

# **Koon Holdings Limited**

(Incorporated in the Republic of Singapore)  
Company Registration No. 200303284M, ARBN 105 734 709)

## **Notice of General Meeting**

**Explanatory Memorandum**

**And**

**Independent Expert's Report**

**Place:** **Via webinar** (see voting instructions for more details)

**Date:** **31 August 2020**

**Time:** **Commencing at 2:00pm (Singapore time)**

THE INDEPENDENT EXPERT REPORT PREPARED BY BDO CONCLUDES THAT THE PROPOSED TRANSACTION IS FAIR AND REASONABLE TO THE NON-ASSOCIATED SHAREHOLDERS. PLEASE REFER TO THE INDEPENDENT EXPERT'S REPORT SET OUT IN ANNEXURE A OF THIS NOTICE.

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

IF YOU ARE IN ANY DOUBT ABOUT THE ACTION YOU SHOULD TAKE, PLEASE CONSULT YOUR STOCKBROKER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER.

## NOTICE OF GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that a General Meeting of Koon Holdings Limited ARBN 105 734 709 (**Company**) will be held by way of electronic means, on 31 August 2020 at 2:00pm (Singapore time) for the purpose of considering and, if thought fit, passing with or without any modifications, the resolution set out below.

Terms and abbreviations are defined in the Glossary at the end of this Notice of General Meeting (**Notice**) and Explanatory Memorandum.

**The Independent Expert has determined in the Independent Expert's Report that the Proposed Transaction is fair and reasonable to the non-associated Shareholders.**

This Notice has been made available on SGXNet and ASX, and the Company's website. A printed copy of this Notice will NOT be despatched to members.

For further information please refer to the Explanatory Memorandum which accompanies and forms part of this Notice.

### **ORDINARY RESOLUTION**

#### **DISPOSAL AND ACQUISITION OF ASSETS BETWEEN KOON GROUP AND ASL GROUP**

To consider, and if thought fit, pass the following resolution as an ordinary resolution of the Company:

*"That, for the purposes of ASX Listing Rule 10.1 and for all other purposes, approval be given for the disposal and acquisition of certain assets between Koon Group and ASL Group on the terms detailed in the Explanatory Memorandum accompanying this Notice of General Meeting."*

**Note: The Independent Expert has determined that the Proposed Transaction is fair and reasonable to non-associated Shareholders.**

#### **Voting Exclusion:**

The Company will disregard any votes cast in favour of the resolution by or on behalf of:

- ASPL, being the person acquiring the substantial asset from the Company's subsidiaries and any other person who will obtain a material benefit as a result of the transaction (except a benefit solely by reason of being a holder of ordinary shares in the Company; and
- An associate of those persons.

Accordingly, the Company will disregard votes cast by Mr Ang Sin Liu, Mr Ang Ah Nui and their associates.

However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or

- (b) the Chairman of the General Meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chairman to vote on the resolution as the Chairman decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
  - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way

By Order of the Board

Ong Beng Hong / Tan Swee Gek  
Joint Company Secretaries

14 August 2020

## EXPLANATORY MEMORANDUM

### 1. Introduction

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This Explanatory Memorandum has been prepared to provide Shareholders with information to assess the merits of the Resolution to be put to them at the General Meeting to be held at 2:00pm (Singapore time) on 31 August 2020.

To provide Shareholders with information to enable them to assess the Resolution, the Company has obtained the Independent Expert's Report (see Annexure A) which contains an analysis as to whether the Proposed Transaction (as defined in section 2.1) is fair and reasonable to the Shareholders whose votes are not to be disregarded.

You should read this Explanatory Memorandum, the Notice and the Independent Expert's Report carefully and in their entirety before making any decisions in relation to the Resolution.

### 2. Background

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#### 2.1 Disposal of assets

On 17 June 2020, the Company entered into a settlement deed with ASL which sets out the terms of a settlement arrangement between the Company and its subsidiaries (**Koon Group**) and ASL and its subsidiaries (**ASL Group**) (**Settlement Deed**).

