



KEONG HONG HOLDINGS LIMITED

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

PROPOSED CREDITORS' VOLUNTARY LIQUIDATION OF A SUBSIDIARY AND APPOINTMENT OF A PROVISIONAL LIQUIDATOR

1. INTRODUCTION

The Board of Directors (the “**Board**”) of Keong Hong Holdings Limited (the “**Company**”) and together with its subsidiaries, the “**Group**”) wishes to announce that the Group will be placing one of the Company’s subsidiaries, namely Hansin Timber Specialist and Trading Pte. Ltd. (the “**Subsidiary**”) into creditors’ voluntary liquidation (the “**CVL**”) as the Subsidiary cannot by reason of its liabilities continue its business.

2. INFORMATION ON THE CREDITORS' VOLUNTARY LIQUIDATION

The Company owns 60% in the Subsidiary which was acquired on 28 August 2017 from the founding members, Tan Tee Meng and Heng Soon Miang who presently each hold 20% of the equity in the Subsidiary. The Subsidiary is in the business of flooring and doors supply for property development. The Group has decided to proceed with the CVL of the Subsidiary due to its cash flow problems and its inability to pay its debts as and when they fall due.

Mr Lau Chin Huat and Mr Yeo Boon Keong of Technic Inter-Asia Pte Ltd, have been nominated to be appointed as joint and several Provisional Liquidators for the Subsidiary. Their nomination will be subject to confirmation by the Subsidiary’s shareholders and by their creditors at the Creditors’ Meeting to be held on 04 September 2023.

3. FINANCIAL EFFECTS

The CVL is not expected to materially impact the consolidated net tangible assets and earnings per share of the Group for the current financial year ending 30 September 2023.

For illustrative purposes, the financial effects of the CVL based on the latest audited financial statements of the Group for the financial year ended 30 September 2022 would be as follows:

- **Net Tangible Assets**

Assuming the CVL commenced on 30 September 2022, the proforma effect on the Net Tangible Assets per share of the Group would be as follows:

	Before Proposed CVL	After Proposed CVL
Net tangible assets (S\$'000)	111,027	110,939
Number of shares ('000)	235,010	235,010
Net tangible assets per share (cents)	47.2	47.2

- **Loss Per Share**

Assuming the CVL commenced on 1 October 2021, being the beginning of the most recently completed financial year of the Group, the proforma effect on the Group's Loss Per Share would be as follows:

	Before Proposed CVL	After Proposed CVL
Loss after tax (S\$'000)	(45,901)	(42,194)
Weighted average number of shares ('000)	235,010	235,010
Loss per share (cents)	(19.53)	(17.95)

4. MISCELLANEOUS

None of the Directors and to the best knowledge of the Directors and none of the controlling shareholders of the Company or their respective associates, have any interest, directly or indirectly in the CVL, save for their interests arising by way of their shareholdings and/or directorships, as the case may be, in the Company.

The Company will provide updates on any further material developments on the CVL as and when appropriate.

BY ORDER OF THE BOARD

Heng Michelle Fiona / Lim Guek Hong
Company Secretaries

11 August 2023