

Extraordinary/ Special General Meeting::Voluntary

Issuer & Securities

Issuer/ Manager	KOH BROTHERS GROUP LIMITED
Security	KOH BROTHERS GROUP LIMITED - SG1B06007705 - K75

Announcement Details

Announcement Title	Extraordinary/ Special General Meeting
Date & Time of Broadcast	08-Sep-2016 20:44:39
Status	New
Announcement Reference	SG160908XMET5BU4
Submitted By (Co./ Ind. Name)	Koh Keng Siang
Designation	Managing Director & Group CEO



Event Narrative

Narrative Type	Narrative Text
Additional Text	Please refer to the attachments.

Event Dates

Meeting Date and Time	28/09/2016 14:30:00
Response Deadline Date	26/09/2016 14:30:00

Event Venue(s)

Place	
Venue(s)	Venue details
Meeting Venue	Serangoon Gardens Country Club Kensington Ballroom (Heliconia Wing, Level 2) 22 Kensington Park Road Singapore 557271
Attachments	 EGM notice sgx.pdf  circularsgx.pdf Total size =251K
Related Announcements	28/09/2016 18:37:43

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KOH BROTHERS GROUP LIMITED

(Unique Entity No. 199400775D)
(Incorporated in the Republic of Singapore)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an EXTRAORDINARY GENERAL MEETING (the “EGM”) of Koh Brothers Group Limited (the “**Company**”) will be held at Serangoon Gardens Country Club, Kensington Ballroom (Heliconia Wing, Level 2), 22 Kensington Park Road, Singapore 557271 on 28 September 2016 at 2.30 p.m. for the purpose of considering and, if thought fit, passing, with or without modifications, the following ordinary resolution:

ORDINARY RESOLUTION: THE PROPOSED DISTRIBUTION

THAT pursuant to Articles 138 and 144 of the Constitution of the Company:

- (a) subject to the satisfaction of the Approvals (as defined in paragraph 2.4.5 of the Company’s circular dated 9 September 2016 (the “**Circular**”)), the Company makes a distribution of up to 41,410,800 ordinary shares in the issued share capital of Koh Brothers Eco Engineering Limited (the “**KB Eco Shares**”) held by the Company, to the shareholders of the Company (collectively, the “**Shareholders**” and each, a “**Shareholder**”) by way of a dividend *in specie* (the “**Proposed Distribution**”) on the basis of 0.1 KB Eco Share for each ordinary share in the issued share capital of the Company (a “**KBGL Share**”) held by Shareholders as at the Books Closure Date (as defined in the Circular), fractional entitlements to be disregarded, free of encumbrances and together with all rights attaching thereto on and from the date the Proposed Distribution is completed, except that for practical reasons and in order to avoid violating applicable securities laws outside Singapore, the KB Eco Shares will not be distributed to any Shareholder whose registered address as at the Books Closure Date (as recorded in the Register of Members of the Company or in the Depository Register maintained by The Central Depository (Pte) Limited (“**CDP**”)) for the service of notice and documents is outside Singapore (an “**Overseas Shareholder**”) and who have not at least three (3) market days prior to the Books Closure Date provided the Company’s Share Registrar (being Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte. Ltd.) at 80 Robinson Road, #02-00 Singapore 068898) or CDP, as the case may be, with addresses in Singapore for the service of notices or documents in accordance with the foregoing, and such KB Eco Shares shall be dealt with in the manner set out in paragraph (c) below;
- (b) any resulting fractional KB Eco Shares be aggregated and sold for the benefit of the Company, or otherwise dealt with in such manner and on such terms and conditions as the Directors deem fit;
- (c) arrangements be made for the distribution of KB Eco Shares which would otherwise have been distributed to the Overseas Shareholders pursuant to the Proposed Distribution, to be distributed to such person(s) as the Directors may appoint, who shall, if practicable, sell such KB Eco Shares at prices prevalent at the time of sale and thereafter, distribute the aggregate amount of the net proceeds, after deducting all dealing and other expenses in connection therewith, proportionately among such Overseas Shareholders according to the respective KB Eco Shares they would otherwise have been entitled to as at the Books Closure Date in full satisfaction of their rights to the KB Eco Shares, provided that where the net proceeds to which any particular Overseas Shareholder is entitled is less than S\$10.00, such net proceeds shall be retained for the benefit of the Company, and no Overseas Shareholder shall have any claim whatsoever against the Company or CDP in connection therewith;

- (d) the Directors and each of them be and are hereby authorised to determine the amount to be appropriated out of the retained profits of the Company to meet the value of the KB Eco Shares to be distributed to the Entitled Shareholders (as defined in the Circular) based on the carrying value (or cost of investment) of the KB Eco Shares in the accounts of the Company; and
- (e) the Directors and each of them be and are hereby authorised and empowered to complete and do all such acts and things, decide all questions and exercise all discretion (including, but not limited to, approving, modifying and executing all documents) as they may consider necessary or expedient in connection with the Proposed Distribution and/or to give effect to the Proposed Distribution.

BY ORDER OF THE BOARD

Koh Keng Siang
Managing Director & Group CEO

Singapore
9 September 2016

Notes:

1. (a) A member of the Company who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the EGM. Where such member's form of proxy appoints more than one proxy, the proportion of shareholding concerned to be represented by each proxy shall be specified in the form of proxy.
(b) A member of the Company who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the EGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.
"Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act (Chapter 50) of Singapore.
2. A member of the Company which is a corporation is entitled to appoint its authorised representative or proxy to vote on its behalf.
3. A proxy need not be a member of the Company.
4. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 11 Lorong Pendek, Koh Brothers Building, Singapore 348639 (Attn: The Company Secretary) not less than forty-eight (48) hours before the time fixed for holding the EGM.

Personal data privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

CIRCULAR DATED 9 SEPTEMBER 2016

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

If you are in any doubt as to the contents herein or course of action that you should take, you should consult your stockbroker, bank manager, solicitor, accountant, tax advisor or other professional adviser immediately. If you have sold or transferred all your shares in the share capital of Koh Brothers Group Limited (the “**Company**”), you should immediately forward this Circular, together with the Notice of Extraordinary General Meeting and the accompanying Proxy Form in this Circular, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

The Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) takes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Circular.



KOH BROTHERS GROUP LIMITED

(Unique Entity No. 199400775D)

(Incorporated in the Republic of Singapore)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

**THE PROPOSED DIVIDEND *IN SPECIE* OF UP TO 41,410,800 SHARES IN
KOH BROTHERS ECO ENGINEERING LIMITED TO ENTITLED SHAREHOLDERS**

IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form : 26 September 2016 at 2.30 p.m.

Date and time of Extraordinary General Meeting : 28 September 2016 at 2.30 p.m.

