

CIRCULAR DATED 3 JUNE 2025

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

This Circular is issued by Keong Hong Holdings Limited (the “Company”). If you are in any doubt about the contents of this Circular or the course of action you should take, you should consult your bank manager, stockbroker, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all of your shares in the capital of the Company held through The Central Depository (Pte) Limited (the “CDP”), you need not forward this Circular, the Notice of EGM (as defined herein), the accompanying Proxy Form (as defined herein) and the Request Form (as defined herein) to the purchaser or the transferee as arrangements will be made by CDP for a separate Circular, Notice of EGM and accompanying Proxy Form to be sent to the purchaser or the transferee. If you have sold or transferred all your ordinary shares in the capital of the Company represented by physical share certificate(s) which are not deposited with the CDP, you should immediately forward the Notice of EGM, the accompanying Proxy Form and the Request Form to the purchaser or the transferee, or to the bank, the stockbroker or the agent through whom the sale or the transfer was effected for onward transmission to the purchaser or the transferee. Please note that no printed copies of this Circular will be disseminated to Shareholders (as defined herein).

This Circular (including the Notice of EGM and the Proxy Form) may be accessed on SGXNet at the URL <https://www.sgx.com/securities/company-announcements>. A printed copy of this Circular will NOT be despatched to Shareholders unless requested by the Shareholders via the submission of the request form to request for printed copies of the Circular (“**Request Form**”). The printed copies of the Notice of EGM, Proxy Form and Request Form have been despatched to Shareholders and are also available on SGXNet. The EGM will be held by way of physical means only at Banquet Hall, Sembawang Country Club, 249 Sembawang Road, Singapore 758352.

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



KEONG HONG HOLDINGS LIMITED

(Company Registration No. 200807303W)
(Incorporated in Singapore)

CIRCULAR TO SHAREHOLDERS

in relation to

THE PROPOSED DISPOSAL OF 20.0% OF THE ISSUED AND PAID-UP SHARE CAPITAL OF KATONG HOLDINGS PTE. LTD. FOR A CONSIDERATION OF S\$34,500,000 AS A MAJOR TRANSACTION

IMPORTANT DATES AND TIMES:

Last date and time for lodgement of Proxy Form	:	15 June 2025 at 10.30 a.m. (Singapore time)
Date and time of EGM	:	18 June 2025 at 10:30 a.m. (Singapore time)
Place of EGM	:	Banquet Hall, Sembawang Country Club, 249 Sembawang Road, Singapore 758352

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DEFINITIONS

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

- “10 December 2024 Announcement”** : The announcement by the Company dated 10 December 2024 as described in paragraph 1.1 of the Letter to Shareholders in this Circular
- “19 February 2025 Announcement”** : The announcement by the Company dated 19 February 2025 as described in paragraph 1.1 of the Letter to the Shareholders in this Circular
- “29 April 2025 Announcement”** : The announcement by the Company dated 29 April 2025 as described in paragraph 1.1 of the Letter to the Shareholders in this Circular
- “ACRA”** : The Accounting and Corporate Regulatory Authority of Singapore
- “Act”** : The Companies Act 1967 of Singapore, as amended, supplemented or modified from time to time
- “Announcements”** : The announcements by the Company dated 10 December 2024 and 19 February 2025 as described in paragraph 1.1 of the Letter to Shareholders in this Circular
- “ATP”** : The agreement to purchase between Keong Hong Construction and MCSK dated 3 December 2024
- “Associate”** : (a) In relation to any Director, chief executive officer, Substantial Shareholder or Controlling Shareholder (being an individual) means:–
- (i) his immediate family;
 - (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
 - (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of thirty per cent. (30%) or more;
- (b) in relation to a Substantial Shareholder or Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of thirty per cent. (30%) or more,

or such other definition as the Mainboard Rules may from time to time prescribe

“Board”	:	The Board of Directors of the Company as at the Latest Practicable Date
“Business Day”	:	A day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks are open for business in Singapore
“CDP”	:	The Central Depository (Pte) Limited
“Circular”	:	This circular to Shareholders dated 3 June 2025
“Completion”	:	The completion of the sale and purchase of the Sale Shares pursuant to the SPA
“Completion Date”	:	The date of completion of the Proposed Disposal as described in paragraph 3.4.1 of the Letter to Shareholders in this Circular, being on or before 30 June 2025
“Company”	:	Keong Hong Holdings Limited
“Conditions Precedent”	:	The conditions precedent to the Proposed Disposal as described in paragraph 3.3 of the Letter to Shareholders in this Circular
“Confirmation Fee”	:	The portion of the Consideration which has been paid upon acceptance of the ATP by MCSK in respect of the Sale Shares and the Sale Loans on 3 December 2024 as described in paragraph 3.2 of the Letter to Shareholders in this Circular
“Consideration”	:	<p>The consideration for the Proposed Disposal as described in paragraph 3.2 of the letter to Shareholders in this Circular, being S\$34,500,000, which shall be satisfied by:</p> <ul style="list-style-type: none"> (a) S\$1,000,000 (the “Confirmation Fee”) which has been paid upon acceptance of the ATP by MCSK in respect of the Sale Shares and the Sale Loans on 3 December 2024; (b) S\$14,000,000 which shall be payable on or before the Completion Date (the “First Instalment”); (c) S\$19,500,000 to be disbursed within 18 months in three (3) instalments in accordance with the following schedule: <ul style="list-style-type: none"> i. 1st instalment of S\$6,500,000 to be paid within six (6) months from the Completion Date; ii. 2nd instalment of S\$6,500,000 to be paid within twelve (12) months from the Completion Date; and iii. 3rd instalment of S\$6,500,000 to be paid within eighteen (18) months from the Completion Date

“Constitution”	:	The constitution of the Company, as amended, modified or supplemented from time to time
“control”	:	The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of the Company
“Controlling Shareholder”	:	A person who:– (a) holds directly or indirectly fifteen per cent. (15%) or more of all voting shares in the Company, unless determined by the SGX-ST that such person is not a controlling shareholder; or (b) in fact exercises control over the Company
“Deed of Personal Guarantee”	:	The deed of personal guarantee entered into between Mr. Leow Ban Leong and Keong Hong Construction for Mr. Leow Ban Leong to guarantee all present and future obligations and liabilities of MCSK to Keong Hong Construction under the SPA as defined in paragraph 1.1 and described in paragraph 5 of the Letter to Shareholders in this Circular
“Deed of Novation”	:	The deed of novation entered into between Keong Hong Construction and MCSK in relation to the Sale Loans as described in paragraph 1.1 of the Letter to Shareholders in this Circular
“Directors”	:	The directors of the Company as at the Latest Practicable Date
“EGM”	:	The extraordinary general meeting of the Company to be held on 18 June 2025 (and any adjournment thereof), notice of which is set out on pages N-1 to N-3 of this Circular
“EPS”		Earnings per Share
“First Instalment”	:	S\$14,000,000 which shall be payable on or before the Completion Date as described in paragraph 3.2 of the Letter to Shareholders in this Circular
“FY2022”	:	The financial year ended 30 September 2022
“FY2023”	:	The financial year ended 30 September 2023
“FY2024”	:	The financial year ended 30 September 2024
“Guaranteed Liabilities”	:	The liabilities guaranteed by Mr. Leow Ban Leong pursuant to the Deed of Personal Guarantee as described in paragraph 5 of the Letter to Shareholders in this Circular
“Guarantor”	:	Mr. Leow Ban Leong, director of Katong Holdings and director cum shareholder of MCSK
“Group”	:	The Company, its subsidiaries, collectively

“Katong Holdings” or “KHPL”	:	Katong Holdings Pte. Ltd.
“Keong Hong Construction”	:	Keong Hong Construction Pte Ltd, a wholly-owned subsidiary of the Company
“Latest Practicable Date”	:	The latest practicable date prior to the printing of this Circular, being 30 May 2025
“LPS”	:	Loss per Share
“Mainboard”	:	Mainboard of the SGX-ST
“Mainboard Rules”	:	SGX-ST Listing Manual Section A: Mainboard Rules
“MCSK”	:	MCSK Pte. Ltd.
“Notice of EGM”	:	The notice of EGM dated 3 June 2025 set out on pages N-1 to N-3 of this Circular
“NTA”	:	The audited net tangible assets of the Group
“Parties”	:	Keong Hong Construction and MCSK collectively
“Proposed Disposal”	:	The Proposed Disposal by Keong Hong Construction of its entire shareholding interest, being 200,000 ordinary shares, in the capital of Katong Holdings, and the proposed novation of the Sale Loans to MCSK for an aggregate consideration of S\$34,500,000 payable by MCSK, on and subject to the terms and conditions of the SPA
“Proposed Resolution”	:	The Proposed Disposal to be tabled at the EGM as an ordinary resolution, notice of which is set out on pages N-1 to N-3 of this Circular
“Proxy Form”	:	The proxy form attached to the Notice of EGM
“Sale Loans”	:	The loans extended by Keong Hong Construction to Katong Holdings of the outstanding amount of S\$34,601,127.79, and any interest accrued or accruing, which shall be novated by Keong Hong Construction to MCSK pursuant to the Deed of Novation
“Sale Shares”	:	200,000 ordinary shares in Katong Holdings, representing 20.0% of the issued share capital of Katong Holdings
“SFA”	:	The Securities and Futures Act 2001 of Singapore, as may be amended, modified, or supplemented from time to time
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Shares”	:	Ordinary shares in the capital of the Company

“Shareholders”	:	Registered holders of Shares except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares, mean the depositors into whose securities accounts those Shares are credited. Any reference to Shares held by Shareholders shall include Shares standing to the credit of the respective Shareholders’ securities accounts
“SPA”	:	The definitive sale and purchase agreement dated 19 February 2025 entered into by and between Keong Hong Construction and MCSK in relation to the Proposed Disposal
“Substantial Shareholder”	:	A person who, in accordance with the Act, has an interest (directly or indirectly) in not less than five per cent. (5.0%) of the total issued 235,010,000 Shares (excluding treasury shares and subsidiary holdings)
“Target Asset”	:	Katong Holdings Pte. Ltd.
“Term Sheet”	:	The non-binding term sheet entered into between Keong Hong Construction and MCSK dated 8 November 2024
“treasury shares”	:	Treasury shares shall have the meaning ascribed to it under Section 4 of the Act
“Valuation Report”	:	The valuation report dated 14 February 2025 in respect of the recoverable amount of 20.0% equity interest in Katong Holdings prepared by the Valuer
“Valuer”	:	Cushman & Wakefield VHS Pte. Ltd.

