name of Announcer *	KOH BROTHERS GROUP LIMITED
Company Registration No.	199400775D
Announcement submitted on behalf of	KOH BROTHERS GROUP LIMITED
Announcement is submitted with respect to *	KOH BROTHERS GROUP LIMITED
Announcement is submitted by *	Koh Keng Siang
Designation *	Managing Director & Group CEO
Date & Time of Broadcast	22-Feb-2012 17:16:15
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**>> Announcement Details**

The details of the announcement start here ...

Announcement Title *	RESPONSES TO SGX QUERIES ON THE FULL YEAR RESULTS ENDED 31 DECEMBER 2011
Subject of Query *	On Financial Statements
Description	Please refer to the attachment.

**Attachments**

 [Replytoquery.pdf](#)  
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**KOH BROTHERS GROUP LIMITED**

(Unique Entity Number 199400775D)

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**RESPONSES TO SGX QUERIES ON THE FULL YEAR RESULTS ENDED 31 DECEMBER 2011**

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The Directors of Koh Brothers Group Limited wish to provide the following information in response to the queries raised by Singapore Exchange Limited ("SGX") on 21 February 2012 in respect of the full year results ended 31 December 2011:

SGX Queries:

1. The Company recorded a 83% increase in 'Other expenses' for FY2011. Please provide a breakdown of the material items in 'Other expenses' and the reasons for the significant increase.
2. The Company recorded a significant increase of 75% in its 'Sales of products' from S\$17.8 million in 4Q2010 to S\$31 million in 4Q2011. Nothing that the 'Sales of products' contributed 50% of the Group's revenue for 4Q2011, please provide the reasons for the significant increase in 'Sales of products' for 4Q2011.
3. The Company stated in its review of the Group performance that the decrease in sales for 4Q2011 was "primarily due to lower progress sales recognition by the Construction and Building Materials division". Please elaborate on the reasons for the "lower progress sales recognition" faced by the Group.
4. The Company stated in its review of the Group performance that the it had a "credit in distribution expenses of S\$0.5 million for 12M2011 because of a write-back of allowance made for impairment on trade receivables". Noting the significant difference between the S\$5.8 million of distribution expenses incurred for FY2010 and the credit in distribution expenses for FY2011, please disclose the amount for the write-back of allowance for the impairment of the trade receivables and the circumstances giving rise to this write-back.

Responses:

1. The increase was mainly due to foreign exchange loss of S\$719,000 in FY2011 compared to foreign exchange gain of S\$220,000 in FY2010.
2. Sales of products increased to S\$31 million in 4Q2011 primarily due to higher sales of building materials.
3. There was lower progress sales recognition because certain ongoing construction projects from FY2010 were at or near their ending stage during 4Q2011.

4. The amount for the write back of allowance for impairment of trade receivables amount to S\$3.3 million. The write back was mainly due to settlement of the trade receivables during the year.

By Order of the Board

Koh Keng Siang  
Managing Director & Group Chief Executive Officer

22 February 2012