



KOON HOLDINGS LIMITED
(INCORPORATED IN THE REPUBLIC OF SINGAPORE)
(COMPANY REGISTRATION NO. 200303284M)
(ARBN 105 734 709)

Registered Office Address: 11 Sixth Lok Yang Road, Singapore 628109 (Singapore)
Level 12 225 George Street Sydney NSW 2000, Australia (Australia)

Update on Schemes and Disposal of interest in Tesla Holdings Pty Ltd

*Unless otherwise defined, all capitalised terms used in this announcement shall bear the same meanings as in the Company's announcement dated 26 June 2020 ("**Previous Announcement**").*

Further to the Previous Announcement, the Board of Directors of the Company wishes to announce that:

Commencement of the Schemes

1. As mentioned in the Previous Announcement, the High Court of the Republic of Singapore had on 23 June 2020 approved the Schemes proposed by the Company and KCTC.
2. On 26 June 2020, the Company and KCTC lodged copies of the respective Court orders with the Registrar of Companies. Pursuant to section 210(5) of the Companies Act (2006 Rev. Ed.), the Schemes are deemed to have taken effect on and commenced from 26 June 2020.

Disposal of interest in Tesla Holdings Pty Ltd

3. The Board of Directors of the Company (and together with its subsidiaries, the "Group") had on 16 June 2020 entered into a Selective Share Buy-back Agreement ("SSBA") with Tesla Holdings Pty Ltd (ACN 141 729 857) ("Tesla Group") for the disposal of the Company's 74.06% interest in the Tesla Group ("Sale Assets") by way of a share buyback and cancellation ("Disposal").
4. The Disposal was completed on 30 June 2020.

Information on Tesla Group

5. Tesla Group is an Australian energy infrastructure company which has successfully attained capacity credit allocations from the Australian Energy Market Operator ("**AEMO**"). These allocations provide Tesla Group an incentive by granting a recurring source of income for the initial capital investment of power generation plants. Tesla Group currently owns and operates a total of four diesel power generation plants of 9.9 MW each in Western Australia.
6. Prior to the Disposal, the Company held 8,974,683 shares, being 74.06%, in the Tesla Group.

Purchase price

7. The Purchase Price for the Sale Assets is AUD\$8,880,000.00, comprising of AUD\$7,215,146 capital and unfranked dividends of AUD\$1,664,854 (of which AUD\$249,728.10 was withheld for remittance to the Australian Taxation Office (“**ATO**”) as withholding tax).

Rationale for and benefits of the Disposal

8. The Disposal is required under the terms of the KHL Scheme. Pursuant to the KHL Scheme, the Company must dispose of its interests in the Tesla Group for the purposes of making a cash distribution from the net proceeds received (net of selling expenses, professional fees, and payments made to discharge any encumbrances over the Sales Assets) to Participating Creditors with Class A Claims and Class B Claims.

Use of proceeds

9. The Company will utilise the net proceeds from the Disposal (after deducting selling expenses and professional fees) (“**Net Proceeds**”) in accordance with the terms of the KHL Scheme.

Interest of directors and controlling shareholders

10. None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Disposal, other than through their respective shareholdings (if any) in the Company.

This announcement was authorised for release by the Company’s Acting Managing Director.

Shareholders and holders of the Company’s securities are advised to read this announcement and any further announcements by the Company carefully. Shareholders and holders of the Company’s securities should consult their stockbrokers, bank managers, solicitors, or other professional advisors if they have any doubt about the actions they should take.

BY ORDER OF THE BOARD

Oh Koon Sun
Acting Managing Director
14 July 2020