



KEONG HONG HOLDINGS LIMITED
Incorporated in the Republic of Singapore
(Company Registration Number: 200807303W)

**ANNOUNCEMENT IN CONNECTION WITH
NON-COMPLIANCE OF FINANCIAL COVENANT
PURSUANT TO THE TRUST DEED IN RELATION TO
THE S\$48,000,000 6.25 PER CENT. NOTES DUE 2023 COMPRISED IN SERIES 003 (ISIN:
SGXF65599734) ISSUED UNDER THE S\$200,000,000 MULTICURRENCY MEDIUM TERM NOTE
PROGRAMME**

Reference is made to:

- (a) the S\$200,000,000 Multicurrency Medium Term Note Programme (the “**Programme**”) established by Keong Hong Holdings Limited (the “**Company**”) on 17 April 2015;
- (b) the S\$48,000,000 6.25 per cent. notes due 2023 comprised in Series 003 (ISIN: SGXF65599734) issued under the Programme (the “**Notes**”);
- (c) the trust deed dated 17 April 2015 entered into between (1) the Company, as issuer, and (2) DB International Trust (Singapore) Limited, as trustee (as amended and restated by the amendment and restatement trust deed dated 25 August 2017 made between the same parties, the “**Trust Deed**”);
- (d) the Unaudited Financial Statements of the Group for the Half Year Ended 31 March 2021 released on SGXNet on 13 May 2021; and
- (e) the Unaudited Financial Statements of the Group for the Full Year Ended 30 September 2021 released on SGXNet on 29 November 2021.

Terms defined in the Trust Deed have the same meaning when used in this announcement, unless otherwise defined herein.

The Company has not been able to maintain a ratio of EBITDA to Interest Expense of not less than 2.00:1, as at 31 March 2021 and 30 September 2021. The above non-compliance constitutes an Event of Default under the Notes.

In view of this, the Company will be launching a consent solicitation exercise (the “**Consent Solicitation**”) soonest possible to, *inter alia*, seek Noteholders’ approval by way of Extraordinary Resolution(s) to waive certain provisions of the Trust Deed and the Conditions of the Notes and the occurrence of any Event(s) of Default as a result of the above non-compliance. Further details on the Consent Solicitation will be made available to Noteholders upon launch.

For the avoidance of doubt, the above non-compliance is not indicative of any cashflow impact on the Group or the Company. The Group and the Company have sufficient cash resources to make interest payments on the Notes as and when such interest payments are due and also to redeem the Notes upon maturity.

BY ORDER OF THE BOARD

Lo Swee Oi
Company Secretary

3 December 2021