Under the Settlement Deed, the Company agreed to procure its relevant subsidiaries to sell, and ASL agreed to procure ASPL to purchase, the following:

- (a) the Company agreed to procure KCTC to sell to ASPL certain assets (**KCTC Disposal**) for a purchase price of S\$170,000.00 (**KCTC Purchase Price**); and
- (b) the Company agreed to procure EEPL to sell to ASPL certain assets (**EEPL Disposal**) for a purchase price of S\$928,000.00 (**EEPL Purchase Price**),

(**Proposed Transaction**).

#### 2.2 Relationship between the Koon Group and the ASL Group

Some of the companies in each of the Koon Group and the ASL Group have common shareholders, which include Mr Ang Sin Liu, and one of the Company's directors, Mr Ang Ah Nui (**Common Shareholders**). The Common Shareholders have controlling interests in each of the Company and ASL.

The aggregate interests of the Common Shareholders in each of the Company and ASL are as follows:

- (a) **Company:** aggregate interest of 53.7% of the Company's shares (however this aggregate interest is increased to 53.8% if the interests of other immediate family members are included); and
- (b) **ASL:** aggregate interest of 25.6% in ASL (however this aggregate interest is increased to 67.2% if the interests of other immediate family members are included).

Additionally, the Koon Group and the ASL Group have historically had a strong trading relationship and provided goods and services to each other pursuant to the agreements and arrangements detailed in section 2.3.

## **2.3 Rationale for the Proposed Transaction**

### **(A) Schemes of arrangement**

On 25 February 2020, meetings were held regarding the schemes of arrangement between:

- (a) the Company and its creditors; and
- (b) KCTC and its creditors,

#### **(Schemes).**

The Schemes are necessary to address the various debt obligations owed by the Company and KCTC to their respective creditors. As previously announced to ASX on 26 June 2020, both Schemes were approved by the Scheme creditors, and were sanctioned by the High Court of the Republic of Singapore on 23 June 2020.

Some companies in the ASL Group were creditors of KCTC, by virtue of the significant number of mutual claims that have accrued between the Koon Group and the ASL Group as a result of their historically strong trading relationship. Accordingly, a number of companies in the ASL Group were originally intended to be subject to the KCTC Scheme.

As previously announced to ASX on 16 April 2020, as part of the Company's restructure process, the Koon Group agreed to the request of the ASL Group to implement a set-off of existing mutual debts between certain companies of both groups.

### **(B) Background to the Settlement Deed**

Previous dealings between the Koon Group and the ASL Group have been in accordance with the following agreements and arrangements:

- (a) the Master Lease Agreement dated 30 May 2017, which formed the subject of a waiver that was granted by ASX on 3 November 2016 and expired on 17 June 2020;
- (b) a Joint Venture Agreement dated 1 January 2014, as supplemented by a Supplemental Joint Venture Agreement dated 1 October 2016; and
- (c) the "Batam" joint venture arrangement, which formed the subject of a waiver that was granted by ASX in 2012 and expired on 17 June 2020, which allowed members of the Koon Group to transact with related parties from the ASL Group.

On 5 June 2020, the Company provided the ASL Group with written notice that the Koon Group no longer wished to trade with the ASL Group after the expiry of the waivers granted by ASX.

Accordingly, the Koon Group and the ASL Group entered into the Settlement Deed to reach a full and final agreement of all outstanding mutual claims between them (except

for the claims involving the precast companies such as Econ Precast Pte. Ltd., Contech Precast Pte. Ltd., Bukit Intan Pte. Ltd. and Sindo-Econ Pte. Ltd. which have been placed under creditors' voluntary liquidation).

## **2.4 Assets and consideration under the Proposed Transaction**

### **(A) KCTC Disposal**

The KCTC Disposal involves the proposed disposal of three Hitachi excavators located in Batam, Indonesia. Two of the excavators are valued at S\$35,000.00 and the third excavator is valued at S\$100,000.00.

