



KING WAN CORPORATION LIMITED

Incorporated in the Republic of Singapore
(Company Registration No. 200001034R)

PROPOSED PLACEMENT OF AN AGGREGATE OF 70,000,000 NEW ORDINARY SHARES IN THE CAPITAL OF KING WAN CORPORATION LIMITED FOR AN AGGREGATE CONSIDERATION OF S\$3,500,000

1. INTRODUCTION

1.1 The board of directors (“**Board**” or “**Directors**”) of King Wan Corporation Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that, on 17 December 2025, the Company had entered into a subscription agreement (the “**Subscription Agreement**”) with Sek Ann Thong, Yap Bau Tan and Tan Seck Chun Christopher (the individuals shall collectively be referred to as the “**Subscribers**”, and individually, a “**Subscriber**”), for the Subscribers to subscribe for, and the Company to allot and issue, an aggregate of 70,000,000 new ordinary shares in the capital of the Company (the “**Placement Shares**”), at S\$0.05 for each Placement Share (the “**Issue Price**”), amounting to an aggregate of S\$3,500,000 (the “**Proposed Placement**”).

2. THE PROPOSED PLACEMENT

2.1 Pursuant to the Subscription Agreement, the Subscribers have agreed to subscribe for, and the Company has agreed to allot and issue, the Placement Shares in the manner set out below and subject to and upon the terms and conditions therein:

Name of Subscriber	No. of existing Shares held	Number of Placement Shares subscribed for	Total Amount Payable (S\$)	Shareholding percentage in the Company as at the date of this announcement ⁽¹⁾ (%)	Shareholding percentage in the Company after completion of the Proposed Placement ⁽²⁾ (%)
Sek Ann Thong	-	30,000,000	1,500,000	-	3.90
Yap Bau Tan	-	16,000,000	800,000	-	2.08
Tan Seck Chun Christopher	1,399,500	24,000,000	1,200,000	0.20	3.31
Total		70,000,000	3,500,000		

Notes:

(1) Based on the existing issued and paid-up share capital of 698,353,740 ordinary shares in the Company before the Proposed Placement.

- (2) Based on the enlarged issued and paid-up share capital of 768,353,740 ordinary shares in the Company after the Proposed Placement.

2.2 Placement Shares

The Placement Shares shall be issued free from any form of legal, equitable or security interests or any other encumbrance and shall rank *pari passu* in all respects with the then existing issued ordinary shares of the Company at the date of completion of the Proposed Placement (“**Completion**”) except that such Placement Shares shall not be entitled to any dividends, rights, or other entitlements the record date of which falls on or before the date of Completion.

Upon the allotment and issue of the Placement Shares, the Company’s issued and paid-up share capital of 698,353,740 ordinary shares (the “**Shares**”), as at the date of this announcement, will increase to 768,353,740 Shares. As disclosed in the table set out in paragraph 2.1 above, the Placement Shares represent approximately 10.02% of the existing issued share capital of the Company as at the date of this announcement and 9.11% of the enlarged issued share capital of the Company following the Completion.

2.3 Issue Price

The Issue Price of S\$0.05 per Placement Share represents a discount of approximately 3.85% to the volume weighted average price of S\$0.052 per Share for the trades done on the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) on 16 December 2025, being the full market day preceding the date on which the Placement Agreements were signed and on which trades were recorded. The Issue Price was arrived at following arm’s length negotiations between the Company and the Subscribers. In agreeing to the Issue Price, the Board had also taken into consideration the general market conditions and the prevailing market price of the Shares.