Currencies, Units and Others

“S\$” and “cents”	:	Singapore dollars and cents, respectively, being the lawful currency for the time being of the Republic of Singapore
“%” or “per cent.”	:	Per centum or percentage

Depositor and Depository Register. The terms **“Depositor”** and **“Depository Register”** shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

Genders. 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 and *vice versa*. References to persons, where applicable, shall include corporations.

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

Statutes. 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 Act, the SFA, the Mainboard Rules or any modification thereof and used in this Circular shall, where applicable, have the meaning assigned to that word under the Act, the SFA, the Mainboard Rules or that modification, as the case may be.

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

Time and Date. Any reference to a time of day and date in this Circular is made by reference to Singapore time and date, unless otherwise specified.

KEONG HONG HOLDINGS LIMITED

(Company Registration No. 200807303W)
(Incorporated in Singapore)

LETTER TO SHAREHOLDERS

Directors:

Leo Ting Ping Ronald (*Chairman and Chief Executive Officer*)
Er Ang Hooa (*Executive Director*)
Xu Quanqiang (*Executive Director*)
Fong Heng Boo (*Lead Independent Director*)
Chong Wai Siak (*Independent Director*)
Koh Tee Huck Kenneth (*Independent Director*)
Wong Ee Kean (*Independent Director*)

Registered Office:

20 Chin Bee Drive,
Singapore 619866

3 June 2025

To: The Shareholders of Keong Hong Holdings Limited

Dear Sir/Madam,

1. INTRODUCTION

1.1 Proposed Acquisition

The Company had on 10 December 2024 announced (the “**10 December 2024 Announcement**”) that its wholly-owned subsidiary, Keong Hong Construction Pte Ltd (“**Keong Hong Construction**”), had entered into an indicative non-binding term sheet (the “**Term Sheet**”) and a binding agreement to purchase (the “**ATP**”) with MCSK Pte. Ltd. (“**MCSK**”, together with Keong Hong Construction, the “**Parties**”) in respect of the (a) the proposed disposal by Keong Hong Construction of its entire shareholding interest, being 200,000 ordinary shares, in the capital of Katong Holdings Pte. Ltd. (“**Katong Holdings**” or “**KHPL**”) (the “**Sale Shares**”), and (b) the proposed discharge of the outstanding amount of loans extended by Keong Hong Construction to Katong Holdings of S\$34,601,127.79, including interest accrued or accruing amounting to SGD1,982,087.79 (the “**Sale Loans**”) to MCSK for an aggregate consideration of S\$34,500,000 payable by MCSK, on terms and subject to the conditions of the ATP.

The Company subsequently announced on 19 February 2025 (the “**19 February 2025 Announcement**”, and collectively with the 10 December 2024 Announcement, the “**Announcements**”) that Keong Hong Construction had, on 19 February 2025, entered into a sale and purchase agreement (the “**SPA**”) with MCSK, pursuant to which Keong Hong Construction has agreed to sell, and MCSK and agreed to acquire, the Sale Shares, and Keong Hong Construction has agreed to discharge the Sale Loans, for an aggregate consideration of S\$34,500,000 (the “**Proposed Disposal**”).

Pursuant to the SPA, the Parties agreed to novate the Sale Loans from Keong Hong Construction to MCSK entirely in a single tranche, instead of discharging and extinguishing the Sale Loan amount through installments corresponding to the consideration payment structure, as was previously contemplated by the Term Sheet and the ATP and disclosed in the 10 December 2024 Announcement.

In connection with the above, Keong Hong Construction and MCSK entered into a deed of novation on 19 February 2025 in relation to the Sale Loans (the “**Deed of Novation**”). Keong Hong Construction has also, on 19 February 2025, entered into a deed of personal guarantee with Mr. Leow Ban Leong, director cum shareholder of MCSK, in relation to the Sale Loans, details of which are set out below (the “**Deed of Personal Guarantee**”).

On 29 April 2025, the Company announced that the Parties have mutually agreed to extend the Completion Date to 30 June 2025 (“**29 April 2025 Announcement**”).

1.2 Major Transaction

The Proposed Disposal constitutes a “major transaction” as defined under Chapter 10 of the Mainboard Rules.

1.3 EGM

Accordingly, the Proposed Disposal is subject to the approval of the Shareholders, and the Directors are convening the EGM to seek the approval of the Shareholders for the Proposed Disposal.

1.4 Circular

The purpose of this Circular is to provide Shareholders with information relating to, and to seek Shareholders’ approval for, the Proposed Disposal to be tabled at the EGM as an ordinary resolution, notice of which is set out on pages N-1 to N-3 of this Circular (the “**Proposed Resolution**”).

1.5 Legal Adviser

Bird & Bird ATMD LLP and Asia Practice LLC are the legal advisers to the Company in relation to the Proposed Disposal.

2. INFORMATION ON KATONG HOLDINGS AND MCSK

2.1 Information relating to Katong Holdings

Katong Holdings is a company incorporated in Singapore on 13 February 2014. As at the Latest Practicable Date, it is owned by Keong Hong Construction (20.0%) and MCSK (80.0%). Its directors as at the Latest Practicable Date are Mr. Leow Ban Leong, Mr. Leong Suet Wah, Mr. Leo Ting Ping Ronald and Mr. Xu Quanqiang (alternate director). Katong Holdings is principally engaged in the business of property and hotel ownership and development, namely two hotels, Hotel Indigo Singapore Katong, Holiday Inn Express Singapore Katong and a retail component, Katong Square.

2.1.1 Key Financial Figures of Katong Holdings

The key financial figures of Katong Holdings’ for FY2022, FY2023 and the nine-month period for FY2024 are as follows:

Descriptions	FY2024 (9-month unaudited) SGD’000	FY2023 (Audited) SGD’000	FY2022 (Audited) SGD’000
Revenue	31,125	38,139	27,241
Profit/(Loss) before Income Tax	(11,497)	(5,351)	264
Net Profit/(Loss)	(11,497)	(3,039)	(194)
Net Asset Value	292,773	251,810	258,393
Working Capital	(48,421)	(50,145)	(51,671)

2.1.2 ACRA Requirement for Restatement of Group's Figures due to incorrect classification of Katong Holdings

Background to ACRA's Requirement for Restatement

On 17 October 2024, the Company announced that the Accounting and Corporate Regulatory Authority ("ACRA"), under the Financial Reporting Surveillance Programme, conducted a review of the Company's FY2022 financial statements lodged with ACRA. Following this review, ACRA identified several findings, including that the Company was required to restate its financial figures relating to Katong Holdings to ensure compliance with the prescribed financial reporting standards in Singapore.

Asset Values and Book Values of Katong Holdings, Sale Shares, and Sale Loans

The following tables set out the asset values and book values of Katong Holdings and the Sale Loans before and after restatement in the financial statements:

As at 30 September 2023

	As previously reported SGD'000	Adjustment SGD'000	After Restatement SGD'000
<u>Non-Current Assets</u>			
Investment in associate (KHPL)	–	36,415	36,415
Financial Assets at Fair Value Through Other Comprehensive Income ("FVTOCI") (KHPL)	29,957	(29,957)	–
Financial Assets at Fair Value Through Profit or Loss ("FVTPL") (KHPL)	19,610	(19,610)	–

As at 30 September 2022

	As previously reported SGD'000	Adjustment SGD'000	After Restatement SGD'000
<u>Non-Current Assets</u>			
Investment in associate (KHPL)	–	37,732	37,732
Financial Assets at FVTOCI (KHPL)	28,727	(28,727)	–
Financial Assets at FVTPL (KHPL)	19,806	(19,806)	–

Auditor's Qualified Opinion on the Group's Accounts as at 30 September 2024

The qualified opinion and basis for qualified opinion of Forvis Mazars LLP, the independent auditor of the Company, (the "**Independent Auditor**") is set out below, as extracted from the Company's annual report for the financial year ended 30 September 2024 ("**AR2024**").

Qualified Opinion

We have audited the financial statements of Keong Hong Holdings Limited (the “Company”) and its subsidiaries (the “Group”), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 30 September 2024, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the financial year then ended, and notes to the financial statements, including a summary of material accounting policy information.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act 1967 (the “Act”) and Singapore Financial Reporting Standards (International) (“SFRS(I)s”) so as to give a true and fair view of the financial position of the Group and of the Company as at 30 September 2024 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

Basis for Qualified Opinion

During the financial year ended 30 September 2024, the management restated the classification of the Group’s investment in Katong Holdings Pte Ltd (“KHPL”), including the loans extended to KHPL, as an investment in associate when the investment was previously recorded at fair value through other comprehensive income while the corresponding loans was recorded at fair value through profit or loss. The Group recorded share of losses from the investment in KHPL of \$1,317,000 and \$2,299,000 in the statement of profit or loss and other comprehensive income for the financial years ended 30 September 2023 and 2024 respectively, and carrying amounts of the equity-accounted for investment in KHPL of \$37,733,000 and \$36,416,000 in the statement of financial position as of 1 October 2022, 30 September 2023 respectively. As of 30 September 2024, with reference to SFRS(I) 5 Non-current Assets Held for Sale and Discontinued Operations, the investment in KHPL was presented as non-current asset for sale in the statement of financial position, with carrying amount of \$34,117,000.

During the course of our audit, we were unable to obtain sufficient appropriate audit evidence, including meeting minutes and resolutions as well as KHPL’s financial information for the affected financial years, to support the management’s restatements. We understood from management that they faced limitations in retrieving the information. In the absence of alternative procedures and necessary audit evidence, we were unable to ascertain the appropriateness of the re-classification and restatement of the carrying amounts of the Group’s investment in KHPL as an associate nor the loans extended to KHPL, as well as the corresponding financial information and disclosures. We were hence also unable to assess the appropriateness of the carrying amount of KHPL presented as non-current asset held for sale as of 30 September 2024.

Should adjustments be made to the carrying amounts of the investment in the associate and/or the non-current asset held for sale and/or the share of results of the investments in the respective financial years, corresponding and consequential adjustments would need to be made to the corresponding financial line items in the affected financial years.

We conducted our audit in accordance with Singapore Standards on Auditing (“SSAs”). Our responsibilities under those standards are further described in the Auditors’ Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority (“ACRA”) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (the “ACRA code”) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Board’s Response to the Qualified Opinion

For completeness, we set out below the Board’s response in the announcement dated 10 March 2025:

“The Board wishes to clarify that despite the Group’s 20% equity interest in this associate, Katong Holdings Pte Ltd, it does not have significant influence to require Katong Holdings Pte Ltd to provide the necessary information or comply with audit requirements. Over the years, management has also been actively trying to engage Katong Holdings Pte Ltd to provide the Group with information necessary for the audit, but to no avail. As a result, in restating its prior years’ financial statements to comply with the accounting standards for its investment in Katong Holdings Pte Ltd as required by ACRA, the Group continues to face resistance from Katong Holdings Pte Ltd to engage or cooperate. Hence, the Company has no choice but to exit from this investment. As announced on 10 December 2024 and 19 February 2025, the Company is progressing with the disposal of Katong Holdings Pte Ltd. This development is expected to address the auditor’s concerns going-forward.”