The KCTC Purchase Price will be funded as follows:

- (a) ASL to procure ASPL to set-off the amount of S\$90,499 against amounts owed by KCTC in connection with a number of crane rentals; and
- (b) the balance of the KCTC Purchase Price, being S\$79,501, will be paid in cash by ASPL (as procured by ASL) to KCTC.

### **(B) EEPL Disposal**

The EEPL Disposal involves the proposed disposal of the following assets:

- (a) a QUY 50 tonne crawler crane, for an amount of S\$20,000.00;
- (b) a caterpillar 966F wheel loader, for an amount of S\$10,000.00;
- (c) two dredgers, each for an amount of S\$400,000.00; and
- (d) 280 tonnes of type 3 sheet piles, for a total amount of S\$98,000.

The assets that are the subject of the EEPL Disposal are all located in Batam, Indonesia.

The EEPL Purchase Price will be funded as follows:

- (a) ASL to procure ASPL to set-off the amount of S\$70,546.00 against amounts owed by EEPL in connection with an arrangement for the provision of ship repair and maintenance services by the ASL Group;
- (b) EEPL to acquire from Capital Offshore Pte Ltd, a subsidiary of ASL, a modular pontoon valued at S\$870,000.00; and
- (c) the excess amount to the EEPL Purchase Price, being S\$12,546.00, will be paid in cash by EEPL (as procured by the Company) to ASPL.

## **2.5 Summary of the Settlement Deed**

The key terms of the Settlement Deed are as follows:

- (a) **(Proposed Transaction)** the parties are to carry out the Proposed Transaction, by the Company procuring its following subsidiaries to sell the following assets,

with full title guarantee and free from encumbrances, and ASL procuring ASPL to purchase such assets from the Company's relevant subsidiaries:

- (i) KCTC to sell the assets that are the subject of the KCTC Disposal as described in section 2.4; and
  - (ii) EEPL to sell the assets that are the subject of the EEPL Disposal as described in section 2.4;
- (b) **(Consideration)** ASL shall pay to the Company the sum of the KCTC Purchase Price and the EEPL Purchase Price, as they are described in section 2.4, in consideration for the assets that are the subject of the KCTC Disposal and the EEPL Disposal;
- (c) **(Cheques)** in respect of the cash payments to be made in relation to the KCTC Purchase Price and the EEPL Purchase Price, not less than 7 days before the Completion Date:
  - (i) ASL shall procure ASPL to deliver to KCTC a cheque in the sum of S\$9,501 made out to KCTC and a cheque in the sum of S\$70,000.00 made out to Hitachi; and
  - (ii) the Company to procure EEPL to deliver to ASPL a cheque in the sum of S\$12,546.00 made out to ASPL.
- (d) **(Set-off of claims)** the Company and ASL must each procure that all entities within their respective groups (ie. the Koon Group and the ASL Group) waive and release all claims against each other arising out of any transactions between the Koon Group and the ASL Group (and any subsidiaries, affiliates and associates of them) and undertake not to pursue any claim against an entity within the respective groups.
- (e) **(Conditions precedent)** completion of the Proposed Transaction is conditional upon satisfaction, or waiver, of the following conditions precedent prior to 31 August 2020:
  - (iii) each party receiving all shareholder approvals, consents, authorisations, or similar clearances (including by any government, regulatory body, stock exchange or authority) as may be required; and
  - (iv) Hitachi discharging any encumbrances, and transferring any title, it may have over the assets that are the subject of the KCTC Disposal. The Company is to procure KCTC to obtain such discharges of encumbrances from Hitachi.

