



## KEONG HONG HOLDINGS LIMITED

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

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### PROPOSED ACQUISITION OF PROPERTIES AT 20 CHIN BEE DRIVE AND 21 FOURTH CHIN BEE ROAD

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#### 1. INTRODUCTION

The Board of Directors of Keong Hong Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that Keong Hong Construction Pte Ltd, its wholly-owned subsidiary (“**KHC**”) has entered into an option to purchase (the “**Option to Purchase**”) with TCG Rengo (S) Limited (the “**Vendor**”) to acquire the properties located at 20 Chin Bee Drive, Singapore 619866 and 21 Fourth Chin Bee Road Singapore 619706 comprised in Lots 1689K and 1432P of Mukim 6, as a single indivisible plot (“**Properties**”) (“**Proposed Acquisition**”) for a purchase consideration of S\$10,750,000 exclusive of GST (“**Purchase Consideration**”). The Vendor is independent and unrelated third party.

#### 2. DESCRIPTION ON AND RATIONALE FOR THE PROPOSED ACQUISITION

The Properties have a total site area of 239,253 square feet with dual frontage to Corporation Road and 4<sup>th</sup> Chin Bee Road. The lease of the Properties is until 30 June 2035.

The Proposed Acquisition is in the ordinary course of business of the Group. The purpose of the Proposed Acquisition is to provide the Group with adequate space for the assembly and fitout of prefabricated bathroom units, in a move to strengthen the Group’s productivity. The building will also be co-located with the related companies of the Group to harness business synergies and achieving better investment returns through shared usage of the premise.

#### 3. PURCHASE CONSIDERATION

The Purchase Consideration is arrived at on an arm’s length basis between a willing seller and a willing buyer. It will be funded through a combination of internal resources and bank borrowings.

#### 4. FINANCIAL EFFECT OF THE PROPOSED ACQUISITION

The Proposed Acquisition is not expected to have material impact on the earnings per share and net tangible assets per share of the Group for the current financial year ending 30 September 2018

#### 5. INTEREST OF THE DIRECTORS’ AND CONTROLLING SHAREHOLDERS

None of the Directors or controlling shareholders of the Company, as well as their respective associates, has any interest, direct or indirect, in the above transaction other than through their shareholding interests in the Company.

**6. DOCUMENTS FOR INSPECTIION**

A copy of the Option to Purchase will be made available for inspection during the normal business hours at the Company's registered office at 9 Sungei Kadut Street 2, Sungei Kadut Industrial Estate, Singapore 729230 for a period of three (3) months from the date of the announcement.

BY ORDER OF THE BOARD

Lo Swee Oi  
Company Secretary

Dated: 24 August 2018