2.4 Conditions Precedent

Completion is conditional upon, amongst others, the following:

- (a) the relevant approvals (if required) from governmental agencies and regulatory bodies, as well as the approval in-principle (“**AIP**”) from the SGX-ST in respect of the listing and quotation of the Placement Shares on the mainboard of the SGX-ST (“**Mainboard**”) having been obtained and such approval being in full force and effect, and if obtained subject to conditions, such conditions being reasonably acceptable to the Company and the Subscribers and are timely and satisfactorily fulfilled on or before the date of Completion;
- (b) as of the Completion Date, the trading of the Shares on the Mainboard not being suspended by the SGX-ST (other than a trading halt on a temporary basis requested by the Company) and the Shares not having been delisted from the Mainboard;
- (c) the exemption under Section 272B of the SFA being applicable to the allotment, issue and subscription of the New Shares under the Subscription Agreement;

- (d) the allotment, issue and subscription of the Placement Shares not being prohibited by any publicly available law, statute, rule, regulation or code, or injunction order, decree, requirement, judgment or decision of any governmental or regulatory body or authority or court of competent jurisdiction, applicable to a party or to the relevant matter(s) contemplated under the Subscription Agreement, and includes, for the avoidance of doubt, the Companies Act 1967 of Singapore and the listing manual of the SGX-ST (“**Listing Manual**”);
- (e) if required, the approval of the shareholders of the Company for the proposed subscription and the allotment and issue of the Placement Shares at the Issue Price; and
- (f) the representations and warranties of the Company and the Subscribers in the Subscription Agreement being true and accurate and not misleading as at the date of the Subscription Agreement, and remaining true and accurate and not misleading at all times between the date of the Subscription Agreement and Completion, as if repeated on each day after the date of the Subscription Agreement with reference to the facts existing on each such day,

(collectively, the “**Conditions**”).

If any of the Conditions is not satisfied or waived on or before 16 March 2026 for any reason, the Subscription Agreement shall immediately lapse and cease to have further effect and no party shall have any claim against the other parties for costs, damages, compensation or otherwise save for any antecedent breach of the Subscription Agreement. Notwithstanding anything contained in the Subscription Agreement, the Company shall not be in any way liable in the event that the SGX-ST does not grant the AIP for the Placement Shares (referred to in paragraph 2.4(a) above) for any reason whatsoever.

For the avoidance of doubt, the proposed placement to a Subscriber is not conditional upon the completion of the proposed placement to the other Subscribers.

2.5 Completion

Subject to the satisfaction or waiver of the Conditions, Completion shall take place at 8 Sungei Kadut Loop, Singapore 729455, at 12.00 p.m. on the date of Completion (or such other place and time as the Company and the Subscribers may mutually agree) in accordance with the Subscription Agreement.

2.6 Not Underwritten

The Proposed Placement is not underwritten and no placement agent will be appointed for the purposes of the Proposed Placement. The Proposed Placement will be undertaken pursuant to the private placement exemption under Section 272B of the Securities and Futures Act 2001 of Singapore. As such, no prospectus or offer information statement will be lodged by the Company in connection with the Proposed Placement.

No introducer fee or placement commission is paid or will be payable by the Company in connection with the Proposed Placement.

3. THE SUBSCRIBERS

3.1 The Subscribers were identified directly by the Company through its business contacts, network and connections and not through any third-party intermediary. The Placement Shares are placed to the Subscribers to raise funds to strengthen the Company's financial position and such funds will provide the Group with greater flexibility to capitalise on business opportunities – please refer to paragraph 5 below for more information on the rationale for the Proposed Placement. The details of each of the Subscribers are set out below:

Name of the Subscriber	Rationale for the Subscriber's subscription of Placement Shares	Background information on and principal occupation of the Subscriber / Relationship of the Subscriber with the Group
Sek Ann Thong	Solely for strategic investment purposes	The executive chairman and shareholder of Kwang Fong Enterprises Pte. Ltd., an importer of granite and other building materials. This entity does not have any business dealings with the Group. He will have no role in the Company other than as an investor.
Yap Bau Tan	Solely for strategic investment purposes	The managing director and founding shareholder of Asiatic Engineering Pte. Ltd., a supplier of the Group. This entity's total supplies to the Group do not exceed 5% of the Group's total purchases for each of the last three financial years. He will have no role in the Company other than as an investor.
Tan Seck Chun Christopher	Solely for strategic investment purposes	An existing Shareholder holdings 1,399,500 Shares as at the date of Subscription Agreement and a private investor. He will have no role in the Company other than as an investor.