If the conditions precedent are not satisfied or waived by 31 August 2020, the Settlement Deed will automatically terminate with immediate effect on 1 September 2020;

- (f) **(Completion Date)** completion is to occur on the 14th business day starting from the day after the conditions precedent set out above in clause 2.5(e), unless the parties mutually agree to any other late date in writing.
- (g) **(Indemnity)** each party indemnifies, and shall keep indemnifies, the other party

against all costs and damages (including the entire legal expenses of the party) incurred in all future actions, claims and proceedings in respect of any breach of the Settlement Deed;

- (h) **(Warranties)** the Settlement Deed includes a number of warranties, including warranties in relation to the incorporation and powers of each party, which are considered standard for deeds of this nature;
- (i) **(Third party rights)** a person who is not a party to the Settlement Deed shall have no right to enforce any of its terms, unless that person is one of the parties or one of the entities within the Koon Group or the ASL Group; and
- (j) **(Governing law)** the Settlement Deed shall be governed by the laws of the Republic of Singapore.

## **2.6 Financial effects of the Proposed Transaction**

The Directors believe that the Proposed Transaction is necessary to improve the profitability of the Koon Group's future financial operations, as this will enhance the ability of the Koon Group to continue to meet its financial obligations.

The cash consideration payable by the ASL Group under the Proposed Transaction will be used to discharge outstanding liabilities owing to one of the Koon Group's unrelated third party creditors, thereby easing cash flow on the Koon Group.

## **3. Resolution**

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### **3.1 Background**

As noted above, the Company has entered into the Settlement Deed with ASL in relation to the Proposed Transaction.

Under the Listing Rules, the definition of a 'related party' includes, amongst others:

- (a) an entity that controls the listed entity; and
- (b) entities controlled by some types of related parties, including the type referred to above in paragraph 3.1(a)

The Company and ASL are related parties for the purposes of the Listing Rules, as the Common Shareholders, who have a controlling stake in the Company, also having a controlling stake in ASL, and hence are related parties by virtue of fulfilling the criteria in paragraph 3.1(b) above.

The Resolution seeks approval from Shareholders to allow the Company to enter into the Settlement Deed in compliance with Listing Rule 10.1. If Shareholders do not approve the Resolution, the Settlement Deed will automatically terminate on 1 September 2020. The financial effect of the Proposed Transaction is set out in section 2.6.

### **3.2 Summary of Listing Rule 10.1**

Under Listing Rule 10.1, the Company must ensure that it does not acquire a 'substantial asset' from, or dispose of a 'substantial asset' to, a 'related party' of the Company without first obtaining the approval of the Shareholders.



Under Listing Rule 10.2, an asset is substantial if 'its value, or the value of the consideration for it is, or in ASX's opinion is, 5% or more of the equity interests of the entity as set out in the latest accounts given to ASX under the Listing Rules'.

Based on the most recent accounts lodged with the ASX, the Company's equity interests (sum of paid up capital, reserves and accumulated profits or losses, disregarding redeemable preference share capital and outside equity interests as shown in the consolidated financial statements of the Company as at 31 December 2019) is S\$(35,520,000.00). Accordingly, an asset will be considered substantial if the value of the asset is at least 5% of the Company's equity interests.

Given that the Company's total equity interests are in deficit, any asset disposed of by the Company will be considered to be a 'substantial asset'. Accordingly, the disposal of the assets under the Proposed Transaction is a disposal of a 'substantial asset' from a related party.

Listing Rule 10.3 sets out a number of exceptions to Listing Rule 10.1, however none of these exceptions are relevant to the disposal of assets under the Proposed Transaction.

Accordingly, the Company requires the approval of its Shareholders pursuant to Listing Rule 10.1 in order to complete the Proposed Transaction.

### **3.3 Information required in relation to Shareholder approval**

Pursuant to and in accordance with the requirements of Listing Rule 10.5, the following information is provided in relation to the Proposed Transaction.

