



**KOH BROTHERS GROUP LIMITED**  
**(Incorporated in Singapore)**  
**Company Registration No: 199700775D)**

**FURTHER INFORMATION ON THE ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2004 (“AR2004”)**

We refer to the SGX’s email dated 19 April 2005 and the request for further information in paragraph 2 of the said email. We are pleased to provide further information in response to the SGX’s queries as follows:

- (a) **Note 33 Related Party Transactions items (a), (e), (g) and (h) on page 73 of AR2004 – to provide information as to (i) the names of the counter parties; (ii) whether these are also interested person transactions, and if so, to disclose names of the interested persons and (iii) to reconcile information to table on Interested Persons Transactions on page 88 of AR2004**

The Company’s response:

Note 33 of AR2004	Description of transaction and (i) names of counter parties and (ii) whether transaction is an interested person transaction and if so, names of interested person as defined in Chapter 9, clause 904(4), of the SGX Listing Manual	Amount \$’000	(iii) Reconciliation to table on Interested Persons Transactions (“IPT Table”) on page 88 of AR2004
Item (a)	Provision of transportation services by a company (namely KGH Transportation & Trading Pte Ltd (“KGH”)) which is owned by a brother of certain directors (namely Mr Koh Tiat Meng, Mr Koh Teak Huat and Mr Koh Tiak Chye) of the Company; KGH is an interested person:-	866	Not applicable to disclose in IPT Table as transactions are individually below S\$100,000/-
	- to subsidiaries of G&W Group (Holdings) Limited (“G&W”); shareholders’ mandate was obtained by G&W for the interested person transactions with KGH	49	
	- to other subsidiaries of the Company	915	
Item (e)	Provision of legal services by a company, namely Lai Mun Onn & Co, which is owned by a director, namely Mr Lai Mun Onn, of the Company.	123	Not applicable to disclose in IPT Table as transactions are individually below S\$100,000/-

Note 33 of AR2004	Description of transaction and (i) names of counter parties and (ii) whether transaction is an interested person transaction and if so, names of interested person as defined in Chapter 9, clause 904(4), of the SGX Listing Manual	Amount \$'000	(iii) Reconciliation to table on Interested Persons Transactions ("IPT Table") on page 88 of AR2004
Item (g)	Sale of oil and gas products to a related company, namely M&I Electric Industries Inc. ("M&I"); M&I is a related company of the Group as 2 of its directors are also directors of the Group's subsidiary, M&I Electric Far East Pte Ltd; M&I is not an interested person.	120	Not applicable to disclose in IPT Table as M&I is not an interested person
Item (h)	Purchase of oil and gas products from related companies (namely M&I and Siam Cast Iron Works Co Ltd ("Siam")); M&I is a related company as explained in (g) above; Siam is a related company as it is a minority shareholder of the Group's non-wholly owned subsidiary, Oakwell-Breen Pte Ltd; M&I and Siam are not interested persons.	1,383	Not applicable to disclose in IPT Table as M&I and Siam are not interested persons

- (b) **Emphasis of Matter in Auditors' Report on page 21 which states that "The actual realisation in Singapore dollars of the Group's fixed assets, completed investment properties and properties held for sale situated in Batam, Indonesia, as mentioned in Note 7(vi), Note 11(ii) and Note 18(i) respectively, may be affected by the uncertain economic conditions and political situation in that country" – to provide specific details of the uncertainties that may affect the realisable values of these assets**

The Company's response:

- (1) The carrying values of the affected fixed assets, completed investment properties and properties held for sale were supported by professional independent valuations performed at dates close to 31 December 2004;
- (2) The carrying values of the abovementioned assets are stated in the financial statements at the lower of costs and net realisable values;
- (3) However, as the audited financial statements of the Indonesian subsidiaries of the Group, included the disclosure of matters of economic uncertainties potentially affecting the subsidiaries, for prudence and good practice, our auditors have correspondingly highlighted these matters in the Group's financial statements; and
- (4) As a consequence of the currency depreciation in the region, the operations of the companies (in Indonesia) have been affected significantly, and will continue to be affected for the foreseeable future, by the country's unstable economic, social and political conditions. The effects of the adverse economic condition to the real estate industry resulted in lack of funds, postponement of construction projects and increased risk in the collectibility of receivables from customers. In general, the real estate industry in Indonesia is still suffering from significant decline in sales due to

decreasing purchasing power of end customers, reduced average tenancy rates and oversupply of real property.

The above paragraph (4) is an extract from the subsidiaries' audited financial statements. Although we are of the view that the general conditions in Indonesia are beginning to get better, for good order, we have included the subsidiaries auditors' disclosure in our reply to you.

Submitted by Low Puey Lee, Ethel, Joint Company Secretary, on 21 April 2005 to the SGX.