

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

**ANNOUNCEMENT IN CONNECTION WITH
THE EXCHANGE OFFER IN RELATION TO THE S\$85,000,000 5.75 PER CENT. NOTES DUE
2021 COMPRISED IN SERIES 002 (ISIN: SG7GJ4000007) (THE “EXISTING NOTES”) ISSUED BY
KEONG HONG HOLDINGS LIMITED (THE “ISSUER”)
AND
THE ISSUE OF S\$48,000,000 6.25 PER CENT. NOTES DUE 2023 BY THE ISSUER PURSUANT
TO ITS S\$200,000,000 MULTICURRENCY MEDIUM TERM NOTE PROGRAMME (THE
“PROGRAMME”)**

Reference is made to the announcements made by the Issuer on 22 July 2020, 5 August 2020 and 12 August 2020 in relation to the Invitation and the Additional New Issue (collectively, the “Announcements”).

The Issuer is pleased to announce that it has today issued S\$48,000,000 6.25 per cent. notes due 2023 under the Programme (the “Series 3 Notes”), comprising S\$33,750,000 in aggregate principal amount of New Notes issued as part of the Exchange Consideration and S\$14,250,000 in aggregate principal amount of additional New Notes issued pursuant to the Additional New Issue.

The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch acted as the sole dealer manager in relation to the Invitation and as the sole lead manager and bookrunner in relation to the Additional New Issue.

The Series 3 Notes were issued at an issue price of 100 per cent. of their principal amount and in denominations of S\$250,000. The Series 3 Notes will bear interest at a rate of 6.25 per cent. per annum, payable semi-annually in arrear. The Series 3 Notes will constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank *pari passu* and rateably without any preference or priority among themselves, and *pari passu* with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the Issuer.

Unless previously redeemed or purchased and cancelled, the Series 3 Notes shall mature on 19 August 2023.

The net proceeds arising from the issue of the Series 3 Notes (after deducting issue expenses) will be used for general corporate purposes, including refinancing of existing borrowings, financing investments and acquisitions, capital expenditure requirements and the general working capital of the Group.

Pursuant to Condition 6(b)(ii) of the Notes, a “Change of Control Event” will occur when (a) any person or persons acting together (save for Mr Leo Ting Ping Ronald and his Immediate Family Members (as defined in the Terms and Conditions of the Notes)) acquires Control (as defined in the Terms and Conditions of the Notes) of the Issuer if such person or persons does not or do not have, and would not be deemed to have, Control of the Issuer on the Issue Date and/or (b) a change in shareholding of the Issuer on any date which results in Mr Leo Ting Ping Ronald and his Immediate Family Members ceasing to collectively own in aggregate direct or deemed interest of at least 30 per cent. of the issued share capital for the time being of the Issuer. Upon the occurrence of a Change of Control Event, each holder of the Series 3 Notes has an option to require the Issuer to redeem the Series 3 Notes of such holder at 100 per cent. of their principal amount (subject to the Terms and Conditions of the Notes).

Approval in-principle has been received from the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for the listing and quotation of the Series 3 Notes on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained herein. Approval in-principle from, admission to the Official List of, and the listing and quotation of the Series 3 Notes on, the SGX-ST are not to be taken as an indication of the merits of the Issuer, its subsidiaries, its associated companies (if any), its joint venture companies (if any), the Programme or the Series 3 Notes. The Series 3 Notes are expected to be listed on the SGX-ST on 20 August 2020.

Certain controlling shareholders, directors and the chief executive officer of the Issuer and their family members have subscribed for (A) S\$1,250,000 of the S\$33,750,000 in aggregate principal amount of the New Notes issued as part of the Exchange Consideration and (B) S\$1,000,000 of the S\$14,250,000 in aggregate principal amount of additional New Notes issued pursuant to the Additional New Issue, which comprise approximately 4.69 per cent. of the total principal amount of the Series 3 Notes.

Following the cancellation of the Existing Notes which have been offered and accepted for exchange pursuant to the Invitation, the aggregate principal amount of the Existing Notes outstanding will be S\$51,250,000. Unless previously redeemed or purchased and cancelled, such Existing Notes shall mature on 15 September 2021.

Capitalised or other terms used but not defined herein shall, unless the context otherwise requires, have the meanings as set out in the Announcements.

BY ORDER OF THE BOARD

Lo Swee Oi
Company Secretary
19 August 2020

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