As at the Latest Practicable Date, the Company has been able to obtain the following financial information from Katong Holdings:

- Audited financial statements of Katong Holdings for the financial years 2022 and 2023
- Combined Management Accounts of Katong Holdings for the first nine (9) months of FY2024 (after Non-Disclosure Agreement signed on 27th August 2024)

As at the Latest Practicable Date, the directors of Katong Holdings are Mr. Leow Ban Leong, Mr. Leong Suet Wah, Mr. Leo Ting Ping Ronald and Mr. Xu Quanqiang (alternate director). Despite the Group holding one (1) out of three (3) board seats in Katong Holdings through Mr. Leo Ting Ping Ronald who is serving as a director in Katong Holdings (and Mr. Xu Guanqiang who is alternate to him) and representing the Group as a minority shareholder of Katong Holdings, Katong Holdings has consistently restricted the access of its records. As a result, Mr. Leo, as one (1) out of three (3) directors on the board of Katong Holdings, is unable to influence or enforce the request to Katong Holdings in providing the complete required information to the auditors of the Group for audit purposes.

The restatement is extracted solely from the Audited Financial Statements FY2022, FY2023 and the 9-month Combined Management Accounts of Katong Holdings, assuming the insignificant impact resulted from the different financial year end of Katong Holdings and the Group. However, without accessibility to the

source documents, the Group understands from its auditors that this financial information is insufficient to full audit assertions, as it does not provide the necessary level of details and audit assurance required to support management's restatements. Specifically, the auditors require accessing the comprehensive and detailed financial records, including all updated underlying accounting records, ledgers, working schedules and the source supporting documents, which Katong Holdings has not provided to the Group's auditors despite numerous requests from the Group.

Prior to restating the Company's investment in Katong Holdings under the equity-accounted method, the Group was not required to audit its investment in and loans to Katong Holdings, as these were recorded at fair value. The investment was recognised at fair value, and changes in the loan's fair value were recognised in profit or loss.

Consequently, the Group did not require detailed financial information from Katong Holdings to support the valuation of the investment and loan. However, in order for the Group to comply with ACRA's requirement for restatement, accounting treatment has to be changed to the equity-accounted method, and the Group is now required to obtain more detailed financial information from Katong Holdings to support the carrying value of the investment.

2.2 Information relating to MCSK

MCSK is a company incorporated in Singapore on 21 November 2016. As at the Latest Practicable Date, it has an issued and paid-up share capital of S\$100.00 comprising 100 ordinary shares. Its directors as at the Latest Practicable Date are Mr. Leow Ban Leong and Mr. Leong Suet Wah. MCSK is principally involved in the business of investment holding company.

MCSK does not have any shareholding interest, direct or indirect, in the Company, and the Company does not have any shareholding interest, direct or indirect, in MCSK.

As far as the Company is aware, the directors and/or substantial shareholders of MCSK are not related to any of the directors, the CEO, or substantial shareholders of the Company.

For completeness, Mr. Leow Ban Leong is also the founder and shareholder of Master Contract Services Pte Ltd ("**MCS**"), MCSK and L3 Development Pte Ltd ("**L3**"). He is also the director of MCSK and L3. Both MCS and L3 have previously entered into joint ventures with our Group for, amongst others, the construction of The Amore, an executive leasehold condominium building at Punggol Centre, as well as the development of Pristine Islands Investment Pte Ltd (and its subsidiary) (collectively, the "**Pristine Group**") which owns two (2) resorts in Maldives.

3. PRINCIPAL TERMS OF THE PROPOSED DISPOSAL

3.1 Proposed Disposal

Subject to the terms and conditions contained in the SPA, Keong Hong Construction agrees to sell, and MCSK agrees to purchase, the Sale Shares together with all rights and advantages attaching to them as at Completion. Completion is conditional upon the fulfilment of the Conditions Precedent, more particularly described in paragraph 3.3 below, which includes payment of the First Instalment. Accordingly, unless the First Instalment has been paid, the Conditions Precedent will not be satisfied and Completion will not occur.

3.2 Consideration

The consideration for the Proposed Disposal is an aggregate cash sum of S\$34,500,000 (the “**Consideration**”), which comprises:

- (a) S\$1,000,000 (the “**Confirmation Fee**”) which has been paid upon acceptance of the ATP by MCSK in respect of the Sale Shares and the Sale Loans on 3 December 2024;
- (b) S\$14,000,000 which shall be payable on or before the Completion Date (the “**First Instalment**”);
- (c) S\$19,500,000 to be disbursed within 18 months in three (3) instalments in accordance with the following schedule:
 - i. 1st instalment of S\$6,500,000 to be paid within six (6) months from the Completion Date;
 - ii. 2nd instalment of S\$6,500,000 to be paid within twelve (12) months from the Completion Date; and
 - iii. 3rd instalment of S\$6,500,000 to be paid within eighteen (18) months from the Completion Date.

The Consideration, which was arrived at after arm’s length negotiations and on a willing-buyer willing-seller basis, represents a discount of S\$0.3 million to the Sale Share and Sale Loans, before impairment of S\$14.8 million on the Share Loans. The Consideration represents a premium of S\$14.7 million to the Sale Loans after taking into account the impairment amount of S\$14.8 million on the Sale Loans.

The Group had considered, amongst others, several factors when agreeing to the discount. Firstly, as the Group only holds a minority interest (20.0%) in Katong Holdings, the sale of a minority interest in the open market presents its own set of challenges. The Purchaser was the only purchaser putting up a serious offer to the Group based on such amount of consideration (including the amount of the discount before impairment). Please also refer to the rationale for the Proposed Disposal set out in this Circular for the other factors the Group considered, including strategic, risk mitigation, cashflow liquidity as well as the discharge of certain financial obligations of the Group in respect of its shareholdings in Katong Holdings.

Additionally, the payment terms for the Consideration were negotiated between the parties. During this negotiation process, the Company understood from the Purchaser that it has obtained financing for the first instalment of the Consideration as at the date of signing of the SPA, and in order to facilitate the Proposed Disposal (please refer to paragraph 6 of this Circular for the rationale for and benefits of the Proposed Disposal, including the release of financial obligations and the predictable cashflow generation that the Group would like to achieve in order to undertake other business ventures, the inability of the Group to continue providing further capital to sustain the operations of Katong Holdings, as well as the issues in relation to financial reporting and compliance), the Group agreed to the Purchaser’s request to stagger the payment of the Consideration.

To mitigate the risks of any non-payment of any subsequent tranche of the Consideration, the Group has also further included terms for (a) default interest and (b) additional security for such tranche payment, through the PG (as defined below). Mr. Leow Ban Leong has provided the PG whereby Mr. Leow Ban Leong shall personally guarantee the obligations

of the Purchaser under the SPA, as a continuing guarantee and which will extend to the ultimate balance of all sums payable by MCSK under the SPA, regardless of any intermediate payment or discharge in whole or in part. Please refer to paragraph 5 below for more details on the PG.

The issued and paid-up share capital of Katong Holdings is S\$1 million. The total amount of investment and loans provided to date by the Group to KHPL is S\$34.8 million, comprising S\$0.2 million in investment and S\$34.6 million in shareholders' loans. The purchase consideration of S\$34.5 million represents a discount of S\$0.3 million to the total investment and shareholders' loans. The impairment amount on the shareholders' loans is S\$14.8 million.

As disclosed above in paragraph 2.1.2, the Group restated its financial statements for FY2022 and FY2023 according to review undertaken by ACRA due to the incorrect classification of its investment in Katong Holdings. Accordingly, based on the restated financial statements for FY2023 and the audited financial statements of the Group for FY2024, the book value or NTA of the Sale Shares and Sale Loans collectively is S\$34.1 million.

The Consideration represents a net surplus of S\$0.4 million over the aggregate book value or the NTA of the Sale Shares and Sale Loans. The net gain on disposal attributable to the Sale Shares and the Sale Loans is also S\$0.4 million, which is made up of the De-recognition of Non-Current Assets Classified As Held for Sale Shares of S\$34.1 million.

3.3 Conditions Precedent

Pursuant to the SPA, Completion of the Proposed Disposal is conditional upon, *inter alia*, the following conditions precedent (the “**Conditions Precedent**”):

- (a) receipt by Keong Hong Construction of the full sum of the First Instalment to the bank account of Keong Hong Construction;
- (b) documentary evidence, in form and substance satisfactory to Keong Hong Construction, of the discharge, release, cancellation and de-registration of any security or guarantee provided by Keong Hong Construction or any of its shareholders in connection with any borrowing or financing granted to Katong Holdings or any of its subsidiaries, including but not limited to:
 - a. the deed of guarantee and indemnity dated 16 March 2023 executed by the Company and MCS in favour of Oversea-Chinese Banking Corporation Limited;
 - b. the charge over shares dated 16 March 2023 executed by Keong Hong Construction and MCSK in favour of Oversea-Chinese Banking Corporation Limited; and
 - c. the deed of subordination dated 16 March 2023 executed by Keong Hong Construction, MCSK and Katong Holdings in favour of Oversea-Chinese Banking Corporation Limited;
- (c) the approval of SGX-ST in connection with the Proposed Disposal;
- (d) the approval of the shareholders of Keong Hong Construction in connection with the Proposed Disposal;

- (e) the approval of the shareholders of the Company pursuant to Rule 1014 of the Mainboard Rules of SGX-ST;
- (f) the Deed of Personal Guarantee dated on or around the date of the SPA duly executed by Mr. Leow Ban Leong in favour of Keong Hong Construction, in such form and substance satisfactory to Keong Hong Construction; and
- (g) all necessary approvals, consents and waivers to consummate the Proposed Disposal (including, without limitation, such as may be necessary to avoid (i) contravening any pre-emption right or tag along right or any other obligations owed by the Parties, Katong Holdings or their respective affiliates or (ii) causing a default or potential event of default (in each case howsoever described) under any agreement, instrument or obligation to which the Parties, the Company or their respective affiliates or the assets of the foregoing persons are subject.

For the avoidance of doubt, non-satisfaction of any of the Conditions Precedent shall not be a breach of the SPA. In the event the approvals under paragraphs 3.3 (c), (d) and (e) above have not been obtained by the Completion Date, the Confirmation Fee shall be refunded by Keong Hong Construction to MCSK within fourteen (14) days of the Completion Date. This paragraph supersedes any previous agreement, provision or clauses, whether express or implied, between the Parties in relation to the conditions of refund of the Confirmation Fee.