Venue of Extraordinary General Meeting : Serangoon Gardens Country Club
Kensington Ballroom (Heliconia Wing, Level 2)
22 Kensington Park Road
Singapore 557271

IMPORTANT NOTICE TO OVERSEAS SHAREHOLDERS

The distribution of this Circular and the Proposed Distribution (as defined herein) to Overseas Shareholders (as defined herein) may be prohibited or restricted by law (either absolutely or subject to various relevant securities requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of those jurisdictions. Overseas Shareholders are required to inform themselves of, and to observe, any such prohibition or restriction at their own expense and without liability to the Company. It is the responsibility of Overseas Shareholders in such jurisdictions to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, the compliance with other necessary formalities which may be required to be observed and/or the payment of any issue, transfer or other taxes which may be due in such jurisdiction.

This Circular may not be used for the purposes of, and does not constitute, an offer or invitation in any jurisdiction or in any circumstances in which such offer or invitation is not authorised nor to any person to whom it is unlawful to make such offer or invitation.

IMPORTANT NOTICE TO SCRIP SHAREHOLDERS

Scrip Shareholders (as defined herein) should note that entitlements to the KB Eco Shares (as defined herein) will be determined on the basis of their holdings of KBGL Shares (as defined herein) appearing in the Register of Members (as defined herein) as at the Books Closure Date (as defined herein).

Scrip Shareholders who have not already done so, are requested to take the necessary actions to ensure that the KBGL Shares owned by them are registered in their names or in the names of their nominees in the Register of Members by the Books Closure Date.

Subject to the Proposed Distribution being approved by Shareholders at the EGM and the satisfaction of the Approvals (as defined herein), the names of each Scrip Shareholder as well as the relevant number of KB Eco Shares to be distributed to such Scrip Shareholder will be entered into the Register of Members of KB Eco and the share certificates in respect of the KB Eco Shares will be sent to them by registered post to their address stated in the Register of Members.

Scrip Shareholders should note that they will not be able to trade in such KB Eco Shares on the SGX-ST unless they open Securities Accounts with CDP for such KB Eco Shares to be held by CDP and recorded as such in the Depository Register maintained by CDP. Scrip Shareholders are therefore encouraged to open Securities Accounts with CDP.

Scrip Shareholders who wish to trade their KB Eco Shares on the SGX-ST immediately after the Proposed Distribution should deposit with CDP their physical share certificates of the Company together with the duly executed instruments of transfer in favour of CDP no later than 5.00 p.m. on the date falling 12 Market Days prior to the Books Closure Date, so as to enable CDP to credit their Securities Accounts with their KBGL Shares and thereafter, for CDP to credit their Securities Accounts with the KB Eco Shares.

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DEFINITIONS

In this Circular, the following definitions apply throughout unless otherwise stated:

“Approvals”	:	Has the meaning ascribed to it in paragraph 2.4.5 of this Circular
“Books Closure Date”	:	The time and date, to be determined by the Directors in their absolute discretion as they deem fit and announced by the Company, at and on which the Register of Members and the Share Transfer Books of the Company will be closed for the purpose of determining the entitlements of Shareholders to KB Eco Shares pursuant to the Proposed Distribution
“CDP”	:	The Central Depository (Pte) Limited
“Circular”	:	This circular to Shareholders dated 9 September 2016
“Companies Act”	:	The Companies Act (Chapter 50) of Singapore, as amended or modified from time to time
“Company” or “KBGL”	:	Koh Brothers Group Limited
“Constitution”	:	The constitution of the Company, as the same may be amended, supplemented or modified from time to time
“CPF”	:	Central Provident Fund
“CPFIS Investors”	:	Investors who have subscribed for or purchased KBGL Shares using their respective CPF Funds (being the CPF account savings of CPF members under the CPF Investment Scheme – Ordinary Account) and which KBGL Shares are held on their behalf by CPF approved agent banks
“Date of Completion”	:	The date of crediting of KB Eco Shares as set out in paragraphs 2.4.6(c) and (d) of this Circular and on which the Proposed Distribution will be deemed to be completed
“Directors”	:	The directors of the Company as at the Latest Practicable Date
“EGM”	:	The extraordinary general meeting of the Company to be held on 28 September 2016 at 2.30 p.m., notice of which is given in the Notice of EGM set out on pages 20 to 21 of this Circular (or any adjournment thereof)
“Entitled Shareholders”	:	Shareholders as at the Books Closure Date
“EPS”	:	Earnings per KBGL Share
“Group”	:	The Company and its subsidiaries
“KBGL Shares”	:	Ordinary shares in the issued share capital of the Company
“KB Eco”	:	Koh Brothers Eco Engineering Limited
“KB Eco Group”	:	KB Eco and its subsidiaries

“KB Eco Shares”	:	Ordinary shares in the issued share capital of KB Eco
“Latest Practicable Date”	:	29 August 2016, being the latest practicable date prior to the printing of this Circular
“Listing Manual”	:	The Listing Manual of the SGX-ST, as amended or modified from time to time
“Market Day”	:	A day on which the SGX-ST is open for trading in securities
“Net Debt Ratio”	:	Net debt to equity ratio
“Notice of EGM”	:	The notice of EGM in respect of the Proposed Distribution, as set out on pages 20 to 21 of this Circular
“NTA per KBGL Share”	:	Net tangible assets per KBGL Share
“Overseas Shareholders”	:	Shareholders whose registered addresses as at the Books Closure Date, as recorded in the Register of Members or in the Depository Register maintained by CDP (as the case may be) for the service of notice and documents, are outside Singapore
“Proposed Distribution”	:	The proposed dividend <i>in specie</i> of up to 41,410,800 KB Eco Shares to Entitled Shareholders in proportion to their shareholdings in the Company, as described in this Circular
“Register of Members”	:	The register of members and share transfer books of the Company kept in accordance with Section 190 of the Companies Act
“ROE”	:	Return on equity
“Scrip Shareholders”	:	Shareholders whose KBGL Shares are not deposited with CDP and whose registered addresses as at the Books Closure Date, as recorded in the Register of Members for the service of notice and documents, are in Singapore
“Securities Account”	:	A securities account maintained by a Depositor with CDP, but not including a securities sub-account maintained with a Depository Agent
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Shareholders”	:	Persons who are registered as holders of KBGL Shares in the Register of Members, except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such KBGL Shares, mean the persons named as Depositors in the Depository Register and whose Securities Account are credited with KBGL Shares
“Share Registrar”	:	Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte. Ltd.)
“SRS”	:	Supplementary Retirement Scheme

“Substantial Shareholder”	:	In relation to the Company, a person who has an interest in one or more voting shares in the Company, and the total votes attached to such shares represent not less than 5.0% of the total votes attached to all the voting shares in the Company
“Unit Share Market”	:	The unit share market of the SGX-ST which allows for the trading of securities in single units
“%” or “per cent.”	:	Percentage or per centum
“S\$” and “cents”	:	Singapore dollars and cents, respectively

The terms **“Depositor”**, **“Depository Agent”** and **“Depository Register”** shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act (Chapter 289) of Singapore.

The term **“Subsidiary”** shall have the meaning ascribed to it in Section 5 of the Companies Act.

