



KEONG HONG HOLDINGS LIMITED

Incorporated in the Republic of Singapore
(Company Registration Number: 200807303W)

RESULTS OF THE APPLICATION TO THE SINGAPORE EXCHANGE REGULATION FOR THE EXTENSION OF TIME TO (A) HOLD THE ANNUAL GENERAL MEETING FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2021, AND (B) TO ISSUE THE ANNUAL REPORT FOR FY2021

The Board of Directors of Keong Hong Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refer to the Company’s announcement dated 14 December 2021 (the “**Announcement**”) in relation to the Company’s application to the Singapore Exchange Regulation (“**SGX RegCo**”) for an extension of time to comply with the following Listing Rules:

- (a) Rule 707(1) of the Listing Manual in relation to the requirement to hold its AGM within 4 months from the financial year end (i.e. 31 January 2022) by 31 March 2022 (“**AGM Extension**”); and
- (b) Rule 707(2) of the Listing Manual in relation to the requirement to issue its Annual Report to the shareholders and the Exchange at least 14 days before the date of its AGM by 16 March 2022 (“**Annual Report Extension**”).

(collectively, the “**Extension of Time Application**”)

1. RATIONALE FOR THE EXTENSION APPLICATIONS

As mentioned in the Announcement, the Company is seeking the Extension Applications for the following reasons:

- a) During the critical period for financial reporting, some key finance personnel from the Group had left their employment resulting in a delay in furnishing the required information and documents to the auditors and progress of the audit for the financial year ended 30 September 2021 (“**FY2021**”).
- b) Arising from the above, the audit of the financial statements of the Group for FY2021 would not be completed in time for the AGM to be convened by 31 January 2022. The auditors would require more time to finalise their review on a number of outstanding matters/issues relating to the business of the Group, with management assistance to furnish the necessary information and documents.

- c) Amongst the number of outstanding matters/issues, the critical outstanding matters include the accounting for construction contracts, audit of a joint venture of the Group's equity accounting and issue surrounding the non-compliance of a financial covenant of the 6.25% fixed rates Notes due 2023 issued by the Company under the Multicurrency Medium Term Notes Programme ("**Series 003 Notes**").
- i. Revenue from construction contracts represented 98% of the total revenue of the Group for FY2021 and significant judgement is required to estimate the total construction contract costs that will affect the measure of progress and revenue and profit margins recognised from construction contracts.

Arising from the continued disruption brought on by the COVID-19 pandemic to the supply chain for constructions materials, supply of foreign manpower and volatile economic conditions, there was an increase in the level of estimation uncertainty and judgement. The auditors would require more time to review and assess the reasonableness, adequacy and appropriateness of the revised information furnished by the management.
 - ii. The audit of a joint venture of the Group's equity accounting was delayed due to challenges faced in assessing the financial and accounting records of the joint venture.
 - iii. The non-compliance of a financial covenant in relation to its Series 003 Notes and subsequent actions undertaken by the Group will have significant relevance to the Group's audited financial statements for FY2021. Consequently, more time will be required by the Group to finalise on its actions and for the auditors to form an opinion on the financial statements.

In view of the above, the Company notes that it will not be able to finalise the audited financial statements for FY2021 in time for the annual report and notice of AGM for FY2021 to be issued at least 14 days before 31 January 2022. In addition to the finalisation of the audited financial statements for FY2021, the Company also requires additional time to complete the administrative and procedural matters in relation to the preparation and issuance of the annual report for FY2021, the standalone sustainability report, as well as the holding of the FY2021 AGM.

2. APPROVAL OF EXTENSION OF TIME APPLICATION

The Board wishes to inform Shareholders that the SGX RegCo has on 20 December 2021 informed the Company that it has no objection to the application for the extension of time of 2 months until 31 March 2021 to hold its FY2021 AGM under Listing Rule 707(1) r and until 16 March 2021 to issue its FY2021 Annual Report under Listing Rule 707(2) (the "**Waiver**"), subject to the following:

- (a) the Company announcing the Waiver granted, the reasons for seeking the Waiver, the conditions as required under Mainboard Listing Rule 107 and if the Waiver conditions have been satisfied. If the Waiver conditions have not been met on the date of the announcement, the Company must make an update announcement when the conditions have been met:
- (b) submission of a written confirmation from the Company that it is not aware of any information that will have a material bearing on investors' decision which has yet to be announced by the Company;
- (c) the Board of Directors' confirmation that the Waiver is/will not be in contravention of any laws and regulations governing the Company and its Constitution (or the equivalent in the Company's country of incorporation); and

(the "**Waiver Conditions**")

The Company is required to make an immediate disclosure via SGXNet if it is/will be in contravention of any laws and regulations governing the Company and the Constitution of the Company (or the equivalent in the Company's country of incorporation) arising from the Waiver.

The Company is also required to announce whether and when it had applied to the Accounting and Corporate Regulatory Authority ("**ACRA**") for the Waiver and the outcome of its application.

3. CONFIRMATION FROM THE COMPANY

The Company confirms that:

- (a) The Company is not aware of any material information as required under Rule 703 which has yet to be announced by the Company.
- (b) The Board of Directors of the Company confirms that the Waiver /Extension Applications will not be in contravention of any laws and regulations governing the Company and its Constitution;

4. APPLICATION TO ACRA

The Company has submitted an application to the ACRA on 14 December 2021 for an extension of (i) 60 days till 1 April 2022 to hold its AGM under Section 175(1)(a) of the Companies Act and (ii) 60 days till 29 April 2022 under Section 197(1)(a) of the Companies Act on the filing of its annual return ("**ACRA Extension of Time Application**"). To-date, the Company has yet to receive the outcome on the ACRA Extension of Time Application.

5. FURTHER ANNOUNCEMENT

The Company will update Shareholders on the outcome of the ACRA Extension of Time Application in due course.

Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company and should consult their stockholders, bank managers, solicitors, accountants or other professional advisers if they are in doubt about the actions that they should take.

BY ORDER OF THE BOARD

Lo Swee Oi
Company Secretary

21 December 2021