The Board wishes to caution Shareholders that there is no certainty or assurance that the relevant approvals will be obtained and that the Proposed Disposal will materialise.

3.4 Completion

3.4.1 Date of Completion

Pursuant to the SPA and the subsequent 29 April 2025 Announcement, subject to the fulfilment of the Conditions Precedent, completion shall take place on or before 30 June 2025 or such later date as Parties may mutually agree in writing (the **"Completion Date"**).

3.4.2 Payment of Consideration

MCSK undertakes to make payment of the sums set out under paragraph 3.2 of this Circular above to Keong Hong Construction in the manner as set out above and in accordance with the terms of the SPA (as described below). Subject to the satisfaction of the conditions precedent set out in paragraph 3.3 of this Circular above, if MCSK fails to pay any amount payable by it under the SPA on the relevant due date in full, interest shall accrue on the overdue amount from such due date up to the date of actual payment (both before and after judgement) at a rate of six per cent. (6.0%) per annum. Any interest accruing shall be immediately payable by MCSK on demand. Interest (if unpaid) arising on an overdue amount will be compounded on a monthly basis with the overdue amount but will remain immediately due and payable.

In relation to the First instalment, pursuant to Clauses 4 and 4.1 of the SPA as reproduced below:

“The Vendor’s obligation to sell and transfer the Sale Shares to the Purchaser is conditional upon (and accordingly beneficial ownership in the Shares will not pass until):

4.1 the receipt by the Vendor of the full sum of the First Instalment to the Vendor’s Account”

As such, the share transfer will only take place after receiving the full sum of the First Instalment to Keong Hong Construction’s account.

In relation to the subsequent instalment payments, Clause 7.2 of the SPA states the following:

“Payment of Consideration

- (a) The Purchaser undertakes to make payment of the sums set out under Clause 3.2 to the Vendor in the manner as set out thereunder and in accordance with the terms of this Agreement.*
- (b) Subject to the satisfaction of the conditions under Clause 4, if the Purchaser fails to pay any amount payable by it under Clause 3.2 on the relevant due date in full, interest shall accrue on the overdue amount from such due date up to the date of actual payment (both before and after judgment) at a rate of six per cent. (6%) per annum. Any interest accruing under this Clause 7.2 shall be immediately payable by the Purchaser on demand.*
- (c) Interest (if unpaid) arising on an overdue amount will be compounded on a monthly basis with the overdue amount but will remain immediately due and payable.”*

The Vendor therefore has a right to, amongst others, additional interest for any overdue payments of the subsequent instalments.

Additionally, Mr. Leow Ban Leong, the director and founder of MCSK, has executed a Deed of Personal Guarantee (“PG”) as a guarantor in favour of Keong Hong Construction. Pursuant to Clause 2.1 (b) of the PG, the Guarantor irrevocably and unconditionally undertakes to Keong Hong Construction that whenever MCSK does not pay any amount when due under or in connection with the SPA, the Guarantor shall forthwith on demand by Keong Hong Construction pay that amount as if the Guarantor instead of MCSK were expressed to be the principal obligor.

It is further expressly stipulated in Clause 4 of the PG that, the Guarantor has read and understood the provisions of the PG and has taken legal advice as to the effect of the PG, in particular, the Guarantor understands:

- “(a) that failure to comply with his obligations under this Deed may result in his assets being seized and/or his bankruptcy; and*
- (b) that notwithstanding the insolvency and/or winding-up of the Purchaser, he shall remain liable for the Guaranteed Liabilities until they have been unconditionally and irrevocably paid and discharged in full.”*

3.4.3 Sale Loans

On Completion, the outstanding amount of the Sale Loans shall be novated by Keong Hong Construction to MCSK pursuant to the Deed of Novation. Accordingly, no amounts will remain outstanding between the Company and Keong Hong Construction and the Sale Loans shall be deemed discharged and distinguished *vis a vis* Keong Hong Construction.

3.5 **Undertakings, Representations and Warranties**

The Proposed Disposal is subject to such further undertakings, representations and warranties from each of the Parties as are customary for transactions of similar nature.

3.6 **Termination**

If the provisions on completion as set out above in paragraph 3.4 of this Circular are not fully complied with by any Party by or on the date set for Completion, the other Parties shall be entitled (in addition to and without prejudice to all other rights or remedies available to it, including the right to claim damages) by written notice to the defaulting Party served on such date:

- (a) to elect to terminate the SPA (save in respect of certain clauses which customarily survive termination) without liability on the part of the non-defaulting Parties;
- (b) to effect Completion so far as practicable having regard to the defaults which have occurred; or
- (c) to fix a new date for Completion (not being more than twenty (20) Business Days after the agreed date for Completion), in which case the foregoing provisions as set out in this paragraph 3.6 of this Circular shall apply to Completion as so deferred but provided such deferral may only occur twice.

3.7 **Costs**

Each Party shall bear its own costs incurred in connection with the SPA and the fulfilment of its obligations hereunder, save that MCSK shall bear the cost of any stamp duty payable in connection with the purchase of the Sale Shares.

4. **SALE LOANS**

Please refer to Schedule A of this Circular for further details on the Sale Loans, including the date when such loans were extended to Katong Holdings, the total loan amount and each respective loan amount. As at 30 September 2024, the carrying amount of the Sale Loans on Keong Hong Construction's balance sheet is S\$19,806,358.85. This amount has been fair valued after accounting for an impairment loss of S\$14,794,768.94, as audited by the Independent Auditor of the Company in FY2023 and extracted from the Company's annual report for the financial year ended 30 September 2023.

5. **DEED OF PERSONAL GUARANTEE**

To guarantee all present and future obligations and liabilities (whether actual or contingent and whether owned jointly or severally or in any other capacity whatsoever) of MCSK to Keong Hong Construction under the SPA, including the obligation of MCSK to pay the S\$19,500,000 sum referred to in paragraph 3.2 above in three (3) instalments after the Completion Date to the Vendor (the **"Guaranteed Liabilities"**) Mr. Leow Ban Leong (the

“Guarantor”) has on 19 February 2025 executed the PG as guarantor in favour of Keong Hong Construction, pursuant to which the Guarantor irrevocably and unconditionally: (a) as principal obligor guarantees to Keong Hong Construction prompt performance by MCSK of all of the Guaranteed Liabilities; and (b) undertakes with Keong Hong Construction that whenever MCSK does not pay any amount when due under or in connection with the SPA, the Guarantor shall forthwith on demand by Keong Hong Construction pay that amount as if the Guarantor instead of the MCSK were expressed to be the principal obligor.

The PG also provides that this deed shall be a continuing guarantee and will extend to the ultimate balance of all sums payable by MCSK under the SPA, regardless of any intermediate payment or discharge in whole or in part. The Guarantor has expressly confirmed in clause 4 of the PG that he has read and understood the provisions of the PG and has taken independent legal advice as to the effect of the PG. The Guarantor’s execution of the PG was also attested by a Singapore lawyer. Further, the Guarantor waives any right he may have of first requiring Keong Hong Construction (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from the Guarantor pursuant to the deed of personal guarantee.

The Guarantor is the founder and shareholder of Master Contract Services Pte Ltd (**“MCS”**), MCSK and L3 Development Pte Ltd (**“L3”**). He is also the director of MCSK and L3. MCS is a property development and construction company, which has been awarded by Building & Construction Authority (BCA) as Grade A1 in General Building (CW01). Both MCSK and L3 have previously entered into joint ventures with the Group for, amongst others, the construction of The Amore, an executive leasehold condominium building at Punggol Centre, as well as the development of Pristine Islands Investment Pte Ltd (and its subsidiary) (collectively, the **“Pristine Group”**) which owns two (2) resorts in Maldives. Separately, based on publicly available information, Mr. Leow, through MCS, also owns the lower three (3) levels of Heartland Mall in Kovan, as well as two (2) strata retail units at Havelock II, which had been acquired for a total sum of S\$250 million. Accordingly, notwithstanding the issues in relation to the restricted access to source documents for audit purposes, the Board is of the view that the Guarantor has been a long-time business associate of the Group.

The Group has also undertaken litigation and bankruptcy searches on the Guarantor prior to execution of the SPA, to ensure his financial standing and ability to provide the PG, comprising of:

- (i) the Defendant’s Composite Cause Book Search (comprising the Originating Claim searches, Originating Application searches, Originating Motion/Petition searches, a Court of Appeal search, a State Court Appeal search and Enforcement order of seizure and sale of property and other enforcement order searches), against the Guarantor on the public records of the Supreme Court and State Courts of Singapore;
- (ii) the Bankruptcy Search against the Guarantor on the public records at the Supreme Court, and
- (iii) the Individual Insolvency and Debt Repayment Scheme searches against the Guarantor performed at the Insolvency and Public Trustee’s Office.

Asia Practice LLC, the legal advisors to Keong Hong Construction in relation to the Proposed Disposal (including the PG), has also confirmed that it had taken the necessary steps (as is usually expected and customary of legal counsel acting in this capacity) to ensure that the PG is legally binding in Singapore.

Based on the factors above, the Board is of the view that it is satisfied that the Guarantor has the financial resources and ability to fulfil his obligations to Keong Hong Construction under the PG to the extent required.

6. RATIONALE FOR AND BENEFITS OF AND USE OF PROCEEDS FROM THE PROPOSED DISPOSAL

The Proposed Disposal allows the Group to divest and realize its non-controlling interest from its investments. The significant attention required for this investment has not yielded strategic advantages for the Group in terms of compliance and expected returns. Accordingly, in order to achieve better overall governance both within the Group and for Katong Holdings, the Group has decided to divest such non-controlling interests to MCSK to allow it to wholly manage Katong Holdings. This will also enable the Group's management to focus on the other core aspects of its business as well as other strategic endeavours.

The Proposed Disposal (including the novation of the Sale Loans) is in the best interest of the Company and its minority shareholders for the following reasons:

(a) Strategic

Katong Holdings has contributed negatively to the bottom line of the Group, due to its accumulated loss (mainly attributable to its significant depreciation and fair value gain/loss on investment property) and the impairment provision made by the Group for the shareholders' loan extended to Katong Holdings.

The Group is in the process of streamlining its business operations and the Proposed Disposal enables the Group to divest a loss-making non-core asset with limited control, allowing the Group to monetise the asset and realise predictable cash flow, as the sale proceeds from the Proposed Disposal will significantly contribute to and strengthen the Company's liquidity position on a near-term basis. The Proposed Disposal will also allow the Company to better focus on its core business aspects which are better able to provide recurring income and cash flows to the Group. At the same time, the investment in Katong Holdings has been loss-making, it has not distributed dividends since incorporation nor repaid the shareholder loans extended by the Group over last seven (7) years and there is no assurance that the Katong Holdings will not continue to be loss-making in the near future.

