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Khoon Group Limited

坤集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock code: 924)

ESTABLISHMENT OF INDEPENDENT BOARD COMMITTEE AND APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER

This announcement is made pursuant to Rule 2.1 of the Takeovers Code. Reference is made to the joint announcement issued by Khoon Group Limited (the “**Company**”) and Southern Heritage Limited dated 19 December 2022 in relation to, among other things, the Offer (the “**Joint Announcement**”). Unless otherwise defined, terms used herein shall have the same meanings as those defined in the Joint Announcement.

The Board would like to announce that the Independent Board Committee comprising Ms. Leung Wing Chi Kylie, Mr. Yeo Kwang Maccann and Mr. Hon Chin Kheong (Han Zhenqiang), each an independent non-executive Director, has been established to advise the Independent Shareholders as to whether the terms of the Offer are fair and reasonable and whether the Offer is in the interests of the Independent Shareholders as a whole and as to the acceptance of the Offer.

VBG Capital Limited, a licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Offer and, in particular, as to whether the terms of the Offer are fair and reasonable and as to the acceptance of the Offer. Such appointment has been approved by the Independent Board Committee pursuant to Rule 2.1 of the Takeovers Code.

The letter of advice from VBG Capital Limited and the recommendation of the Independent Board Committee will be included in the Composite Document relating to the Offer.

Shareholders and potential investors should note that the Offer is a possible mandatory unconditional cash offer and will only be made if Completion takes place. As Completion is subject to the satisfaction (or waiver by the Offeror, where applicable) of the conditions precedent as set out in the Share Purchase Agreement, it may or may not take place and the Offer may or may not be made. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares. A further announcement will be made by the Offeror and the Company when Completion takes place. If Shareholders and potential investors are in any doubt about their position, they should consult their professional advisers.

By Order of the Board
Khoon Group Limited
Ang Jui Khoon
Chairman and Executive Director

Hong Kong, 22 December 2022

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Ang Jui Khoon, Mr. Ang Kok Kwang (Hong Guoguang) and Mr. Ang Yong Kwang (Hong Yongquan); and three independent non-executive Directors, namely Ms. Leung Wing Chi Kylie, Mr. Yeo Kwang Maccann and Mr. Hon Chin Kheong (Han Zhenqiang).

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statements in this announcement misleading.