KIM HENG LTD.
(Company Registration Number: 201311482K)
(Incorporated in the Republic of Singapore on 29 April 2013)
(the "**Company**")

JOINT VENTURE WITH HEUNGWOO INDUSTRIAL CO., LTD.

1. INTRODUCTION

The Board of Directors (the "**Board**") of Kim Heng Ltd. (the "**Company**" and together with its subsidiaries, the "**Group**") is pleased to announce that Thaitan International Pte. Ltd. ("**TTI**"), a 50%-owned subsidiary, has entered into a joint venture agreement on 24 August 2026 ("**Effective Date**") (the "**JVA**") with Heungwoo Industrial Co., Ltd. ("**HW**") (each a "**Party**", and collectively, the "**Parties**") to subscribe for shares in a joint venture company to be incorporated in Korea, to be known as Heungwoo Thaitan Co., Ltd. (the "**JV Company**").

2. RATIONALE

The investment in the JV Company by TTI is expected to enhance the business potential of the Group in the horizontal directional drilling, pipe jacking and direct pipe works onshore and offshore in the Republic of Korea (the "**Business Scope**"). The joint venture represents a further expansion of the Group's offshore business in Asia. With this joint venture, the Group is well-positioned for further transition into the renewables business.

3. INFORMATION ON HW

HW is an experienced specialist marine and civil work construction company registered in the Republic of Korea specializing in underwater construction, marine and civil infrastructure works.

HW is not related to any of the Directors, the substantial shareholders of the Company, or their respective associates.

4. SALIENT TERMS OF THE JVA

4.1 Shareholding Structure

The authorised capital of the JV Company shall be up to KRW 1 billion divided into 5,000,000 ordinary shares each having a nominal value of KRW 200. The issued and paid-up capital of the JV Company shall be KRW 200,000,000 ("**Capital Contribution**"). The shareholdings of the JV Company after the incorporation is set out below:

Shareholders	Issued and paid-up capital in the JV Company (KRW)	Percentage Shareholding in the JV Company (%)
TTI	100,000,000	50
HW	100,000,000	50
Total	**200,000,000**	**100**

The subscription of shares in the JV Company will be funded by equity or paid-in capital by the respective Parties. Each Shareholder shall have rights of pre-emption to subscribe to any issuance of Shares of the Company, in proportion to the *pro rata* ownership of outstanding shares held by such

Shareholder, to maintain unchanged such Shareholder's pro rata percentage ownership of outstanding shares.

4.2 Directors

The board of directors of the JV Company shall comprise two (2) directors, with TTI and HW each having the right to appoint one (1) director. The director appointed by TTI shall serve as Chief Operating and Financial Officer of the JV Company, while the director appointed by HW shall serve as the Chief Executive Officer of the JV Company.

4.3 Duration

The JVA shall continue in full force and effect for a period of five (5) years from the Effective Date (the "**Term**").

4.4 Non-competition

During the Term, neither party nor its affiliates shall engage in or cause to be engaged in the following activities within the Republic of Korea:

(a) directly or indirectly conducting, establishing, or newly engaging in any business that is identical or similar to the JV Company's business (the "**Restricted Business**");

(b) investing in or providing consultancy services to any company engaged in the Restricted Business; and

(c) soliciting the JV Company's existing customers, suppliers, contractual partners, or employees to terminate or modify their contracts, or establishing separate employment relationships with them.

"**Affiliates**" means a group of companies that are under the de facto control of the same person and their Related Parties, as defined under the Monopoly Regulation and Fair Trade Act of the Republic of Korea (the "**Fair Trade Act**") and its Enforcement Decree.

4.5 Conditions Precedent

The proposed JVA shall be conditional upon the fulfilment of certain conditions precedent, unless waived in writing by the Party, including but not limited to all governmental approvals, authorisations, consents, or registrations required to be obtained or made prior to the Capital Contribution date and such other conditions precedent that are usual and customary for transactions of this nature.

4.6 Put option

If the JVA is terminated by the non-defaulting party as a result of a default by the other party, the non-defaulting party (the "**Put Option Holder**") shall have the right to require the defaulting party purchase all the Put Option Holder's shares in the JV Company (the "**Put Shares**"), and the defaulting party shall be obligated to purchase such Put Shares (the "**Put Option**").

Unless otherwise agreed by the parties, the purchase price for the Put Shares shall be equal to the aggregate amount of each capital contributions made by the Put Option Holder in respect of the Put Shares, with each such capital contribution compounded at an annual internal rate of return of 10% from the date on which the relevant capital contribution was made until the date on which the Put Option is exercised.

5. RESPONSIBILITIES OF THE JOINT VENTURE PARTNERS

Pursuant to the JVA, the respective responsibilities of TTI and HW are as follows:

(a) **HW**: Provision of administrative, legal, finance and construction support services (including provision of certain project personnel, site and access preparation, local procurement of materials, consumables and support equipment, provision of marine support and diving services, logistics and transportation), and safety control; and

(b) **TT**: Provision of administrative, legal, finance, feasibility studies, front-end engineering design services, detailed engineering, project management, specialist trenchless construction equipment, personnel, construction execution, and safety control.

6. FINANCIAL EFFECTS

The entry into the JVA will be funded through the Group's internal resources and is not expected to have any material impact on the (loss)/earnings per share or the net tangible assets per share of the Group for the financial year ending 31 December 2026.

7. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Save for their shareholdings in the Company (if any) and as mentioned in the announcement, none of the Directors and controlling shareholders of the Company have any interests, direct or indirect, in the JV Company.

8. FURTHER ANNOUNCEMENTS

The Company will update shareholders on material developments relating to the JVA, if any.

9. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the JVA is available for inspection at the registered office of the Company at 9 Pandan Crescent Singapore 128465 for three (3) months from the date of this announcement.

By Order of the Board

Tan Keng Siong Thomas
Executive Chairman & CEO
24 August 2026

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*This announcement has been reviewed by the Company's sponsor ("**Sponsor**"), SAC Capital Private Limited. This announcement has not been examined or approved by the Singapore Exchange Securities Limited (the **"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 Mr. Benard Lim, SAC Capital Private Limited at 1 Robinson Road, #21-01 AIA Tower, Singapore 048542, telephone (65) 6232 3232.