Furthermore, notwithstanding Katong Holdings' positive net asset value of S\$292.3 million, it has consistently recorded negative working capital over the past three (3) years and has faced a persistent liquidity gap, where its current liabilities have exceeded its cash and other assets, requiring its shareholders to provide additional capital. In this regard, Katong Holdings has requested for Keong Hong Construction to provide additional capital injection in proportion to its shareholdings in Katong Holdings for the repayment of bank loans. The Group, having assessed the prospects of Katong Holdings and its own internal financial position, has determined that it is unable to continue to provide any further additional capital injection and/or to guarantee any additional financial obligations of Katong Holdings in the event of third party financing.

The Proposed Disposal thus represents a good opportunity for the Group to exit the loss-making investment as well as obtain cashflow and free up capital for its other operations as well as to mitigate risks associated with uncertain future performance and profits of Katong Holdings.

(b) Risk Mitigation

The Group has been facing ongoing challenges in accessing the records of Katong Holdings for audit purposes, the Board is of the view that retaining this asset may present additional unanticipated risks in terms of Group compliance. The disposal of Katong Holdings serves to mitigate these risks, thereby enhancing the Company's financial stability and predictability. Furthermore, the persistent lack of transparency raises significant audit and compliance concerns to the Board, potentially exposing the Company to unforeseen legal and financial risks.

(c) To Improve Cash Liquidity and Maintain Financial Stability

Given the absence of new order book inflows, by divesting this investment which has not generated returns, the Group can recover capital funds to cash reserves, ensuring sufficient liquidity to meet its operational needs, financial commitments and thereby maintaining financial stability and flexibility.

(d) Discharge of the Group's contingent financial obligations arising from its shareholding in Katong Holdings

As a shareholder of Katong Holdings, the Group has provided a corporate guarantee and indemnity, in proportion to its shareholding in Katong Holdings, in favour of Overseas-Chinese Banking Corporation ("**OCBC Bank**") to secure Katong Holding's credit facilities of an aggregate of S\$360,000,000. Accordingly, assuming a full drawdown of the facility with OCBC Bank, the Group will be liable under the corporate guarantee for an amount of S\$72.0 million. The shares in Katong Holdings held by the Group have also been charged to OCBC Bank, and Keong Hong has also entered into a deed of subordination in favour of OCBC Bank. As a condition precedent to completion of the Proposed Disposal, these securities will be discharged and the Group will no longer be providing any security or guarantee for the obligations of Katong Holdings. This will ensure that the Group no longer has any continued liability in this regard in the event of any default (technical or otherwise) by Katong Holdings of its obligations towards OCBC Bank.

The Group estimates there will be total net proceeds of approximately S\$34.3 million from the Proposed Disposal, being the Consideration from the Proposed Disposal less estimated expenses of approximately S\$130,000 (the "**Disposal Expenses**"). The Disposal Expenses incurred generally relate to legal fees, corporate secretarial fees, valuation of the Sale Shares, tax advisory, mortgage discharge as well as fees related to the EGM (such as venue, printing, share registrar, scrutineer, investor relations, secretarial fees, amongst others).

The Group intends to utilize the net proceeds from the Proposed Disposal for its working capital requirements and potential business opportunity.

7. INDEPENDENT VALUATION

There is no open market value for the Sale Shares as they are not publicly traded. The Company has commissioned Cushman & Wakefield VHS Pte. Ltd. (the "**Valuer**") as the independent valuer to undertake a valuation of the recoverable amount of 20.0% equity interest in Katong Holdings (the "**Target Asset**") as at 30 September 2024 for financial reporting purpose. The valuation conducted by the Valuer was carried out in accordance with the Singapore Financial Reporting Standards (International) issued by ACRA and the International Valuation Standards 2022 issued by the International Valuation Standards Counsel.

The valuation of the Target Asset was carried out on a fair value less costs of disposal (“**FVLCOD**”) basis, where fair value is defined as “the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date”. The Valuer adopted the asset-based approach – adjusted net asset value method in assessing the fair value of the 20.0% equity interest in the Target Asset. Based on the Valuer’s discussion with the management of the Company, the cost of disposal of the Target Asset represents 1.0% of its fair value. As such, the fair value less cost of disposal of the 20.0% equity interest in the Target Asset is S\$21.0 million. The Valuer also used the market approach – guideline multiple method and guideline transaction method as a cross check to the primary valuation approach. The implied price-to-book (“**P/B**”) multiple and transaction value-to-book (“**TV/B**”) multiple range from 0.38x to 0.88x and 0.51x to 3.17x respectively. The fair value of the 20.0% equity interest in the Target Asset under the two (2) multiples ranges from S\$16.8 million to S\$38.6 million and from S\$22.4 million to S\$138.6 million respectively. The fair value of the 20.0% equity interest in the Target under the asset-based approach falls within this range.

Based on the valuation report dated 14 February 2025 (“**Valuation Report**”), the fair value less cost of disposal of the 20.0% equity interest in the Target Asset (being the Sale Shares) as at 30 September 2024 is S\$21.0 million.

A valuation was not conducted on the Sale Loans as the Group is of the view that the Sale Loans should be valued at the amount invested by the Group, being the amount that should be recoverable. Further, in this case the Group’s inability to obtain complete financial information from Katong Holdings will further limit the effectiveness and completeness of a valuation of the Sale Loans. For the avoidance of doubt, the valuation of the Sale Shares has excluded the amount of the Sale Loans from the liability of the Katong Holdings.

For clarity, the total amount of the Sale Loans is SGD34.6 million and the purchase consideration represents a discount of SGD0.1 million to the Sale Loans before impairment of SGD14.8 million and a premium of SGD14.7 million to the Sale Loans after taking into account the impairment amount of SGD14.8 million on the Sale Loans.

The full text of the Valuation Report will be made available for inspection at the principal place of business of the Company during normal business hours for a period of three (3) months from the date of this Circular.

8. FINANCIAL EFFECTS OF THE PROPOSED DISPOSAL

8.1 Assumptions

The financial figures set out below are for illustrative purposes only and do not necessarily reflect the actual results and financial performance of the Group after the Proposed Disposal. The Group’s audited financial statements for FY2024 are as set out in the annual report released on 13 March 2025.

Accordingly, the following financial effects of the Proposed Disposal are computed based on the latest audited consolidated financial statements of the Group for the financial year ended 30 September 2024 (“**FY2024**”) (which differs from what was disclosed in the earlier Announcements) and the following bases and assumptions:

- (a) The financial effect on the NTA per Share is computed based on the assumption that the Proposed Disposal was completed on 30 September 2024;
- (b) The financial effect on the Earnings per Share (“**EPS**”) is computed based on the assumption that the Proposed Disposal was completed on 1 October 2023;

- (c) The financial effect on the net asset value of the Group (“**NAV**”) is computed based on the assumption that the Proposed Disposal (including the novation of the Sale Loans) was completed on 30 September 2024; and
- (d) The costs and expenses in connection with the Proposed Disposal are disregarded for the purposes of calculating the financial effects.

8.2 Effect of the Proposed Disposal on the NTA per Share

NTA per Share

	Before Proposed Disposal	After Proposed Disposal
NTA (S\$'000)	50,458	50,841
Number of issued Shares ('000)	235,010	235,010
NTA per Share (cents)	21.47	21.63

8.3 Effect of the Proposed Disposal on LPS

Loss per Share

	Before Proposed Disposal	After Proposed Disposal
Loss attributable to equity holders of the Company (S\$'000)	(3,916)	(3,533)
Weighted average number of issued Shares ('000)	235,010	235,010
LPS (cents)	(1.67)	(1.50)

8.4 Effect of the Proposed Disposal on the NAV

NAV

	Before Proposed Disposal	After Proposed Disposal
NAV (S\$'000)	50,501	50,884

Please also refer to paragraph 2.1.2 and 3.2 of this Circular above on the restatement of the Company's prior year financial statements.

9. RELATIVE FIGURES COMPUTED BASED ON RULE 1006 OF THE MAINBOARD RULES

Chapter 10 of the Mainboard Rules governs the continuing listing obligations of listed companies in respect of acquisitions and disposals. Under Rule 1014 of the Mainboard Rules, if any of the relative figures computed on the bases set out in Rule 1006 of the Mainboard Rules exceeds 20.0%, such a transaction is classified as a “major transaction” and requires the approval of shareholders.

The relative figures as computed on the bases set out in Rule 1006 of the Mainboard Rules in respect of the Proposed Disposal and based on the latest audited consolidated financial statements of the Group for FY2024 as set out in the annual report released on 13 March 2025 (which differs from the earlier Announcements) are as follows:

Rule	Basis	Relative Figure
1006(a)	Net asset value of the assets to be disposed of, compared with the group's net asset value	67.56% ⁽¹⁾
1006(b)	Net profits attributable to the assets disposed of, compared with the group's net profits ⁽²⁾	-9.78%
1006(c)	Aggregate value of the Consideration received, compared with the issuer's market capitalisation, based on the total number of issued shares excluding treasury shares ⁽³⁾	146.80%
1006(d)	Number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue	Not applicable ⁽⁴⁾
1006(e)	Aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the group's proved and probable reserves.	Not applicable ⁽⁵⁾

Notes:

- (1) Under Rule 1002(3)(a), "net assets" means total assets less liabilities. Based on the net asset value of the Group of S\$50.5 million as at 30 September 2024 and the net asset value of the Sale Shares and Sale Loans of S\$34.1 million as at 30 September 2024.
- (2) Under Rule 1002(3)(b) of the Mainboard Rules, "net profits" means profit (or loss) before income tax, minority interests and extraordinary loans. Based on the Group's net loss of S\$3.9 million for the full year ended 30 September 2024 and the net profit attributable to the Sale Shares and Sale Loans of S\$0.4 million.
- (3) Based on the Consideration of S\$34,500,000 and the Company's market capitalisation of approximately S\$23.5 million (being the full market day preceding the date of the SPA). The market capitalization of the Company is determined by multiplying the number of shares in issue excluding treasury shares, being 235,010,000 ordinary shares, and the volume weighted average price of S\$0.10 per Share on 18 February 2025.
- (4) The Proposed Disposal is not an acquisition of assets.
- (5) The Company is not a mineral, oil or gas company.

