



KING WAN CORPORATION LIMITED
(Company Registration No. 200001034R)
(Incorporated in the Republic of Singapore)

UPDATE

PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE

1. Introduction

- 1.1 The board of directors (the “**Board**”) of King Wan Corporation Limited (the “**Company**”) refers to its announcement dated 31 March 2021 in relation to its proposed renounceable non-underwritten Rights Issue (the “**Rights Issue Announcement**”).
- 1.2 Unless otherwise defined in this announcement, all capitalised terms used in this announcement shall have the same meanings given to them in the Rights Issue Announcement.

2. Update on the Rights Issue

- 2.1 In the Rights Issue Announcement, it was stated that the Undertaking Shareholders (being Mr Chua Kim Hua, Ms Chua Eng Eng and Mr Chua Hai Kuey) have indicated that they intend to, collectively, subscribe for up to 145,000,000 Excess Rights Shares, if available. The Board wishes to announce that the Undertaking Shareholders have since indicated that they intend to subscribe for such Excess Rights Shares, if available, in the following proportions (“**Indicative Proportions**”):

	No. of Excess Rights Shares
Chua Kim Hua	2,900,000
Chua Eng Eng	134,850,000
Chua Hai Kuey	7,250,000
Total	145,000,000

- 2.2 Shareholders should note that the Undertaking Shareholders will not be providing irrevocable undertakings in respect of their potential subscription of Excess Rights Shares as set out in Section 2.1 above and that there is no certainty that any or all of the Undertaking Shareholders will subscribe for Excess Rights Shares under the Rights Issue in the Indicative Proportions or at all.
- 2.3 For illustrative purposes only, based on the terms of the Rights Issue and the Irrevocable Undertakings, and assuming that (i) only the Undertaking Shareholders subscribe for their respective Rights Shares Entitlement; (ii) no other person subscribes for the Rights Shares; and (iii) the Undertaking Shareholders subscribe for the Excess Rights Shares in the Indicative Proportions, the shareholding interest of the Undertaking Shareholders upon the completion of the Rights Issue will be as follows:

	Current shareholding		After the Rights Issue	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽²⁾
Chua Kim Hua	44,113,319	12.63	91,126,638	15.26
Chua Eng Eng	36,576,906	10.48	208,003,812	34.83
Chua Hai Kuey	22,247,676	6.37	51,745,352	8.67

Notes:

(1) Based on the existing issued and paid-up share capital of the Company comprising 349,176,870 Shares.

(2) Based on an enlarged issued and paid-up share capital of the Company comprising 597,114,771 Shares.

2.4 Consequently, based on Mr Chua Kim Hua and Ms Chua Eng Eng's indication to subscribe for up to 2,900,000 and 134,850,000 Excess Rights Shares respectively, if available (as set out in Section 2.1 above), in the event that he/she subscribes for and pays for those Excess Rights Shares, a controlling interest in the Company may be transferred to each of them arising from the allotment and issue of such Excess Rights Shares (as illustrated in Section 2.3 above).

2.5 Rule 803 of the Listing Manual provides that an issuer must not issue securities to transfer a controlling interest without the prior approval of shareholders in general meeting. In the Rights Issue Announcement, it was stated that the Rights Issue is subject to, among other conditions, the potential transfer of controlling interests to each of Mr Chua Kim Hua, Ms Chua Eng Eng and Mr Chua Hai Kuey arising from the allotment and issue of Excess Rights Shares being approved by the Independent Shareholders at the EGM. Accordingly, the Board wishes to clarify that, based on the Indicative Proportions, the Rights Issue will be subject to, among other conditions, the potential transfer of controlling interests to each of Mr Chua Kim Hua and Ms Chua Eng Eng arising from the allotment and issue of Excess Rights Shares being approved by the Independent Shareholders at the EGM.

3. Trading Caution

Shareholders of the Company and potential investors are advised to exercise caution in trading in the shares of the Company as there is no certainty or assurance that the proposed Rights Issue will materialise. The Company will make the necessary announcements as and when there are material developments on this matter. Shareholders of the Company and potential investors are advised to read all announcements by the Company carefully and to consult their financial, tax or other professional adviser immediately, if they have any doubt about the actions they should take.

BY ORDER OF THE BOARD

Chua Eng Eng
Managing Director
20 April 2021