The information on the Subscribers set out above was provided by the respective Subscribers, which has been extracted and reproduced herein. In respect of such information, the Directors have not independently verified the accuracy and correctness of the same and the Directors' responsibility is limited to the proper extraction and reproduction herein in the context that the information is being disclosed in this announcement.

3.2 Save as disclosed in paragraphs 2.1 and 3.1 above and pursuant to the Subscription Agreement, each Subscriber has represented, *amongst others*, that the Subscriber:

- (a) has no connection (including business relationships), past or present, with the Company, its Directors and substantial shareholders;

- (b) is not a person to whom the Company is prohibited from issuing shares to, as provided by Rule 812 of the Listing Manual; and
- (c) is not an associate (as defined in the Listing Manual) of the other Subscribers and is also not an associate of any Directors or substantial shareholders of the Company and is not accustomed to act in accordance with the instructions of the other Subscribers.

3.3 Each of the Subscribers has also represented, warranted and undertaken to the Company that:

- (a) the Placement Shares, once issued and allotted, will be held by each Subscriber as the ultimate beneficial owner and will not be held on trust or otherwise for the benefit or on behalf of any other Subscribers or third party;
- (b) The Subscribers are not related to each other and are not acting in concert with any parties in relation to the Proposed Placement;
- (c) the Subscriber does not conduct or is not engaged in, directly or indirectly, any transaction, conduct, trade, business or other activity that violates any applicable anti-money laundering or counter-financing of terrorism laws, rules or regulations issued, administered or enforced by Singapore or other jurisdictions; and
- (d) the funds to be used by each Subscriber to subscribe for the Placement Shares are not derived from activities that contravene any anti-money laundering or counter-financing of terrorism laws, rules or regulations issued, administered or enforced by Singapore or other jurisdictions.

3.4 The Proposed Placement would not result in any transfer of a controlling interest in the Company and none of the Placement Shares will be placed to any of the persons set out as restricted persons under Rule 812 of the Listing Manual.

4. ALLOTMENT AND ISSUANCE OF THE PLACEMENT SHARES

The Placement Shares will be allotted and issued pursuant to the general mandate obtained at the annual general meeting of the Company held on 31 July 2025 (the “**2025 AGM**”) which authorises the Directors, pursuant to Rule 806 of the Listing Manual, to allot and issue new shares in the capital of the Company in accordance with, and subject to, the provisions of Rule 806 of the Listing Manual (the “**Share Issue Mandate**”).

As at the date of the 2025 AGM, the Company had a total of 698,353,740 Shares (excluding treasury shares and subsidiary holdings). Pursuant to the Share Issue Mandate, the aggregate number of new Shares authorised to be issued other than on a *pro-rata* basis to the existing Shareholders shall not exceed 139,670,748 Shares (excluding treasury shares and subsidiary holdings), being 20% of the total issued Shares as at the date of the 2025 AGM.

As no Shares were issued under the Share Issue Mandate since the date the Share Issue Mandate was passed at the 2025 AGM, the maximum number of Shares to be issued other than on a *pro-rata* basis is 139,670,748 Shares. Accordingly, the proposed allotment and issue of up to 70,000,000 Placement Shares pursuant to the Proposed Placement will be within the

limits of the Share Issue Mandate and specific shareholder approval from Shareholders for the allotment and issue of the Placement Shares is not required.

5. RATIONALE FOR THE PROPOSED PLACEMENT AND USE OF PROCEEDS

5.1 The Company is proposing to undertake the Proposed Placement to raise funds to strengthen its financial position and will largely be allocated for funding the execution of ongoing Mechanical and Electrical engineering services projects as well as new project opportunities. Having taken into account its working capital position, the Company is of the view that the funds raised via the Proposed Placement will provide the Group with greater flexibility to capitalise on business opportunities that would enhance the Group's operations and improve the financial position of the Company, thereby facilitating long-term growth and delivering value for Shareholders, amongst others.

5.2 Assuming that all the Placement Shares are successfully allotted and issued, the Proposed Placement will raise gross proceeds of S\$3,500,000 and net proceeds of approximately S\$3,450,000 (after deducting estimated expenses of approximately S\$55,000) (the "**Net Proceeds**").