Words importing the singular shall, where applicable, include the plural and *vice versa*.

Words importing the masculine gender shall, where applicable, include the feminine and neuter genders. Reference to persons shall include corporations and limited liability partnerships.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act or the Listing Manual or any amendment or modification thereof and not otherwise defined in this Circular shall, where applicable, have the same meaning ascribed to it under the Companies Act or the Listing Manual or such amendment or modification thereof, as the case may be.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Any reference to a time of day in this Circular shall be a reference to Singapore time unless otherwise stated.

Any discrepancies in the tables in this Circular between the listed amounts and the totals thereof (if any) are due to rounding. Accordingly, figures shown as totals in this Circular may not be an arithmetic aggregation of the figures that precede them.

INDICATIVE TIMETABLE

The following are the indicative dates and times for the Proposed Distribution:

Last date and time for lodgement of Proxy Forms for the EGM	:	26 September 2016 at 2.30 p.m.
Date and time of the EGM	:	28 September 2016 at 2.30 p.m.
Expected Date of Announcement of the Books Closure Date	:	28 September 2016
Expected last date and time of “cum” trading of the KBGL Shares on the SGX-ST	:	3 October 2016 at 5.00 p.m.
Expected commencement of “ex” trading of the KBGL Shares on the SGX-ST	:	4 October 2016 at 9.00 a.m.
Expected Books Closure Date	:	6 October 2016 at 5.00 p.m.
Expected date for crediting the KB Eco Shares into the Securities Accounts of Entitled Shareholders (being Depositors)	:	12 October 2016

Note

The timetable above is only indicative, and is subject to change. As at the Latest Practicable Date, the Company does not expect the above timetable to be modified. However, the Company may, with the approval of the SGX-ST, modify the above timetable subject to any limitation under any applicable laws. In such an event, the Company will publicly announce the actual dates of the events through a SGXNET announcement to be posted on the website of the SGX-ST at <http://www.sgx.com>.

LETTER TO SHAREHOLDERS

KOH BROTHERS GROUP LIMITED

(Unique Entity No. 199400775D)
(Incorporated in the Republic of Singapore)

Directors

Mr Koh Tiat Meng (Executive Chairman)
Mr Koh Teak Huat (Executive Deputy Chairman)
Mr Koh Keng Siang (Managing Director & Group CEO)
Mr Koh Keng Hiong (Executive Director & Deputy CEO, Leisure & Hospitality and Real Estate Divisions)
Mdm Quek Chee Nee (Non-Executive and Non-Independent Director)
Mr Lee Sok Khian John (Non-Executive and Non-Independent Director)
Mr Ling Teck Luke (Independent Director)
Mr Lai Mun Onn (Independent Director)
Mr Gn Hiang Meng (Independent Director)
Er Dr Lee Bee Wah (Independent Director)
Mr Ow Yong Thian Soo (Independent Director)

Registered Office

11 Lorong Pendek
Koh Brothers Building
Singapore 348639

9 September 2016

To: The Shareholders of Koh Brothers Group Limited

Dear Sir / Madam

PROPOSED DIVIDEND *IN SPECIE* OF UP TO 41,410,800 SHARES IN KOH BROTHERS ECO ENGINEERING LIMITED TO ENTITLED SHAREHOLDERS

1. INTRODUCTION

- 1.1 **Proposed Distribution.** On 11 August 2016, Koh Brothers Group Limited (the “**Company**” or “**KBGL**”) announced (the “**Announcement**”) a proposed dividend *in specie* of up to 41,469,500 ordinary shares in Koh Brothers Eco Engineering Limited (“**KB Eco**”), held directly by the Company, to the Shareholders. As at the Latest Practicable Date, the Company holds 524,145,631 KB Eco Shares, representing approximately 70.1% of the total number of issued KB Eco Shares.

The Proposed Distribution, which is subject to the approval of the Shareholders and such other approvals as set out in paragraph 2.4.5 of this Circular, will be effected by way of a dividend *in specie* to Entitled Shareholders in proportion to their respective shareholdings in the Company, on the basis of 0.1 KB Eco Share for each KBGL Share held by Entitled Shareholders as at the Books Closure Date, fractional entitlements to be disregarded.

As the Company has bought back an aggregate of 587,000 KBGL Shares between the date of the Announcement and the Latest Practicable Date, and the total issued share capital of the Company as at the Latest Practicable Date comprises 414,108,000 KBGL Shares (excluding 23,892,000 KBGL Shares held as treasury shares), the maximum number of KB Eco Shares to be distributed pursuant to the Proposed Distribution is 41,410,800 KB Eco Shares.

No payment will be required from Entitled Shareholders for the Proposed Distribution. The KB Eco Shares will be distributed free of encumbrances and together with all rights attaching thereto on and from the date the Proposed Distribution is effected. For the avoidance of doubt, the Proposed Distribution will be deemed to be completed on the date of crediting as set out in paragraphs 2.4.6(c) and (d) of this Circular (the “**Date of Completion**”), which is expected to be on or about 12 October 2016.

Any rights to distributions from KB Eco will only accrue to the Entitled Shareholders on and from the Date of Completion. Entitled Shareholders will have no right to distributions where the books closure date for determining entitlements to such distributions falls prior to the Date of Completion.

A copy of the announcement dated 11 August 2016 in respect of the Proposed Distribution is available on the website of the SGX-ST at <http://www.sgx.com>.

- 1.2 **EGM.** The Directors are convening the EGM to seek Shareholders' approval for the Proposed Distribution, as Article 144 of the Constitution of the Company prescribes that Shareholders' approval is required for a dividend which is paid wholly or in part by the distribution of specific assets, including, in particular, paid-up shares, debentures or debenture stock of any other company. The Notice of EGM is set out on pages 20 to 21 of this Circular.
- 1.3 **Circular.** The purpose of this Circular is to provide Shareholders with information relating to, as well as to seek Shareholders' approval at the EGM for, the Proposed Distribution.
- 1.4 **SGX-ST.** The SGX-ST takes no responsibility for the accuracy of any statements made, reports contained or opinions expressed in this Circular.

2. THE PROPOSED DISTRIBUTION

- 2.1 **Information on Koh Brothers Eco Engineering Limited.** KB Eco is a public limited company incorporated in Singapore and was listed on the Catalist Board of the SGX-ST on 27 February 2006. KB Eco and its subsidiaries are a sustainable engineering solutions group that provides building and civil engineering construction and infrastructure works; engineering, procurement and construction services for the water and wastewater treatment and hydro-engineering sectors; and design, build and installation services for the bio-refinery and bio-energy sectors. As at the Latest Practicable Date, the market capitalisation of KB Eco is approximately S\$30.7 million.