- (a) the Company is disposing of the assets that are the subject of the KCTC Disposal and the EEPL Disposal to ASPL, a wholly owned subsidiary of ASL. ASL is a related party of the Company by virtue of the Common Shareholders, who have a controlling stake in the Company, also having a controlling stake in ASL;
- (b) ASL falls into category 10.1.1 of the Listing Rules, being a related party of the Company;
- (c) details of the assets being disposed of under the Proposed Transaction are set out in section 2.4.
- (d) the consideration to be paid by ASL to the Company for the assets under the Proposed Transaction will be in the form of cash, assets and set-off of mutual claims, valued at a total of S\$1,098,000.00. Further details of the consideration to be paid by ASL under the Proposed Transaction is set out in section 2.4;
- (e) the majority of the consideration under the Proposed Transaction will comprise of assets and a set-off of mutual claims between the Koon Group and the ASL Group. However, the cash funds to be received by the Company as part of the consideration under the Proposed Transaction is intended to be used to discharge outstanding liabilities owing to one of the Koon Group's unrelated third party creditors;
- (f) the timetable of the Proposed Transaction will proceed to completion provided that the conditions precedent under the Settlement Deed are satisfied or waived by 31 August 2020. Completion is due to occur on the Completion Date;

- (g) the Proposed Transaction is occurring pursuant to the terms of the Settlement Deed. A summary of the material terms of the Settlement Deed is set out in section 2.5;
- (h) a voting exclusion statement in respect of the Resolution is set out in the Notice; and
- (i) an Independent Expert's Report is included in Annexure A. The Independent Expert has determined that the Proposed Transaction is fair and reasonable to non-associated Shareholders.

### **3.4 Summary of Independent Expert's Report**

Under Listing Rule 10.5.10, a notice of meeting seeking shareholder approval for the purposes of Listing Rule 10.1 must include an independent's expert report on the proposed transaction. The report must state the independent expert's opinion as to whether the transaction is fair and reasonable to the shareholders whose votes are not to be disregarded.

The Company has appointed BDO Corporate Finance (East Coast) Pty Ltd (**BDO**) as an independent expert and commissioned it to prepare a report to provide an opinion as to whether or not the Proposed Transaction is fair and reasonable to the Shareholders whose votes are not to be disregarded for the purposes of Listing Rule 10.1.

A copy of BDO's report dated 13 August 2020 in relation to the Proposed Transaction (**Independent Expert's Report**) is annexed to this Explanatory Memorandum as Annexure A.

BDO has concluded in the Independent Expert's Report that the Proposed Transaction is fair and reasonable to the non-associated Shareholders.

The Directors recommend that Shareholders read the Independent Expert's Report in full.

### **3.5 Directors' recommendation**

Each of the Directors, except for Mr Ang Ah Nui, recommends that Shareholders vote in favour of the Resolution.

Mr Ang Ah Nui does not make any recommendation regarding the Resolution because of his material personal interest in the Proposed Transaction. The reasons why each of the Directors, excluding Mr Ang Ah Nui, has made that recommendation are as follows:

the Proposed Transaction will improve the profitability of the Koon Group and will therefore improve its ability to meet its financial obligations;

physical recoverability of the assets that are being disposed by the Koon Group under the Proposed Transaction may be practically difficult and costly;

most of the assets under the Proposed Transaction are old and in poor repair;

the Company has already incurred significant maintenance costs for those assets under the Proposed Transaction and will continue to incur such costs unless disposed;

the cash consideration is sufficient to discharge outstanding liabilities owing to one of the Koon Group's unrelated third party creditors in relation to those assets under the Proposed Transaction; and

the Independent Expert has concluded that the Proposed Transaction is fair and reasonable to Shareholders.

Mr Oh Koon Sun advises that he proposes to vote his shares in the Company in favour of the Resolution.

Mr Ang Ah Nui is excluded from voting on the Resolution as per the voting exclusion statement set out below the Resolution in the Notice because he is a related party of the ASL Group upon consideration of his aggregate interests in the ASL Group.

Mr Loo Woei Harnng, Mr Tan Thiam Hee, Mr Yee Kit Hong, Ms Glenda Mary Sorrell-Saunders and Mr Ko Chuan Aun have no shares in the Company.

### **3.6 Consent**

BDO has consented to the inclusion of the Independent Expert's Report and the statements said to be based on a statement by BDO in this Notice in the form and context in which they have been included and as at the date of this Notice it had not withdrawn that consent.