As the relative figure computed under Rule 1006(a) and Rule 1006(c) of the Mainboard Rules exceeds 20.0%, the Proposed Disposal is a "major transaction" as defined under Chapter 10 of the Mainboard Rules. Further, Rule 1014 shall apply for the relative figure computed under Rule 1006(b) as none of the situations in paragraphs 4.3 and 4.4 of Practice Note 10.1 applies. Accordingly, the approval of the Shareholders at an EGM is required for the Proposed Disposal.

10. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

10.1 Interests of Directors and Substantial Shareholders

None of the Directors, Controlling Shareholders or Substantial Shareholders has any interest, direct or indirect, in the Proposed Disposal other than through their respective shareholdings in the Company (if any).

10.2 Interests of Directors

The interests of the Directors in the Company as recorded in the register of Directors' shareholdings of the Company as at the Latest Practicable Date and after the Proposed Disposal are set out below:

Name of Directors	Before the Proposed Disposal				After the Proposed Disposal			
	Direct Interest		Deemed Interest		Direct Interest		Deemed Interest	
	Number of Shares	% ⁽¹⁾	Number of Shares	% ⁽¹⁾	Number of Shares	% ⁽²⁾	Number of Shares	% ⁽²⁾
Leo Ting Ping Ronald	5,231,180	2.23	22,500,000	9.57	5,231,180	2.23	22,500,000	9.57
Er Ang Hooa	350,000	0.15	—	—	350,000	0.15	—	—
Xu Quanghai	—	—	586,800	0.25	—	—	586,800	0.25
Fong Heng Boo	—	—	—	—	—	—	—	—
Chong Wai Siak	—	—	—	—	—	—	—	—
Koh Tee Huck Kenneth	—	—	—	—	—	—	—	—
Wong Ee Kean	—	—	—	—	—	—	—	—

Notes:

- (1) The figures are computed based on the issued and paid-up share capital of the Company, comprising 235,010,000 ordinary shares (excluding 7,555,000 treasury shares and subsidiary holdings) as at the Latest Practicable Date.
- (2) The figures are computed based on the issued and paid-up share capital of the Company, comprising 235,010,000 ordinary shares (excluding 7,555,000 treasury shares and subsidiary holdings) after the Proposed Disposal.

10.3 Interests of Substantial Shareholders (other than Directors)

The interests of the Substantial Shareholders in the Company (other than the Directors) as recorded in the register of Substantial Shareholders of the Company as at the Latest Practicable Date and after the Proposed Disposal are set out below:

Name of Substantial Shareholders	Before the Proposed Disposal				After the Proposed Disposal			
	Direct Interest		Deemed Interest		Direct Interest		Deemed Interest	
	Number of Shares	% ⁽¹⁾	Number of Shares	% ⁽¹⁾	Number of Shares	% ⁽²⁾	Number of Shares	% ⁽²⁾
LJHB Capital (S) Pte Ltd	61,411,398	26.13	111,525,620	47.46	61,411,398	26.13	111,525,620	47.46
Forevertrust International (S) Pte. Ltd.	—	—	172,937,018	73.59	—	—	172,937,018	73.59
LJHB Holdings (S) Pte. Ltd.	—	—	172,937,018	73.59	—	—	172,937,018	73.59

Notes:

- (1) The figures are computed based on the issued and paid-up share capital of the Company, comprising 235,010,000 ordinary shares (excluding 7,555,000 treasury shares and subsidiary holdings) as at the Latest Practicable Date.
- (2) The figures are computed based on the issued and paid-up share capital of the Company, comprising 235,010,000 ordinary shares (excluding 7,555,000 treasury shares and subsidiary holdings) after the Proposed Disposal.

11. DIRECTORS' SERVICE CONTRACTS

No person is proposed to be appointed as a director of the Company in connection with the Proposed Disposal. Accordingly, no service contract is proposed to be entered into between the Company and any such person in connection with the Proposed Disposal.

12. DIRECTORS' RECOMMENDATIONS

Having considered and reviewed, amongst other things, the terms of the SPA, the rationale for and benefits of the Proposed Disposal, the pro forma financial effects of the Proposed Disposal, and all other relevant facts set out in this Circular, the Directors are of the view that the Proposed Disposal is in the best interests of the Company. Accordingly, the Directors recommend that the Shareholders vote in favour of the ordinary resolution relating to the Proposed Disposal to be proposed at the EGM, notice of which is set out on pages N-1 to N-3 of this Circular.

Shareholders should read and consider carefully this Circular in its entirety, in particular the rationale for the Proposed Disposal and the financial effects of the Proposed Disposal, as set out in Sections 6 and 8 of this Circular. In giving the above recommendations, the Directors have not had regard to the specific investment objectives, financial situation, tax position or unique needs or constraints of any individual Shareholder. As different Shareholders would have different investment objectives and profiles, the Directors recommend that any Shareholder who may require specific advice in relation to his or her specific investment objectives or portfolio should consult his or her stockbroker, bank manager, solicitor, accountant, tax adviser or other professional advisers.

13. CONSENTS

13.1 Consent by the Valuer

The Valuer has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name and all references to the Valuation Report in the form and context in which they appear in this Circular.

13.2 Consent by Legal Advisors

Bird & Bird ATMD LLP is the legal adviser to the Company as to Singapore law in relation to this Circular and the disclosure of the Proposed Disposal as a major transaction only. Bird & Bird ATMD LLP has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name and all references to itself in the form and context in which they appear in this Circular.

Asia Practice LLC is the legal adviser to the Company as to Singapore law in relation to the Proposed Disposal. Asia Practice LLC has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name and all references to itself in the form and context in which they appear in this Circular.

14. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages N-1 to N-3 of this Circular, will be convened and held at Banquet Hall, Sembawang Country Club, 249 Sembawang Road, Singapore 758352 on 18 June 2025 at 10:30 a.m. (Singapore time) for the purpose of considering and, if thought fit, passing with or without modifications, the ordinary resolution as set out in the Notice of EGM. There will be no option for Shareholders to participate virtually.

The Company has opted for electronic dissemination of this Circular and printed copies of this Circular will not be sent to Shareholders. Shareholders can access the Circular Notice of EGM and Proxy Form on the SGX website and the Company's website at the URL <https://www.keonghong.com/newsroom.html>. Printed copies of the Notice of EGM, Proxy Form along with the Request Form will still be sent to Shareholders.

Any Shareholder who wishes to request for a printed copy of the Circular should complete the Request Form and return it to the Company by post to the Company's registered office at 20 Chin Bee Drive, Singapore 619866, or if by electronic mail to main@zicoholdings.com enclosing a clear scanned completed and signed Request Form, to be received by the Company no later than 12 June 2025.

15. ACTION TO BE TAKEN BY THE SHAREHOLDERS

15.1 Appointment of Proxy

A Shareholder who is unable to attend the EGM and wishes to appoint a proxy(ies) to attend and vote on his behalf should complete, sign and return the Proxy Form (attached to this Circular) in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach the registered office of the Company at 20 Chin Bee Drive, Singapore 619866 not less than seventy-two (72) hours before the time fixed for the EGM. The completion and return of the Proxy Form by a Shareholder does not preclude him from attending and voting at the EGM in person in place of the proxy(ies) if he so wishes.

15.2 Submission of questions in advance

Substantial and relevant questions relating to the resolutions to be tabled for approval may be submitted in advance of the EGM by 10.30 a.m. on 11 June 2025 in the following manner:

- (1) by post, be lodged at the office of the Company at 20 Chin Bee Drive, Singapore 619866; or
- (2) by email to ir@keonghong.com.

Shareholders who submit questions in advance via email or by post to the Company must provide their (a) full name; (b) identification number (i.e. NRIC/Passport/Company Registration Number); (c) contact number and email address; and (d) the number and manner in which the Shareholder holds shares in the Company (e.g. via CDP, Central Provident Fund ("**CPF**") or Supplementary Retirement Scheme ("**SRS**").

For questions submitted in advance of the EGM, the Company will provide responses to all substantial and relevant questions by publication on the SGXNet and the Company's website by 12 June 2025, which is at least forty-eight (48) hours prior to the closing date and time for the lodgement of the Proxy Forms, or at the EGM.

Questions received after 10.30 a.m. on 11 June 2025 will be addressed at the EGM. The Company's responses to substantial and relevant questions addressed during the EGM will be published on the SGXNet and the Company's corporate website, together with the minutes of the EGM within one (1) month after the date of the EGM.

15.3 Depositor Not Member

A Depositor will not be regarded as a member of the Company entitled to attend the EGM and to speak and vote thereat unless he is shown to have Shares entered against his name in the Depository Register as certified by CDP at least seventy-two (72) hours before the EGM.

16. 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 enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Disposal, the Company and its subsidiaries (save in respect of information pertaining to MCSK), 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 (save for information in respect of MCSK) 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.

17. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents are available for inspection at the registered office of the Company at 20 Chin Bee Drive, Singapore 619866, during normal business hours from the date of this Circular up to the later of (a) the date of the EGM and (b) the date falling three (3) months from the date of this Circular:

- (a) the Constitution of the Company;
- (b) the Term Sheet and the ATP;
- (c) the SPA;
- (d) the Deed of Novation;
- (e) the Deed of Personal Guarantee;
- (f) the Valuation Report; and
- (g) the letters of consent from each of the Valuer, Bird & Bird ATMD LLP and Asia Practice LLC referred to in paragraph 13 of this Circular.