Certain financial information on KB Eco and its subsidiaries (the "**KB Eco Group**") based on the audited consolidated financial statements of the KB Eco Group for the financial year ended 31 December 2015 and unaudited consolidated financial statements of the KB Eco Group for the six months ended 30 June 2016 are set out below:

	Financial year ended 31 December 2015	Six months ended 30 June 2016
Profit before tax, non-controlling interests and non-recurring items (S\$'000)	4,438	1,214
Profit after tax, non-controlling interests and non-recurring items (S\$'000)	2,039	340
Net asset value (S\$'000)	18,011	18,395
Net tangible assets (S\$'000)	11,154	11,538

- 2.2 **Value of the KB Eco Shares to be Distributed.** The value of the KB Eco Shares to be distributed pursuant to the Proposed Distribution is as follows:
 - (a) based on the unaudited financial statements of the Company for the six months ended 30 June 2016, the book value of the KB Eco Shares to be distributed pursuant to the Proposed Distribution is approximately S\$1,389,000¹ as at 30 June 2016;
 - (b) based on the unaudited consolidated financial statements of the KB Eco Group for the six months ended 30 June 2016, the net tangible asset value of the KB Eco Shares to be distributed pursuant to the Proposed Distribution is approximately S\$1,263,000¹; and

¹ This does not take into account the Restructuring (as defined in Section 4.1 below), which was completed on 1 July 2016.

- (c) based on the volume-weighted average price of the KB Eco Shares transacted on the SGX-ST on 26 August 2016 (being the full market day immediately preceding the Latest Practicable Date on which the KB Eco Shares were traded on the SGX-ST), the open market value of the KB Eco Shares to be distributed pursuant to the Proposed Distribution is approximately S\$1,698,000.

2.3 **Rationale for the Proposed Distribution.** The Directors believe that the Proposed Distribution will benefit the Company and Shareholders as follows:

- (a) **Unlocking Value for Shareholders: Investment Flexibility for Shareholders.** The Proposed Distribution will unlock shareholder value by enabling Shareholders to individually and directly participate in the ownership of, and enjoy returns from, securities held in two separately listed entities without any additional cash outlay.

Shareholders will have the discretion and flexibility to separately decide on their holdings of the Company and KB Eco in accordance with their individual investment objectives. Shareholders who decide not to keep the KB Eco Shares can opt to sell all or such numbers of KB Eco Shares as the Shareholders may in their absolute discretion decide in the open market, or to any potential buyers upon the completion of the Proposed Distribution.

Giving Shareholders a direct shareholding in KB Eco enables Shareholders to directly influence the future direction of KB Eco and benefit directly from any future corporate actions and exercises involving KB Eco (for example, any dividends, distributions and rights issues).

- (b) **Enhancing the Trading Liquidity of KB Eco.** As at the Latest Practicable Date, based on information provided by KB Eco, approximately 22.8% of the total number of issued KB Eco Shares is in public hands (the “**KB Eco Public Shareholders**”). Assuming that the Proposed Distribution was completed as at the Latest Practicable Date, the number of KB Eco Shares held by KB Eco Public Shareholders will increase to approximately 28.3%². An increase in public float is expected to improve the trading liquidity of KB Eco.

2.4 **Details of the Proposed Distribution**

2.4.1 **Entitlements.** Shareholders holding KBGL Shares in the Company as at the Books Closure Date, being the Entitled Shareholders, will be entitled to the Proposed Distribution.

The Proposed Distribution will be effected by way of a dividend *in specie* of KB Eco Shares to Entitled Shareholders on the basis of 0.1 KB Eco Share for each KBGL Share held by Entitled Shareholders as at the Books Closure Date, fractional entitlements to be disregarded. Any resulting fractional shares will be aggregated and sold for the benefit of the Company, or otherwise dealt with in such manner and on such terms and conditions as the Directors deem fit. Accordingly, for illustrative purposes, a Shareholder who holds:

- (a) 1,000 KBGL Shares as at the Books Closure Date, would receive 100 KB Eco Shares; and
- (b) 2,000 KBGL Shares as at the Books Closure Date, would receive 200 KB Eco Shares.

The number of KB Eco Shares to be received by each Entitled Shareholder will depend on the total number of issued KBGL Shares held by the Entitled Shareholder as at the Books Closure Date for the Proposed Distribution.

² Based on a total number of 747,554,207 KB Eco Shares in issue as at the Latest Practicable Date.

2.4.2 The Company's Interest in KB Eco. As at the Latest Practicable Date, the Company holds 524,145,631 KB Eco Shares, representing approximately 70.1% of the total number of issued KB Eco Shares, and the total issued share capital of the Company comprises 414,108,000 KBGL Shares (excluding 23,892,000 KBGL Shares held as treasury shares). For illustrative purposes, based on such total number of KBGL Shares and assuming that the Company does not purchase or otherwise acquire any KBGL Shares on or before the Books Closure Date:

- (a) 41,410,800 KB Eco Shares, representing approximately 5.5% of the total number of issued KB Eco Shares, will be distributed pursuant to the Proposed Distribution; and
- (b) following the Proposed Distribution, the Company will own approximately 64.6% of the total number of issued KB Eco Shares.

2.4.3 No Payment Required. Entitled Shareholders will not be required to pay for any KB Eco Shares received pursuant to the Proposed Distribution.

2.4.4 Dividend Distribution. The Proposed Distribution will be a dividend *in specie* made by the Company to Entitled Shareholders. To effect the Proposed Distribution as a dividend *in specie*, the Company will appropriate an amount of up to approximately S\$1,913,000 out of the retained profits of the Company to meet the dividend to be declared based on the carrying value (or cost of investment) of the KB Eco Shares in the accounts of the Company.

Please refer to paragraph 5 of this Circular for details relating to the tax treatment of the Proposed Distribution in the hands of Shareholders.

2.4.5 Conditions for the Proposed Distribution. The Proposed Distribution is subject to the following:

- (a) the passing of an ordinary resolution by Shareholders to approve the Proposed Distribution at the EGM; and
- (b) the satisfaction of any regulatory approvals which may be required in connection with the Proposed Distribution (the “**Approvals**”).

2.4.6 Shareholders' Entitlements to the KB Eco Shares.

- (a) **Books Closure Date.** Subject to the Proposed Distribution being approved by Shareholders at the EGM and the satisfaction of the Approvals, the Company will announce the Books Closure Date as soon as practicable in order to determine the entitlements of Shareholders to KB Eco Shares pursuant to the Proposed Distribution.
- (b) **Entitlements to KB Eco Shares.** Pursuant to the Proposed Distribution, Entitled Shareholders will receive 0.1 KB Eco Share for each KBGL Share held by them as at the Books Closure Date, fractional entitlements to be disregarded, except that KB Eco Shares which would otherwise be distributed to Overseas Shareholders pursuant to the Proposed Distribution will be dealt with in the manner described in paragraph 2.4.6(h) of this Circular entitled “Overseas Shareholders”. The final number of KB Eco Shares to be received by each Entitled Shareholder will depend on the total number of issued KBGL Shares held by the Entitled Shareholder as at the Books Closure Date.
- (c) **Shareholders (being Depositors) whose Shares are deposited with CDP.** In the case of Shareholders (being Depositors), entitlements to the KB Eco Shares will be determined on the basis of the number of KBGL Shares standing to the credit of their respective Securities Accounts as at the Books Closure Date. Shareholders (being Depositors) are requested to take the necessary actions to ensure that the KBGL Shares owned by them are credited to their Securities Accounts by the Books Closure Date. Subject to the Proposed Distribution being approved by Shareholders at the EGM and the satisfaction of the Approvals, it is expected that the Securities Accounts of Entitled Shareholders who are Depositors will be credited with KB Eco Shares on or about 12 October 2016. CDP will send such Depositor a notification letter confirming the number of KB Eco Shares that has been credited to his Securities Account.