5.3 The Company intends to use the Net Proceeds in the following proportion:-

No.	Use of Net Proceeds	Percentage Allocation (%)
1.	Funding the execution of ongoing Mechanical and Electrical engineering services projects as well as new project opportunities	80%
2.	General working capital requirements	20%

5.4 Pending the deployment of the Net Proceeds from the Proposed Placement for the abovementioned intended purpose, the Net Proceeds may be placed as deposits with banks and/or financial institutions and/or invested in short-term money markets or debt instruments or for any other purposes on a short-term basis as the Board may deem fit in the interest of the Group.

5.5 The Company will make periodic announcements on the utilisation of the Net Proceeds from the Proposed Placement as and when such proceeds are materially disbursed, and provide a status report on the use of the proceeds raised in the interim and full-year financial statements issued under Rule 705 of the Listing Manual and its annual report. Where the proceeds are used for general working capital purposes, the Company will provide a breakdown with specific details on how the proceeds have been applied in the announcements and status reports. Where there is any material deviation from the stated use of the Net Proceeds, the Company will announce the reasons for such deviation.

6. ADDITIONAL LISTING APPLICATION

As the Proposed Placement is subject to, *amongst others*, the receipt of the AIP from the SGX-ST for the listing and quotation of the Placement Shares on the Mainboard of the SGX-ST, the

Company will be submitting an application to the SGX-ST for the listing and quotation of the Placement Shares on the Mainboard of the SGX-ST. An appropriate announcement will be made in due course to notify shareholders of the Company when the AIP is obtained.

7. FINANCIAL EFFECTS OF THE PROPOSED PLACEMENT

The *pro forma* financial effects of the Proposed Placement are presented for illustrative purposes only and are not intended to reflect the actual future financial performance and position of the Company or the Group after Completion.

The *pro forma* financial effects set out below have been computed based on the latest audited consolidated financial statements of the Group for the financial year ended 31 March 2025 (“FY2025”) as well as based on the following bases and key assumptions:

- (a) the financial effects of the Proposed Placement on the net tangible assets (“NTA”) per Share of the Group are computed assuming that the Proposed Placement was completed on 31 March 2025;
- (b) the financial effects of the Proposed Placement on the earnings per Share (“EPS”) of the Group are computed assuming that the Proposed Placement was completed on 1 April 2024; and
- (c) expenses incurred in connection with the Proposed Placement are estimated to be approximately S\$55,000.

5.1 NTA per Share

As at 31 March 2025	Before the Proposed Placement	After the Proposed Placement
NTA (S\$'000)	69,178	72,623
Number of Shares (excluding treasury shares)	698,353,740	768,353,740
NTA per Share (cents)	9.91	9.45

5.2 EPS

For FY2025	Before the Proposed Placement	After the Proposed Placement
Profit attributable to shareholders of the Company (S\$'000)	3,436	3,381
Number of Shares (excluding treasury shares)	698,353,740	768,353,740
EPS (cents)	0.49	0.44

8. DISCLOSURE OF INTERESTS

As at the date of this announcement, none of the Directors or substantial shareholders of the Company and their respective associates has any interest, direct or indirect, in the Proposed Placement (other than through their respective shareholdings in the Company, if any, and save as disclosed in this announcement).

9. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Placement, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement 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 announcement in its proper form and context.

10. CAUTIONARY STATEMENT

Shareholders should note that there is no certainty or assurance as at the date of this announcement that the Proposed Placement will proceed to Completion. Shareholders are advised to read this announcement and any further announcements by the Company. Shareholders should exercise caution in trading their shares in the Company and should consult their stock brokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

11. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours at the registered office of the Company at 8 Sungei Kadut Loop, Singapore 729455, for a period of three (3) months from the date of this announcement:

- (a) the constitution of the Company;
- (b) the annual report of the Company for FY2025; and
- (c) the Subscription Agreement.

BY ORDER OF THE BOARD

Chua Eng Eng
Managing Director
17 December 2025

Important Notice

Notification under Section 309B of the Securities and Futures Act 2001 of Singapore: The Placement Shares are "prescribed capital markets products" (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 and "Excluded Investment Products" (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).