Yours faithfully

For and on behalf of the Board of Directors of

KEONG HONG HOLDINGS LIMITED

Leo Ting Ping Ronald

Chairman and Chief Executive Officer

SCHEDULE A

KEONG HONG CONSTRUCTION PTE LTD

COMPUTATION OF SHAREHOLDERS' LOANS TO KATONG HOLDINGS PTE LTD

Interest rate 2.78% per annum					
Date	Principal (add/repayment) SGD	Cumulative principal SGD	Interest SGD	Days	Cumulative Balance SGD
27-Jan-14	5,615,720.00	5,615,720.00			–
31-Jan-14	–	5,615,720.00	2,138.59	5	5,617,858.59
1-Feb-14	–	5,615,720.00	5,988.05	14	5,623,846.64
15-Feb-14	28,000.00	5,643,720.00	1,289.55	3	5,653,136.19
18-Feb-14	15,346,800.00	20,990,520.00	17,586.03	11	21,017,522.22
28-Feb-14	–	20,990,520.00	–		21,017,522.22
31-Mar-14	–	20,990,520.00	49,560.63	31	21,067,082.85
1-Apr-14		20,990,520.00	23,980.95	15	21,091,063.80
16-Apr-14	1,628,520.00	22,619,040.00	25,841.48	15	22,745,425.28
30-Apr-14	–	22,619,040.00	–	0	22,745,425.28
31-May-14	–	22,619,040.00	53,405.72	31	22,798,831.00
1-Jun-14		22,619,040.00	18,950.42	11	22,817,781.42
12-Jun-14	200,000.00	22,819,040.00	33,021.96	19	23,050,803.38
30-Jun-14	–	22,819,040.00	–		23,050,803.38
1-Jul-14	–	22,819,040.00	41,711.95	24	23,092,515.34
25-Jul-14	(2,000,000.00)	20,819,040.00	11,099.69	7	21,103,615.02
31-Jul-14	–	20,819,040.00	–		21,103,615.02
31-Aug-14	–	20,819,040.00	49,155.75	31	21,152,770.77
30-Sep-14		20,819,040.00	47,570.08	30	21,200,340.85
31-Oct-14	–	20,819,040.00	49,155.75	31	21,249,496.60
30-Nov-14	–	20,819,040.00	47,570.08	30	21,297,066.68
31-Dec-14	–	20,819,040.00	49,155.75	31	21,346,222.43
28-Jan-15	–	20,819,040.00	44,398.74	28	21,390,621.18
29-Jan-15	560,000.00	21,379,040.00			21,950,621.18
31-Jan-15		21,379,040.00	4,884.96	3	21,955,506.14
28-Feb-15	–	21,379,040.00	45,593.00	28	22,001,099.14
31-Mar-15	–	21,379,040.00	45,593.00	31	22,046,692.14
30-Apr-15	–	21,379,040.00	48,849.64	30	22,095,541.78
31-May-15	–	21,379,040.00	50,477.96	31	22,146,019.74
11-Jun-15		21,379,040.00	17,911.54	11	22,163,931.28
12-Jun-15	1,000,000.00	22,379,040.00			23,163,931.28
30-Jun-15		22,379,040.00	32,385.23	19	23,196,316.51
12-Jul-15		22,379,040.00	20,453.83	12	23,216,770.34
13-Jul-15	1,000,000.00	23,379,040.00			24,216,770.34
31-Jul-15	–	23,379,040.00	33,832.35	19	24,250,602.69

Interest rate 2.78% per annum					
Date	Principal (add/repayment) SGD	Cumulative principal SGD	Interest SGD	Days	Cumulative Balance SGD
5-Aug-15		23,379,040.00	8,903.25	5	24,259,505.94
6-Aug-15	1,000,000.00	24,379,040.00			25,259,505.94
31-Aug-15		24,379,040.00	48,277.18	26	25,307,783.12
13-Sep-15		24,379,040.00	24,138.59	13	25,331,921.71
14-Sep-15	1,000,000.00	25,379,040.00			26,331,921.71
30-Sep-15		25,379,040.00	32,860.64	17	26,364,782.35
14-Oct-15		25,379,040.00	27,061.71	14	26,391,844.06
15-Oct-15	1,000,000.00	26,379,040.00			27,391,844.06
31-Oct-15	–	26,379,040.00	34,155.44	17	27,425,999.49
12-Nov-15		26,379,040.00	24,109.72	12	27,450,109.21
13-Nov-15	1,000,000.00	27,379,040.00			28,450,109.21
30-Nov-15		27,379,040.00	37,535.54	18	28,487,644.75
10-Dec-15		27,379,040.00	20,853.08	10	28,508,497.83
11-Dec-15	1,000,000.00	28,379,040.00			29,508,497.83
31-Dec-15		28,379,040.00	45,390.91	21	29,553,888.74
14-Jan-16		28,379,040.00	30,260.61	14	29,584,149.35
15-Jan-16	1,000,000.00	29,379,040.00			30,584,149.35
31-Jan-16	–	29,379,040.00	38,039.82	17	30,622,189.17
22-Feb-16		29,379,040.00	49,228.00	22	30,671,417.18
23-Feb-16	1,000,000.00	30,379,040.00			31,671,417.18
29-Feb-16		30,379,040.00	16,196.61	7	31,687,613.78
31-Mar-16		30,379,040.00	71,727.83	31	31,759,341.61
30-Apr-16		30,379,040.00	69,414.03	30	31,828,755.63
18-May-16		30,379,040.00	41,648.42	18	31,870,404.05
19-May-16	1,000,000.00	31,379,040.00			32,870,404.05
31-May-16	–	31,379,040.00	31,069.55	13	32,901,473.60
30-Jun-16		31,379,040.00	71,698.96	30	32,973,172.55
31-Jul-16		31,379,040.00	74,088.92	31	33,047,261.48
25-Aug-16		31,379,040.00	59,749.13	25	33,107,010.61
26-Aug-16	(8,000,000.00)	23,379,040.00			25,107,010.61
31-Aug-16	–	23,379,040.00	10,683.90	6	25,117,694.51
13-Sep-16		23,379,040.00	23,148.45	13	25,140,842.96
14-Sep-16	600,000.00	23,979,040.00			25,740,842.96
30-Sep-16	–	23,979,040.00	31,047.93	17	25,771,890.89
31-Oct-16		23,979,040.00	56,616.81	31	25,828,507.70
2-Nov-16		23,979,040.00	3,652.70	2	25,832,160.40
3-Nov-16	(6,000,000.00)	17,979,040.00			19,832,160.40
23-Nov-16		17,979,040.00	28,756.61	21	19,860,917.01
24-Nov-16	(8,000,000.00)	9,979,040.00			11,860,917.01
30-Nov-16		9,979,040.00	5,320.33	7	11,866,237.35

Interest rate 2.78% per annum					
Date	Principal (add/repayment) SGD	Cumulative principal SGD	Interest SGD	Days	Cumulative Balance SGD
31-Dec-16		9,979,040.00	23,561.46	31	11,889,798.81
25-Jan-17		9,979,040.00	19,001.19	25	11,908,799.99
26-Jan-17	320,000.00	10,299,040.00			12,228,799.99
31-Jan-17		10,299,040.00	4,706.52	6	12,233,506.51
16-Feb-17		10,299,040.00	12,550.72	16	12,246,057.23
17-Feb-17	320,000.00	10,619,040.00			12,566,057.23
28-Feb-17		10,619,040.00	9,705.51	12	12,575,762.74
19-Mar-17		10,619,040.00	15,367.06	19	12,591,129.80
20-Mar-17	320,000.00	10,939,040.00			12,911,129.80
31-Mar-17		10,939,040.00	9,997.98	12	12,921,127.79
10-Apr-17		10,939,040.00			12,921,127.79
11-Apr-17	320,000.00	11,259,040.00	–		13,241,127.79
30-Apr-17		11,259,040.00			13,241,127.79
8-May-17		11,259,040.00			13,241,127.79
9-May-17	3,200,000.00	14,459,040.00			16,441,127.79
31-May-17		14,459,040.00			16,441,127.79
14-Jun-17		14,459,040.00			16,441,127.79
15-Jun-17	2,800,000.00	17,259,040.00			19,241,127.79
20-Jun-17		17,259,040.00			19,241,127.79
21-Jun-17		17,259,040.00			19,241,127.79
21-Jun-17		17,259,040.00			19,241,127.79
21-Jun-17		17,259,040.00			19,241,127.79
30-Jun-17		17,259,040.00			19,241,127.79
24-Jul-17	600,000.00	17,859,040.00			19,841,127.79
15-Aug-17	600,000.00	18,459,040.00			20,441,127.79
2-Sep-17	1,280,000.00	19,739,040.00			21,721,127.79
19-Sep-17	920,000.00	20,659,040.00			22,641,127.79
25-Oct-17	920,000.00	21,579,040.00			23,561,127.79
13-Nov-17	920,000.00	22,499,040.00			24,481,127.79
18-Dec-17	920,000.00	23,419,040.00			25,401,127.79
22-Mar-18	2,760,000.00	26,179,040.00			28,161,127.79
18-Apr-18	1,620,000.00	27,799,040.00			29,781,127.79
2-Jul-18	1,300,000.00	29,099,040.00			31,081,127.79
30-Nov-18	2,240,000.00	31,339,040.00			33,321,127.79
28-Dec-18	320,000.00	31,659,040.00			33,641,127.79
7-Oct-19	960,000.00	32,619,040.00			34,601,127.79
Total	32,619,040.00		1,982,087.79		34,601,127.79

The carrying amount of Sale Loans on Keong Hong's balance sheet as at 30 September 2024 is SGD19,806,358.85, after impairment of SGD14,794,768.94.

KEONG HONG HOLDINGS LIMITED

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

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (the “**EGM**”) of Keong Hong Holdings Limited (the “**Company**”) will be held at Banquet Hall, Sembawang Country Club, 249 Sembawang Road, Singapore 758352 on 18 June 2025 at 10:30 a.m. for the purpose of considering and, if thought fit, passing, with or without amendments, the following resolution which will be proposed as an ordinary resolution.

Unless otherwise defined or the context otherwise requires, all capitalised terms herein shall bear the same meaning as used in the circular to the shareholders of the Company dated 3 June 2025 (the “**Circular**”).

ORDINARY RESOLUTION:

PROPOSED DISPOSAL OF SHARES AND DISCHARGE OF LOANS

RESOLVED THAT:

- (1) approval be and is hereby given for: (a) the disposal by Keong Hong Construction Pte Ltd (“**Keong Hong Construction**”) of its entire shareholding interest, being 200,000 ordinary shares, in the capital of Katong Holdings Pte. Ltd. (“**Katong Holdings**”), representing 20.0% of the issued and paid-up share capital of Katong Holdings; and (b) the proposed discharge of the loans extended by Keong Hong Construction to Katong Holdings and any interest accrued or accruing, further details of which are set out in the Circular dated 3 June 2025 (the “**Proposed Disposal**”); and
- (2) the Directors of the Company, or any one of them, be and are hereby authorised to take all necessary steps and to negotiate, finalise and enter into all transactions, arrangements and agreements and to execute all such documents (including but not limited to the execution of application forms and transfers), with full and discretionary powers to make or assent to any modifications or amendments thereto in such manner as they/he may deem necessary, expedient, incidental or in the interests of the Company and its subsidiaries and associated companies for the purposes of giving effect to this Ordinary Resolution and/or the Proposed Disposal and the transactions contemplated thereunder.

By Order of the Board

Heng Michelle Fiona and Lim Guek Hong
Company Secretaries

Singapore
3 June 2025

Notes:

- (a) The EGM will be held, in a wholly physical format, at the venue, date and time stated above. Members, including CPF and SRS investors, and (where applicable) duly appointed proxies or representatives will be able to ask questions and vote at the EGM by attending the EGM in person. There will be no option for shareholders to participate virtually.
- (b) Printed copies of this Notice of EGM, Proxy Form and the Request Form (to request for printed copy of the Circular) will be sent by post to the members of the Company and are also available on SGXNet at <https://www.sgx.com/securities/company-announcements> and the Company's corporate website at <https://www.keonghong.com/newsroom.html>.