- (d) **Scrip Shareholders whose Shares are not deposited with CDP.** In the case of Scrip Shareholders, entitlements to the KB Eco Shares will be determined on the basis of their holdings of KBGL Shares appearing in the Register of Members as at the Books Closure Date.

Scrip Shareholders who have not already done so, are requested to take the necessary actions to ensure that the KBGL Shares owned by them are registered in their names or in the names of their nominees in the Register of Members by the Books Closure Date.

Subject to the Proposed Distribution being approved by Shareholders at the EGM and the satisfaction of the Approvals, the names of each Scrip Shareholder as well as the relevant number of KB Eco Shares to be distributed to such Scrip Shareholder will be entered into the Register of Members of KB Eco on or about 12 October 2016 and the share certificates in respect of the KB Eco Shares will be sent to them by registered post to their address stated in the Register of Members.

Scrip Shareholders should note that they will not be able to trade in such KB Eco Shares on the SGX-ST unless they open Securities Accounts with CDP for such KB Eco Shares to be held by CDP and recorded as such in the Depository Register maintained by CDP. Scrip Shareholders are therefore encouraged to open Securities Accounts with CDP.

Scrip Shareholders who wish to have KB Eco Shares credited to their Securities Accounts pursuant to the Proposed Distribution, or wish to trade their KB Eco Shares on the SGX-ST immediately after the Proposed Distribution, should deposit with CDP their physical share certificates of the Company together with the duly executed instruments of transfer in favour of CDP, no later than 5.00 p.m. on the date falling 12 Market Days prior to the Books Closure Date, so as to enable CDP to credit their Securities Accounts with their KBGL Shares and thereafter, for CDP to credit their Securities Accounts with KB Eco Shares.

- (e) **CPFIS Investors.** In the case of CPFIS Investors, entitlements to the KB Eco Shares will be determined on the basis of the number of KBGL Shares held by the CPF agent banks on behalf of each CPFIS Investor as at the Books Closure Date. Following the Books Closure Date, CDP will credit the KB Eco Shares attributable to CPFIS Investors pursuant to the Proposed Distribution to the respective Securities Accounts of their CPF agent banks, and the CPF agent banks will update their records accordingly.
- (f) **Investors whose KBGL Shares were purchased using SRS funds.** In the case of investors who have purchased KBGL Shares using their SRS funds, entitlements to the KB Eco Shares will be determined on the basis of the number of KBGL Shares held by the relevant approved banks on behalf of each such investor as at the Books Closure Date. Following the Books Closure Date, CDP will credit the KB Eco Shares attributable to such investors pursuant to the Proposed Distribution to the Securities Accounts of the relevant approved banks, and the relevant approved banks will update their records accordingly.
- (g) **Investors whose KBGL Shares are held through a finance company and/or a Depository Agent.** In the case of investors who hold KBGL Shares through a finance company and/or a Depository Agent, entitlements to the KB Eco Shares will be determined on the basis of the number of KBGL Shares held by the finance companies and/or the Depository Agents on behalf of such investors as at the Books Closure Date. Following the Books Closure Date, CDP will credit the KB Eco Shares attributable to such investors pursuant to the Proposed Distribution to the respective Securities Accounts of the finance companies and/or the Depository Agents.
- (h) **Overseas Shareholders.** The distribution of this Circular and the Proposed Distribution to Overseas Shareholders may be prohibited or restricted by law (either absolutely or subject to various securities requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of those jurisdictions. Overseas Shareholders are required to inform themselves of, and to observe, any such prohibition or restriction at their own expense and without liability to the Company.

For practical reasons and in order to avoid violating applicable securities laws outside Singapore, the KB Eco Shares will not be distributed to Overseas Shareholders who have not at least three (3) Market Days prior to the Books Closure Date provided the Company's Share Registrar (Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte. Ltd.) at 80 Robinson Road, #02-00 Singapore 068898) or CDP, as the case may be, with addresses in Singapore for the service of notices or documents in accordance with the foregoing.

Arrangements will be made for the distribution of KB Eco Shares, which would otherwise have been distributed to such Overseas Shareholders, to be distributed to such person(s) as the Directors may appoint, who shall, if practicable, sell these KB Eco Shares at prices prevalent at the time of sale and thereafter, distribute the aggregate amount of the net proceeds, after deducting all dealing and other expenses in connection therewith, proportionately among such Overseas Shareholders according to their respective entitlements to the KB Eco Shares they would otherwise have been entitled to as at the Books Closure Date in full satisfaction of their rights to the KB Eco Shares.

However, where the net proceeds to which any particular Overseas Shareholder is entitled is less than S\$10.00, such net proceeds shall be retained for the benefit of the Company, and no Overseas Shareholder shall have any claim whatsoever against the Company or CDP in connection therewith.

Shareholders should note that the special arrangements described above will apply only to Overseas Shareholders.

For the avoidance of doubt, even if an Overseas Shareholder has provided a Singapore address as aforesaid, the distribution of KB Eco Shares to him or her is subject to compliance with applicable securities laws outside Singapore to the extent reasonably practicable.

- (i) **Odd Lot Trading.** For the purposes of trading on the Catalist Board of the SGX-ST, each board lot of KB Eco Shares will comprise 100 KB Eco Shares.

Following the Proposed Distribution, the Securities Accounts of Entitled Shareholders who are Depositors may be credited with odd lots of KB Eco Shares (being lots other than board lots of 100 KB Eco Shares). The Company has been informed by the SGX-ST that it has ceased to set up temporary counters for the trading of odd lots of shares. Entitled Shareholders who receive odd lots of KB Eco Shares pursuant to the Proposed Distribution are able to trade in odd lots of KB Eco Shares on the Unit Share Market, which allows trading of securities in single shares.

3. RELATIVE FIGURES UNDER CHAPTER 10 OF THE LISTING MANUAL

Based on the unaudited consolidated financial statements of the Group and the KB Eco Group for the six months ended 30 June 2016, the relative figures in respect of the Proposed Distribution computed on the relevant bases set out in Rule 1006 of the Listing Manual are as follows:

Rule	Bases	Relative Figures (%)
1006(a)	The net asset value of the assets to be disposed of ⁽¹⁾ , compared with the Group's net asset value ⁽²⁾	0.38
1006(b)	The net profit attributable to the assets disposed of ⁽³⁾ , compared with the Group's net profit ⁽⁴⁾	0.99
1006(c)	The aggregate value of the consideration received ⁽⁵⁾ , compared with the Company's market capitalisation	Nil

Notes:

- (1) "Net assets" means total assets less total liabilities. The net asset value of the KB Eco Shares to be distributed pursuant to the Proposed Distribution is approximately S\$1,019,000 as at 30 June 2016.