## VOTING INSTRUCTIONS

1. Alternative arrangements relating to, among others, attendance, submission of questions in advance and/or voting by proxy at the General Meeting are set out in this Notice.

In particular, the General Meeting will be held by way of electronic means and a member will be able to watch the proceedings of the General Meeting through a “live” webcast via his/her/its mobile phones, tablets or computers or listen to these proceedings through a “live” audio feed via telephone. In order to do so, a member who wishes to watch the “live” webcast or listen to the “live” audio feed must pre-register by 2:00 p.m. on 29 August 2020, at the URL [sg.conveneagm.com/koonegm](http://sg.conveneagm.com/koonegm). Following authentication of his/her/its status as members, authenticated members will receive email instructions on how to access the webcast and audio feed of the proceedings of the General Meeting by 29 August 2020. Members who have received the email instructions must not share their pre-registration account details to other persons who are not members or who are not entitled to attend the General Meeting. This is to avoid any technical disruption or overload to the “live” webcast or “live” audio feed.

Members may also submit questions related to the resolutions to be tabled for approval at the General Meeting. To do so, all questions must be submitted by 2:00 p.m. on 29 August 2020:

- (a) via the pre-registration website at the URL [sg.conveneagm.com/koonegm](http://sg.conveneagm.com/koonegm);
- (b) in hard copy by sending by post and lodging the same at the registered office of the Company at 11 Sixth Lok Yang Road, Singapore 628109; or
- (c) by email to [feedback@koon.com.sg](mailto:feedback@koon.com.sg).

For (b) and (c), members will need to identify themselves when posting questions by email or by mail by providing the following details:

- (i) the member’s full name as it appears on his/her/its CDP/CPF share records;
- (ii) the member’s NRIC/Passport/UEN number;
- (iii) the member’s contact number and email address; and
- (iv) the manner in which the member holds his/her/its shares in the Company (e.g. via CDP or CPF).

The Company will not be able to answer questions from persons who provide insufficient details to enable the Company to verify his/her/ its Shareholder status.

The Company will address questions if determined at the sole discretion of the Company as substantial and relevant relating to the resolutions to be tabled for approval at the General Meeting as received from members either before or during the General Meeting.

Please note that members will not be able to ask questions at the General Meeting “live” during the webcast and the audio feed, and therefore it is important for members to submit their questions in advance of the General Meeting.

2. A member will not be able to attend the General Meeting in person. If a member (whether individual or corporate) wishes to exercise his/her/ its voting rights at the General Meeting, he/she/it must appoint the Chairman of the General Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the General Meeting. In appointing the Chairman of the General Meeting as proxy, a member (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment will be treated as invalid. The accompanying proxy form for the General Meeting may be accessed at the Company's website and has also been made available on SGXNet and ASX.
3. The Chairman of the General Meeting, as proxy, need not be a member of the Company. The instrument appointing the Chairman of the General Meeting as proxy, together with the power of attorney or other authority under which it is signed (if applicable) or a notarially certified copy thereof, must:
  - (a) if sent by post, be deposited at the registered office of the Company at 11 Sixth Lok Yang Road, Singapore 628109; or
  - (b) if submitted by email, be received by the Company at [feedback@koon.com.sg](mailto:feedback@koon.com.sg), in either case, not less than 48 hours before the time for holding the General Meeting, and in default the instrument of proxy shall not be treated as valid.

A member who wishes to submit an instrument of proxy must first download, complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above. In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for members to submit completed proxy forms by post, members are strongly encouraged to submit completed proxy forms electronically via email.