The Circular has been published and is available for download or online viewing by members of the Company on SGXNet at <https://www.sgx.com/securities/company-announcements> and the Company's corporate website at <https://www.keonghong.com/newsroom.html>. Printed copies of the Circular will NOT be despatched to the members unless requested by the members via the submission of the Request Form. Members who wish to receive a printed copy of the Circular are required to complete the Request Form and return it to the Company by 12 June 2025 by post to the Company's registered office at 20 Chin Bee Drive, Singapore 619866, or if by electronic mail to main@zicoholdings.com, enclosing a clear scanned completed and signed Request Form.

- (c) A member, including CPF and SRS investors, may submit substantial and relevant questions relating to the business of the EGM in advance by 5:00 p.m. on 11 June 2025 in the following manner:–
 - (1) submitting question via mail to the Company's registered office at 20 Chin Bee Drive, Singapore 619866, or
 - (2) email to ir@keonghong.com.

When submitting the questions, please provide the Company with the following details, for verification purpose:–

- (i) full name;
- (ii) last 4 digits of identification/registration number;
- (iii) email address;
- (iv) contact number;
- (v) number of shares held; and
- (vi) the manner in which you hold shares in the Company (e.g. via CDP, CPF/SRS, Physical Scrip).

Members are encouraged to submit their questions before 11 June 2025, 10:30 a.m., as this will allow the Company sufficient time to address and respond to substantial and relevant questions on or before 13 June 2025, 10:30 a.m. (forty-eight (48) hours prior to the closing date and time for the lodgement of the proxy forms). The responses will be published on (i) the SGXNet; and (ii) the Company's corporate website, or at the EGM.

- (d) A member, who is entitled to attend, speak and vote at the EGM and is not a relevant intermediary (which has the meaning ascribed to it in Section 181(6) of the Companies Act 1967 of Singapore), is entitled to appoint not more than two (2) proxies to attend, speak and vote in his/her stead. Where a member appoints more than one (1) proxy, he/she shall specify the proportion of his/her shareholding to be represented by each proxy in the form of proxy.
- (e) A member which is entitled to attend, speak and vote at the EGM and is a relevant intermediary may appoint more than two (2) proxies to exercise all or any of his/her rights 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 him/her (which number and class of shares shall be specified).
- (f) If the appointer is a corporation, the proxy must be executed under seal or the hand of its duly authorised officer or attorney.
- (g) The instrument appointing a proxy or proxies must: (i) if submitted by post, be deposited at the registered office of the Company at 20 Chin Bee Drive, Singapore 619866; or (ii) if submitted electronically, be sent via email to the Company at main@zicoholdings.com (by enclosing a clear, scanned, completed and signed Proxy Form in PDF), in either case, not less than seventy-two (72) hours before the time appointed for holding the EGM, and in default the Proxy Form shall not be treated as valid.

(h) Investors who hold shares through the CPF Investment Scheme or the SRS:–

- (i) may vote at the EGM if they are appointed as proxies by their respective CPF agent banks or SRS operators, and should contact their respective CPF agent banks or SRS operators if they have any queries regarding their appointment as proxies; or
- (ii) may appoint the Chairman of the EGM as their proxy to vote on their behalf at the EGM, in which case they should approach their respective CPF agent banks or SRS operators to submit their votes,

by 9 June 2025, 10:30 a.m..

Personal Data Privacy

By (a) submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM of the Company and/or any adjournment thereof, or (b) submitting any question prior to the EGM in accordance with this Notice of EGM, 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 following purposes: processing, administration and analysis by the Company (or its agents or service providers) of proxy(ies) and representative(s) appointed for the EGM (including any adjournment thereof); processing of the registration for the purpose of granting access to members to the EGM; addressing substantial and relevant questions from members received before the EGM and if necessary, following up with the relevant members in relation to such questions; preparation and compilation of the attendance lists, proxy 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, 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.

KEONG HONG HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration Number: 200807303W)

**PROXY FORM
EXTRAORDINARY GENERAL MEETING****IMPORTANT:**

1. A relevant intermediary may appoint more than two (2) proxies to attend the Extraordinary General Meeting ("EGM") and vote.
2. For investors who have used their CPF or SRS monies to buy shares in the Company, this Proxy Form is not valid for use and shall be ineffective for all intents and purposes if used or is purported to be used by them. CPF and SRS investors may vote at the EGM if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks and SRS Operators if they have any queries regarding their appointment as proxies. Alternatively, if they wish to appoint the Chairman of the Meeting as proxy on their behalf at the EGM, in which case they should approach their respective CPF Agent Banks and SRS Operators to submit their votes by 10:30 a.m. on 9 June 2025.
3. Please read the explanatory notes to the Proxy Form.

I/We* _____ (Name) _____ (NRIC/Passport/Co. Registration No.)

of _____ (Address)

being a member/members* of Keong Hong Holdings Limited (the "**Company**"), hereby appoint:

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and/or*

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing the person, or either or both of the persons referred to above, the Chairman of the Extraordinary General Meeting ("**EGM**") as my/our* proxy/proxies* to attend, speak and vote on my/our* behalf at the EGM of the Company to be held at Banquet Hall, Sembawang Country Club, 249 Sembawang Road, Singapore 758352 on 18 June 2025 at 10:30 a.m. and at any adjournment thereof.

Please indicate your vote "For", "Against" or "Abstain" with an "X" within the box provided. Alternatively, please indicate the number of votes "For" or "Against" within the box provided. If you wish to abstain from voting on the resolution, please indicate "X" in the "Abstain" box in respect of the resolution. Alternatively, please indicate the number of shares that your proxy is directed to abstain from voting in the resolution.

In the absence of specific directions in respect of the resolution, the proxy/proxies will vote or abstain from voting at his/her/its discretion.

Ordinary Resolution	No. of Votes		
	For	Against	Abstain
To approve the Proposed Disposal of Shares and Discharge of Loans			

Dated this _____ day of _____ 2025

Total Number of Shares held in:	No. of Shares
CDP Register	
Register of Members	

Signature(s) of Member(s)/Common Seal
of Corporate Shareholder

*Delete accordingly

IMPORTANT: PLEASE READ NOTES OVERLEAF

Notes:

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (maintained by The Central Depository (Pte) Limited), you should insert that number of shares. If you have shares registered in your name in the Register of Members of the Company, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument of proxy shall be deemed to relate to all the shares held by you.
2. A member who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote on his/her/its behalf at the EGM. A proxy need not be a member of the Company. Where such member's form of proxy appoints two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy. If no such number of shares is specified, the first named proxy shall be deemed to represent 100.0% of the shareholding and the second named proxy shall be deemed to be an alternate to the first named proxy.
3. A member who is a relevant intermediary (which has the meaning ascribed to it in Section 181(6) of the Companies Act 1967 of Singapore) is entitled to appoint more than two (2) 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 relevant intermediary's form of proxy appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy. In relation to a relevant intermediary who wishes to appoint more than two (2) proxies, please annex, to the form of proxy, the list(s) of proxies, setting out, in respect of each proxy, the name, address, NRIC/passport number, class of shares and number of shares in relation to which the proxy has been appointed.
4. The instrument appointing a proxy or proxies must (a) if submitted by post, be deposited at the Company's registered office at 20 Chin Bee Drive, Singapore 619866; or (b) if submitted electronically, be sent via email to the Company at main@zicoholdings.com (by enclosing a clear, scanned, completed and signed Proxy Form in PDF), in either case, not less than seventy-two (72) hours before the time appointed for the EGM, and in default the Proxy Form shall not be treated as valid.
5. Completion and return of an instrument of proxy by a member will not prevent him/her from attending, speaking and voting at the EGM if he/she so wishes. The appointment of the proxy(ies) for the EGM will be deemed to be revoked if the member attends the EGM in person and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the relevant instrument appointing a proxy(ies) to the EGM.
6. The instrument appointing a proxy or proxies must be under the hand of the appointor or 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 common seal or under the hand of its attorney or an officer duly authorised.
7. A corporation which is a member of the Company 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 its constitution and Section 179 of the Companies Act 1967 of Singapore.

GENERAL

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of ordinary shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member of the Company, being the appointor, is not shown to have ordinary shares entered against his/her 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.

PERSONAL DATA PRIVACY

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 the EGM dated 3 June 2025.

KEONG HONG HOLDINGS LIMITED

(UEN 200807303W)

(Incorporated in the Republic of Singapore)

3 June 2025

Dear Shareholders,

We are pleased to enclose printed copies of the Notice of Extraordinary General Meeting (“**EGM**”) and Proxy Form for the EGM to be held on 18 June 2025. Printed copies of the Circular will NOT be sent to Shareholders unless requested by the Shareholders via the submission of this Request Form.

In line with the Company’s corporate social responsibility initiatives and environmental sustainability efforts and as permitted under the Company’s Constitution, the Company has implemented the use of electronic communications. In this regard, the Circular has been published and is made available for download or online viewing at SGXNet at <https://www.sgx.com/securities/company-announcements> and the Company’s website at <https://www.keonghong.com/newsroom.html>. You will need an internet browser and PDF reader to view these documents.

If you still wish to receive a printed copy of the Circular, please complete the Request Form below and return it to the Company by post to the Company’s registered office at 20 Chin Bee Drive, Singapore 619866; or if by electronic mail to main@zicoholdings.com enclosing a clear scanned copy of the completed and signed Request Form. The request must be received by the Company no later than 12 June 2025.

By completing, signing and returning the Request Form to us, you agree and acknowledge that we and/or our service provider may collect, use and disclose your personal data, as contained in your submitted Request Form or which is otherwise collected from you (or your authorised representative(s)), for the purpose of processing and effecting your request.

Yours faithfully

Leo Ting Ping Ronald

Chairman and Chief Executive Officer

CIRCULAR PRINT COPY REQUEST FORM

To: **KEONG HONG HOLDINGS LIMITED**

20 Chin Bee Drive,
Singapore 619866

Please send me a printed copy of the Circular for the Extraordinary General Meeting to be held on 18 June 2025.

Name of Shareholder : _____

Last 4 digits of NRIC/Passport Number/ : _____
Company Registration Number

Mailing address : _____

The manner in which you hold : ☐ CDP Securities Account
shares in the Company

☐ CPF/SRS Account

☐ Physical Scrip

Signature(s): _____ Date: _____

Note: This request is valid for the Circular for the Extraordinary General Meeting to be held on 18 June 2025.

Affix
Postage
Stamp

KEONG HONG HOLDINGS LIMITED

20 Chin Bee Drive,
Singapore 619866