- (2) The net asset value of the Group is approximately S\$269,376,000 as at 30 June 2016.
- (3) "Net profit" means profit or loss before income tax, minority interests and extraordinary items. The net profit attributable to the KB Eco Shares to be distributed pursuant to the Proposed Distribution is approximately S\$67,000 for the six months ended 30 June 2016.
- (4) The net profit of the Group is approximately S\$6,777,000 for the six months ended 30 June 2016.
- (5) No consideration will be received by the Company for the Proposed Distribution.

As the relative figures computed on the applicable bases as set out in Rule 1006 of the Listing Manual above do not exceed 5%, the Proposed Distribution constitutes a "Non-Discloseable Transaction" under Chapter 10 of the Listing Manual.

4. FINANCIAL EFFECTS OF THE PROPOSED DISTRIBUTION

4.1 For illustrative purposes, the financial effects of the Proposed Distribution on the ROE, NTA per KBGL Share, EPS and Net Debt Ratio of the Group are set out below and have been computed using the latest audited consolidated financial statements of the Group for the financial year ended 31 December 2015 on the basis that:

- (a) the NTA per KBGL Share and Net Debt Ratio as at 31 December 2015 have been prepared on a pro forma basis as if the Proposed Distribution had been completed on 31 December 2015;
- (b) the ROE and EPS have been prepared on a pro forma basis as if the Proposed Distribution had been completed on 1 January 2015; and
- (c) the divestment of the entire issued and paid-up share capital of Koh Brothers Building & Civil Engineering Contractor (Pte.) Ltd. by Construction Consortium Pte. Ltd., a wholly-owned subsidiary of the Company, to KB Eco (the "**Restructuring**") had been completed on 31 December 2015.

The said financial effects are purely for illustrative purposes only and do not reflect the actual or probable financial position of the Group after the completion of the Proposed Distribution.

4.2 ROE

	Financial year ended 31 December 2015	Pro forma After the Restructuring and Before the Proposed Distribution	Pro forma After the Proposed Distribution
Net profit (S\$'000) ⁽¹⁾	27,878	28,486	28,371
Average shareholders' funds (S\$'000) ⁽²⁾	246,447	246,751	244,780
Return on equity (%)	11.31	11.54	11.59

Notes:

- (1) For the purposes of this calculation, "Net profit" means profit after tax and non-controlling interests for the financial year ended 31 December 2015.
- (2) "Average shareholders' funds" means the average of the shareholders' funds at the beginning and end of the financial year ended 31 December 2015.

4.3 NTA per KBGL Share

	As at 31 December 2015	Pro forma After the Restructuring and Before the Proposed Distribution	Pro forma After the Proposed Distribution
NTA attributable to owners of the Company (S\$'000)	252,127	252,127	250,214
Number of issued and paid-up KBGL Shares ('000)	414,980	414,980	414,980
NTA per KBGL Share (cents)	60.76	60.76	60.30

4.4 EPS

	Financial year ended 31 December 2015	Pro forma After the Restructuring and Before the Proposed Distribution	Pro forma After the Proposed Distribution
Net profit (S\$'000) ⁽¹⁾	27,878	28,486	28,371
Weighted average number of issued and paid-up KBGL Shares ('000)	416,758	416,758	416,758
Earnings per KBGL Share (cents)	6.69	6.84	6.81

Note:

(1) For the purposes of this calculation, "Net profit" means profit after tax and non-controlling interests for the financial year ended 31 December 2015.

4.5 Net Debt Ratio

	As at 31 December 2015	Pro forma After the Restructuring and Before the Proposed Distribution	Pro forma After the Proposed Distribution
Net debt (S\$'000)	159,342	159,342	159,342
Total equity (S\$'000)	266,583	266,583	266,583
Net debt to equity ratio (times)	0.60	0.60	0.60

5. TAXATION

- 5.1 **Dividend.** As the Company is a tax resident of Singapore, any dividends paid or distributed (whether in cash or *in specie*) by the Company will be tax exempt (one-tier) dividends, which are exempted from income tax in Singapore in the hands of Entitled Shareholders. Accordingly, as the Proposed Distribution is a dividend *in specie*, it will be exempted from income tax in Singapore when received by Entitled Shareholders.
- 5.2 **Stamp Duty.** The Company will bear stamp duty, if any, chargeable for the transfer of the KB Eco Shares by the Company to Entitled Shareholders pursuant to the Proposed Distribution. Stamp duty is not ordinarily payable if the transfer of KB Eco Shares from the Company to an Entitled Shareholder is effected through CDP, as there is no instrument of conveyance, transfer or assignment involved in the transfer of the KB Eco Shares. However, stamp duty is payable where any instrument of conveyance, transfer or assignment is involved in transferring the KB Eco Shares, for example, in transferring KB Eco Shares which are represented by physical share certificates. In

such cases where stamp duty is payable, the total amount of stamp duty payable by the Company will be based on the market value of the KB Eco Shares so transferred through such instrument of conveyance, assignment or transfer.

- 5.3 **Entitled Shareholders' Own Tax Position.** Entitled Shareholders should note that the statements in paragraphs 5.1 and 5.2 of this Circular are not to be regarded as advice on the tax position of any Shareholder in Singapore or any other jurisdiction, or any tax implication arising from the Proposed Distribution. If any Entitled Shareholder is in doubt as to his tax position in Singapore or in any other jurisdiction, or any tax implication arising from the Proposed Distribution, he should consult his own professional advisers.

6. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

- 6.1. **Directors' Interests in KBGL Shares.** Based on the Register of Directors' Shareholdings as at the Latest Practicable Date, the interests of the Directors in the KBGL Shares are as follows:

Name of Director	Direct Interest		Deemed Interest	
	Number of KBGL Shares	% ⁽¹⁾	Number of KBGL Shares	% ⁽¹⁾
Mr Koh Tiat Meng	61,308,654	14.80	-	-
Mr Koh Teak Huat	32,213,088	7.78	325,000 ⁽²⁾	0.08
Mr Koh Keng Siang	62,422,535	15.07	27,420,000 ⁽³⁾	6.62
Mr Koh Keng Hiong	30,260,100	7.31	25,010,000 ⁽⁴⁾	6.04
Mdm Quek Chee Nee	25,896,814	6.25	-	-
Mr Ling Teck Luke	200,000	0.05	-	-
Mr Lai Mun Onn	100,000	0.02	-	-
Mr Gn Hiang Meng	-	-	200,000	0.05

Notes:

- (1) Based on the total of 414,108,000 KBGL Shares in issue (excluding 23,892,000 KBGL Shares held as treasury shares) as at the Latest Practicable Date.
- (2) Mr Koh Teak Huat is deemed interested in 325,000 KBGL Shares held by his spouse.
- (3) Mr Koh Keng Siang is deemed interested in (i) 20,000 KBGL Shares held by his spouse and (ii) 27,400,000 KBGL Shares pursuant to a Deed of Settlement and CDP Form 4.2 executed by Mr Koh Tiat Meng.
- (4) Mr Koh Keng Hiong is deemed interested in (i) 10,000 KBGL Shares held by his spouse and (ii) 25,000,000 KBGL Shares pursuant to a Deed of Settlement and CDP Form 4.2 executed by Mr Koh Tiat Meng.