4. The instrument appointing the Chairman of the General Meeting as proxy must be signed by the appointor or his attorney duly authorised in writing. Where the instrument appointing the Chairman of the General Meeting as proxy is executed by a Company, it must be either under its common seal or signed on its behalf by a duly authorised officer or attorney.
5. In the case of a member whose shares are entered against his/her/its name in the Depository Register, the Company may reject any instrument appointing the Chairman of the General Meeting as proxy lodged if such member, being the appointor, is not shown to have shares entered against his/her/its name in the Depository Register as at 72 hours before the time appointed for holding the General Meeting, as certified by The Central Depository (Pte) Limited to the Company.
6. Persons who hold shares through relevant intermediaries (as defined in Section 181 of the Companies Act, Chapter 50 of Singapore), including CPF investors, and who wish to participate in the General Meeting (**Relevant Intermediary Participants**) by:
  - (a) observing and/or listening to the General Meeting proceedings via the "live" webcast or the "live" audio feed in the manner provided in Note 1 above;
  - (b) submitting questions in advance of the General Meeting in the manner provided in Note 1 above; and/or
  - (c) appointing the Chairman of the General Meeting as proxy to attend, speak and vote on their behalf at the General Meeting, should contact the relevant

intermediary (which would include, in the case of CPF investors, their respective CPF Agent Banks) through which they hold such shares as soon as possible in order to facilitate the necessary arrangements for them to participate in the General Meeting. CPF investors who wish to appoint the Chairman of the General Meeting as proxy should approach their respective CPF Agent Banks to submit their votes by 2:00 p.m. on 19 August 2020.

#### **Personal Data Privacy:**

By attending the General Meeting and/or any adjournment thereof or submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the **Purposes**), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

## GLOSSARY

In this Notice the following words have the meanings shown:

<b>ASL</b>	ASL Marine Holdings Ltd.
<b>ASL Group</b>	ASL and its subsidiaries.
<b>ASPL</b>	ASL Shipyard Pte Ltd.
<b>ASX</b>	ASX Limited or the Australian Securities Exchange operated by ASX Limited, as the context requires.
<b>BDO or Independent Expert</b>	BDO Corporate Finance (East Coast) Pty Ltd (ABN 70 050 038 170).
<b>Common Shareholders</b>	Mr Ang Sin Liu and Mr Ang Ah Nui.
<b>Company</b>	Koon Holdings Limited (Company Registration No. 200303284M) (ARBN 105 734 709).
<b>Completion Date</b>	the date of completion under the Settlement Deed, as described in section 2.5(f).
<b>Director</b>	a director of the Company.
<b>EEPL</b>	Entire Engineering Pte. Ltd.
<b>EEPL Disposal</b>	the disposal of certain assets by EEPL to ASPL, as detailed in section 2.4.
<b>EEPL Purchase Price</b>	the purchase price for the EEPL Disposal, being S\$928,000.00.
<b>Explanatory Memorandum</b>	this explanatory memorandum.
<b>General Meeting</b>	the general meeting of the Shareholders to be held on 31 August 2020 at 2:00pm (Singapore time).
<b>Hitachi</b>	Hitachi Capital Asia Pacific Pte. Ltd.
<b>Independent Expert's Report</b>	the independent expert's report dated 13 August 2020 provided by BDO, included as Annexure A.
<b>KCTC</b>	Koon Construction & Transport Co., Pte. Ltd.
<b>KCTC Disposal</b>	the disposal of certain assets by KCTC to ASPL, as detailed in section 2.4.
<b>KCTC Purchase Price</b>	the purchase price for the KCTC Disposal, being S\$170,000.00.
<b>Koon Group</b>	the Company and its subsidiaries.
<b>Listing Rules</b>	the listing rules of the ASX.
<b>Notice</b>	this notice of general meeting, including the Explanatory Memorandum.
<b>Proposed Transaction</b>	the disposal of assets under the Settlement Deed, as detailed in section 2.1.
<b>Resolution</b>	the resolution set out in the Notice.
<b>Schemes</b>	the schemes of arrangement between the Company and its creditors and KCTC and its creditors.
<b>Settlement Deed</b>	the settlement deed between the Company and ASL dated 17 June 2020.

**Shareholder**

a shareholder of the Company.



## **ANNEXURE A - INDEPENDENT EXPERT'S REPORT**