



KOYO INTERNATIONAL LIMITED
Registration No. 200100075E
(Incorporated in Singapore)

EXTENSION OF LOAN AGREEMENTS AS AN INTERESTED PERSON TRANSACTION

1. INTRODUCTION

The Board of Directors (the “**Board**”) of Koyo International Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to its announcement dated 14 July 2023 in relation to the loan agreement entered into between KF Capital Pte. Ltd (the “**Lender**”) and the Group’s wholly owned subsidiary, Koyo Engineering (S.E. Asia) Pte Ltd (the “**Subsidiary**”) on the same day (“**Loan Agreement**”), pursuant to which the Lender granted a loan of up to S\$3,500,000 to the Subsidiary (“**Working Capital Loan**”). The repayment date of the Working Capital Loan pursuant to the Loan Agreement is due on 13 July 2024 (“**Repayment Date**”). The Lender and the Subsidiary shall collectively be referred to as the “**Parties**”.

The Board wishes to announce that the Parties have on 12 July 2024 mutually agreed to further extend the Repayment Date for one year from 13 July 2024 to 13 July 2025 (the “**Extension**”).

2. PRINCIPAL TERMS OF THE WORKING CAPITAL LOAN

Save for the Extension, the principal terms of the Working Capital Loan shall remain the same as follows:

Principal Amount	:	Up to S\$3,500,000 (to be disbursed in full or in parts, as may be mutually agreed upon between the Subsidiary and the Lender). The principal amount of \$3.0 million has been withdrawn as at the date of this announcement.
Disbursement	:	At the request of the Subsidiary, how the Working Capital Loan is disbursed by the Lender to the Subsidiary shall be as mutually agreed upon between parties.
Repayment	:	The Working Capital Loan shall be repayable in full to the lender after one (1) year extension (i.e. on or before 13 July 2025) or such date(s) as may be mutually agreed upon between the Subsidiary and the Lender, subject to review and approval by the Audit Committee of the Company of the terms including the applicable interest rate, rationale for and benefit of the above interested person transaction.
Interest Rate	:	Interest is chargeable at 1.5% per annum above the cost of funds of an existing commercial bank. This is in line with the commercial bank’s letter of offer to the Subsidiary. The Subsidiary shall update the Lender on the prevailing cost of funds for the existing commercial bank as and when it changes. The current interest rate for the Working Capital Loan as at the date of this announcement is 5.55%.

The interest is on a term-loan basis, which is calculated upon disbursement of the Working Capital Loan (whether in full or in

parts), charged to the Subsidiary and payable upon disbursement of the Working Capital Loan (or any part thereof). The Subsidiary may repay the entire outstanding amount under the Working Capital Loan and all monies due and/or payable to the Lender under the Loan Agreement prior to the expiry of the repayment term by giving to the Lender not less than one (1) month's written notice of intended repayment.

3. INFORMATION ON THE LENDER

The Lender is controlled by Mdm Dalat Kositanon, who is the mother of Mr Foo Suay Wei and Mr Foo Suay Lun, the Managing Director and the Executive Director of the Group, respectively. Mdm Dalat Kositanon also holds 400,000 ordinary shares representing 0.21% of the Company's issued share capital as of the date of this announcement.

4. INTERESTED PERSON TRANSACTION UNDER CHAPTER 9 OF THE CATALIST RULES

Transactions entered into between an "interested person" and the issuer, its subsidiaries or associated companies (which the listed group or its interested persons have control over) are deemed "interested person transactions" and subject to Chapter 9 of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalist ("**Catalist Rules**").

Pursuant to Rule 909(3), in the case of borrowing of funds from an interested person, the value of the transaction is the interest payable on the borrowing. On the assumption that the tenure of the Working Capital Loan is 12 months, the interested person transaction value amounts to an estimate of S\$194,250 (based on the current interest rate), which represents 1.14% of the Group's latest audited net tangible assets as at 31 December 2023 of S\$17,103,000.

In addition, the Subsidiary had on 12 January 2023 entered into a short-term bridging loan agreement with Mr Foo Suay Lun, the Executive Director of the Company, a controlling shareholder of the Company, and son of Mdm Dalat Kositanon, for a loan amount of S\$500,000 (the "**Bridging Loan**") for 12 months period with the same interest rate as the Working Capital Loan. The repayment date of the Bridging Loan was also further extended for one year from 11 January 2024 to 11 January 2025.

Pursuant to Rule 905 read with Rule 908 of the Catalist Rules, the aggregate value of interested person transactions arising from the extension of the Working Capital Loan and the Bridging Loan is estimated at S\$222,000 (based on the current interest rate), which represents 1.30% of the Group's latest audited net tangible assets as at 31 December 2023 of S\$17,103,000.

In view of the foregoing, shareholders' approval for the Working Capital Loan is not required under the Catalist Rules. However, the Company is disclosing the Working Capital Loan and its Extension pursuant to paragraph 9 of Appendix 7A of the Catalist Rules.

Save as disclosed above, there are no other interested person transactions (more than S\$100,000) entered into by the Group with the Lender or its associates for the current financial year ending 31 December 2024 as at the date of this announcement.

5. AUDIT COMMITTEE'S STATEMENT

The Audit Committee of the Company, having considered the terms and rationale for the Working Capital Loan and its Extension, is of the view that the grant of the Working Capital Loan and its Extension by the Lender is on normal commercial terms and is not prejudicial to the interests of the Company and its minority shareholders.

6. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Save for their respective shareholdings in the Company and as disclosed, none of the Directors or controlling shareholders of the Company or their respective associates has any direct or indirect interest in the Working Capital Loan and its Extension.

7. UPDATES TO SHAREHOLDERS

The Directors of the Company (including those who have been delegated detailed supervision of this announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this announcement are fair and accurate and that no material facts have been omitted from this announcement, and they jointly and severally accept responsibility accordingly. Where any information has been extracted or reproduced from published or otherwise publicly available sources, the sole responsibility of the Directors of the Company has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, accurately reflected or reproduced in this announcement.

By Order of the Board

Mr Foo Suay Wei
Managing Director and Chief Executive Officer
12 July 2024

This announcement has been reviewed by the Company's sponsor.

This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made, or reports contained in this announcement.

The contact person for the Sponsor is Ms Charmian Lim (Tel: (65) 6232 3210), at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.