- 6.2. **Substantial Shareholders' Interests in KBGL Shares.** Based on the Register of Substantial Shareholders as at the Latest Practicable Date, the interests of the Substantial Shareholders in the KBGL Shares are as follows:

Name of Substantial Shareholder	Direct Interest		Deemed Interest		Total Interest	
	Number of KBGL Shares	% ⁽¹⁾	Number of KBGL Shares	% ⁽¹⁾	Number of KBGL Shares	% ⁽¹⁾
Mr Koh Keng Siang	62,422,535	15.07	27,420,000 ⁽³⁾	6.62	89,842,535	21.70
Mr Koh Tiat Meng	61,308,654	14.80	-	-	61,308,654	14.80
Mr Koh Teak Huat	32,213,088	7.78	325,000 ⁽²⁾	0.08	32,538,088	7.86
Mr Koh Keng Hiong	30,260,100	7.31	25,010,000 ⁽⁴⁾	6.04	55,270,100	13.35
Mdm Quek Chee Nee	25,896,814	6.25	-	-	25,896,814	6.25

Notes:

- (1) Based on the total number of 414,108,000 KBGL Shares in issue (excluding 23,892,000 KBGL Shares held as treasury shares) as at the Latest Practicable Date.
- (2) Mr Koh Teak Huat is deemed interested in 325,000 KBGL Shares held by his spouse.
- (3) Mr Koh Keng Siang is deemed interested in (i) 20,000 KBGL Shares held by his spouse and (ii) 27,400,000 KBGL Shares pursuant to a Deed of Settlement and CDP Form 4.2 executed by Mr Koh Tiat Meng.
- (4) Mr Koh Keng Hiong is deemed interested in (i) 10,000 KBGL Shares held by his spouse and (ii) 25,000,000 KBGL Shares pursuant to a Deed of Settlement and CDP Form 4.2 executed by Mr Koh Tiat Meng.

- 6.3. **Interests in the Proposed Distribution.** Mr Koh Keng Siang is also the Non-Executive and Non-Independent Chairman of KB Eco, and is deemed to be a substantial shareholder of KB Eco by reason of his deemed interest in the KB Eco Shares held by the Company. Save as disclosed in this Circular, none of the Directors or controlling shareholders of KBGL has any interest, direct or indirect, in the Proposed Distribution.

7. DIRECTORS' RECOMMENDATION

Having considered the terms of and the rationale for the Proposed Distribution, the Directors are of the opinion that the Proposed Distribution is in the interests of the Company and its Shareholders. Accordingly, the Directors recommend that Shareholders vote in favour of the ordinary resolution relating to the Proposed Distribution (as set out in the Notice of EGM on pages 20 to 21 of this Circular) to be proposed at the EGM.

8. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages 20 to 21 of this Circular, will be held on 28 September 2016 at Serangoon Gardens Country Club, Kensington Ballroom (Heliconia Wing, Level 2) 22 Kensington Park Road, Singapore 557271, Singapore, at 2.30 p.m., for the purpose of considering and, if thought fit, passing with or without any modifications, the ordinary resolution relating to the Proposed Distribution as set out in the Notice of EGM.

9. ACTION TO BE TAKEN BY SHAREHOLDERS

- 9.1. **Appointment of proxies.** Shareholders who are unable to attend the EGM and wish to appoint a proxy to attend and vote on their behalf, should complete, sign and return the Proxy Form attached to the Notice of EGM in accordance with its printed instructions as soon as possible and in any event, so as to arrive at the registered office of the Company at 11 Lorong Pendek, Koh Brothers Building, Singapore 348639 (Attn: The Company Secretary) not less than forty-eight (48) hours before the time fixed for holding the EGM. The completion and return of the Proxy Form will not preclude the Shareholder from attending and voting in person at the EGM if he finds that he is able to do so. In such event, the Proxy Form shall be deemed to be revoked.

- 9.2. **Notice for Depositors.** A Depositor shall not be regarded as a Shareholder entitled to attend the EGM and to speak and vote thereat, unless his name appears on the Depository Register maintained by CDP at least seventy-two (72) hours before the time fixed for holding the EGM.

10. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm, after making all reasonable enquires that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Distribution, and about the Group which are relevant to the Proposed Distribution, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading.

Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

11. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company during normal business hours on any weekday (public holidays excepted) from the date of this Circular up to and including the date of the EGM:

- (a) the Constitution of the Company; and
- (b) the Annual Report of the Company for the financial year ended 31 December 2015.

Yours faithfully

For and on behalf of the Board of Directors of
KOH BROTHERS GROUP LIMITED

Koh Keng Siang
Managing Director & Group CEO



KOH BROTHERS GROUP LIMITED

(Unique Entity No. 199400775D)
(Incorporated in the Republic of Singapore)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an EXTRAORDINARY GENERAL MEETING (the “**EGM**”) of Koh Brothers Group Limited (the “**Company**”) will be held at Serangoon Gardens Country Club, Kensington Ballroom (Heliconia Wing, Level 2), 22 Kensington Park Road, Singapore 557271 on 28 September 2016 at 2.30 p.m. for the purpose of considering and, if thought fit, passing, with or without modifications, the following ordinary resolution:

ORDINARY RESOLUTION: THE PROPOSED DISTRIBUTION

THAT pursuant to Articles 138 and 144 of the Constitution of the Company:

- (a) subject to the satisfaction of the Approvals (as defined in paragraph 2.4.5 of the Company’s circular dated 9 September 2016 (the “**Circular**”)), the Company makes a distribution of up to 41,410,800 ordinary shares in the issued share capital of Koh Brothers Eco Engineering Limited (the “**KB Eco Shares**”) held by the Company, to the shareholders of the Company (collectively, the “**Shareholders**” and each, a “**Shareholder**”) by way of a dividend *in specie* (the “**Proposed Distribution**”) on the basis of 0.1 KB Eco Share for each ordinary share in the issued share capital of the Company (a “**KBGL Share**”) held by Shareholders as at the Books Closure Date (as defined in the Circular), fractional entitlements to be disregarded, free of encumbrances and together with all rights attaching thereto on and from the date the Proposed Distribution is completed, except that for practical reasons and in order to avoid violating applicable securities laws outside Singapore, the KB Eco Shares will not be distributed to any Shareholder whose registered address as at the Books Closure Date (as recorded in the Register of Members of the Company or in the Depository Register maintained by The Central Depository (Pte) Limited (“**CDP**”)) for the service of notice and documents is outside Singapore (an “**Overseas Shareholder**”) and who have not at least three (3) market days prior to the Books Closure Date provided the Company’s Share Registrar (being Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte. Ltd.) at 80 Robinson Road, #02-00 Singapore 068898) or CDP, as the case may be, with addresses in Singapore for the service of notices or documents in accordance with the foregoing, and such KB Eco Shares shall be dealt with in the manner set out in paragraph (c) below;
- (b) any resulting fractional KB Eco Shares be aggregated and sold for the benefit of the Company, or otherwise dealt with in such manner and on such terms and conditions as the Directors deem fit;
- (c) arrangements be made for the distribution of KB Eco Shares which would otherwise have been distributed to the Overseas Shareholders pursuant to the Proposed Distribution, to be distributed to such person(s) as the Directors may appoint, who shall, if practicable, sell such KB Eco Shares at prices prevalent at the time of sale and thereafter, distribute the aggregate amount of the net proceeds, after deducting all dealing and other expenses in connection therewith, proportionately among such Overseas Shareholders according to the respective KB Eco Shares they would otherwise have been entitled to as at the Books Closure Date in full satisfaction of their rights to the KB Eco Shares, provided that where the net proceeds to which any particular Overseas Shareholder is entitled is less than S\$10.00, such net proceeds shall be retained for the benefit of the Company, and no Overseas Shareholder shall have any claim whatsoever against the Company or CDP in connection therewith;

- (d) the Directors and each of them be and are hereby authorised to determine the amount to be appropriated out of the retained profits of the Company to meet the value of the KB Eco Shares to be distributed to the Entitled Shareholders (as defined in the Circular) based on the carrying value (or cost of investment) of the KB Eco Shares in the accounts of the Company; and
- (e) the Directors and each of them be and are hereby authorised and empowered to complete and do all such acts and things, decide all questions and exercise all discretion (including, but not limited to, approving, modifying and executing all documents) as they may consider necessary or expedient in connection with the Proposed Distribution and/or to give effect to the Proposed Distribution.

BY ORDER OF THE BOARD

Koh Keng Siang
Managing Director & Group CEO

Singapore
9 September 2016

Notes:

1. (a) A member of the Company who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the EGM. Where such member's form of proxy appoints more than one proxy, the proportion of shareholding concerned to be represented by each proxy shall be specified in the form of proxy.
- (b) A member of the Company who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the EGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

"Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act (Chapter 50) of Singapore.

2. A member of the Company which is a corporation is entitled to appoint its authorised representative or proxy to vote on its behalf.
3. A proxy need not be a member of the Company.
4. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 11 Lorong Pendek, Koh Brothers Building, Singapore 348639 (Attn: The Company Secretary) not less than forty-eight (48) hours before the time fixed for holding the EGM.

Personal data privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

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KOH BROTHERS GROUP LIMITED

(Unique Entity No. 199400775D)
(Incorporated in the Republic of Singapore)

PROXY FORM EXTRAORDINARY GENERAL MEETING

IMPORTANT

1. Relevant intermediaries (as defined in Section 181 of the Companies Act (Chapter 50) of Singapore) may appoint more than two proxies to attend, speak and vote at the Extraordinary General Meeting.
2. This Proxy Form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by investors who hold shares under the Central Provident Fund Investment Scheme ("CPF Investors") and/or the Supplementary Retirement Scheme ("SRS Investors"). CPF Investors and SRS Investors should contact their respective Agent Banks/SRS Operators if they have any queries regarding their appointment as proxies.
3. By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Extraordinary General Meeting dated 9 September 2016.

I/We, _____ (Name) _____ (NRIC / Passport Number)

of _____ (Address)

being a member/members of Koh Brothers Group Limited (the "Company" or "KBGL"), hereby appoint(s):

Name	Address	NRIC / Passport Number	Proportion of Shareholdings (%)

and/or (delete as appropriate)

Name	Address	NRIC / Passport Number	Proportion of Shareholdings (%)

or, both of whom failing, the Chairman of the Extraordinary General Meeting, as my/our proxy/proxies to attend, speak and vote for me/us on my/our behalf at the Extraordinary General Meeting of the Company (the "EGM") to be held on 28 September 2016 at Serangoon Gardens Country Club, Kensington Ballroom (Heliconia Wing, Level 2), 22 Kensington Park Road, Singapore 557271 at 2.30 p.m. and any adjournment thereof.

I/We direct my/our proxy/proxies to vote for or against the ordinary resolution proposed at the EGM as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the EGM and at any adjournment thereof, the proxy/proxies will vote or abstain from voting at his/her discretion.

Ordinary Resolution	For	Against
To approve the Proposed Distribution		

If you wish to exercise all your votes "For" or "Against" the Resolution, please tick (✓) within the relevant box provided. Alternatively, if you wish to exercise your votes for both "For" and "Against" the Resolution, please indicate the number of KBGL Shares in the boxes provided.

Dated this _____ day of _____ 2016

Total number of KBGL
Shares held

Signature(s) or Common Seal of Member(s)

IMPORTANT: PLEASE READ NOTES OVERLEAF BEFORE COMPLETING THIS PROXY FORM.



Notes to Proxy Form:

1. Please insert the total number of KBGL Shares held by you. If you have KBGL Shares entered against your name in the Depository Register (maintained by The Central Depository (Pte) Limited), you should insert that number of KBGL Shares. If you have KBGL Shares registered in your name in the Register of Members (maintained by or on behalf of the Company), you should insert that number of KBGL Shares. However, if you have KBGL Shares entered against your name in the Depository Register and KBGL Shares registered in your name in the Register of Members, you should insert the aggregate number of KBGL Shares. If no number is inserted, this Proxy Form shall be deemed to relate to all the KBGL Shares held by you.
2.
 - (a) A member of the Company who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the EGM. Where such member's form of proxy appoints more than one proxy, the proportion of shareholding concerned to be represented by each proxy shall be specified in the form of proxy.
 - (b) A member of the Company who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the EGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

"Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act (Chapter 50) of Singapore.
3. A proxy need not be a member of the Company.
4. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 11 Lorong Pendek, Koh Brothers Building, Singapore 348639 (Attn: The Company Secretary) not less than forty-eight (48) hours before the time fixed for holding the EGM.
5. Completion and return of this instrument appointing a proxy shall not preclude a member from attending and voting at the EGM if he finds that he is able to do so. In such event, the relevant instrument appointing a proxy or proxies shall be deemed to be revoked.
6. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must (unless previously registered with the Company) be lodged with the instrument, failing which the instrument may be treated as invalid.
7. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the EGM, in accordance with Section 179 of the Companies Act (Chapter 50) of Singapore.
8. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument (including any related attachment) appointing a proxy or proxies. In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.