

APPENDIX DATED 14 SEPTEMBER 2020

THIS APPENDIX IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the contents herein or as to any action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or any other professional adviser immediately.

This is an Appendix to the Notice of Annual General Meeting of the Company (the "AGM") dated 14 September 2020 and is circulated to the shareholders ("Shareholders") of King Wan Corporation Limited (the "Company") together with the annual report of the Company for the financial year ended 31 March 2020 ("Annual Report") and Proxy Form are available on SGXNET, the Company's corporate website (www.kingwan.com) and the URL: sg.conveneagm.com/kingwan. The purpose of this Appendix is to provide Shareholders with information relating to and seek Shareholders' approval for the Proposed Change of Auditors (as defined herein) to be tabled at the AGM.

In line with the provisions under the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (the "Alternative Arrangements Order"), a printed copy of this Appendix will **not** be despatched to Shareholders.

Pursuant to the Alternative Arrangements Order, Shareholders will **not** be allowed to attend the AGM in person. Instead, alternative arrangements have been put in place to allow Shareholders to participate in the AGM by (a) watching or listening to the AGM proceedings via a "live" webcast, (b) submitting questions in advance of the AGM, and/or (c) voting by proxy at the AGM. For further information, please refer to the Notice of AGM and the Company's announcement dated 14 September 2020, which have been uploaded on SGXNET together with this Appendix, including the steps to be taken by Shareholders to participate at the AGM.

The Singapore Exchange Securities Trading Limited ("SGX-ST") assumes no responsibility for the contents of this Appendix, including the correctness of any of the statements or opinions made or reports contained in this Appendix.



KING WAN CORPORATION LIMITED

(Incorporated in the Republic of Singapore)

(Registration No. 200001034R)

APPENDIX TO THE NOTICE OF AGM IN RELATION TO THE PROPOSED CHANGE OF AUDITORS FROM DELOITTE & TOUCHE LLP TO BDO LLP

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LETTER TO SHAREHOLDERS

KING WAN CORPORATION LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 200001034R)

Board of Directors:

Chua Kim Hua (Chairman)
Chua Eng Eng (Managing Director)
Chua Hai Kuey (Executive Director)
Goh Chee Wee (Non-Executive Independent Director)
Siraarpa Siriviriyakul (Non-Executive Independent Director)
Tang Siew Foo David (Non-Executive Independent Director)

Registered Office:

8 Sungei Kadut Loop
Singapore 729455

14 September 2020

To: The Shareholders of King Wan Corporation Limited

Dear Sir/Madam

THE PROPOSED CHANGE OF AUDITORS FROM DELOITTE & TOUCHE LLP TO BDO LLP ("PROPOSED CHANGE OF AUDITORS")

1. INTRODUCTION

At the last annual general meeting ("AGM") of the Company held on 30 July 2019, Shareholders approved the re-appointment of Deloitte & Touche LLP as the auditors of the Company until the conclusion of the forthcoming AGM of the Company to be held on 29 September 2020. Deloitte & Touche LLP has served as auditors of the Company since the financial year ended 31 March 2001.

- 1.1 The Directors of the Company refer to the Notice of AGM convening the AGM and the Ordinary Resolution No. 5 in the Notice of AGM, in relation to the Proposed Change of Auditors.
- 1.2 The purpose of this Appendix is to provide the Shareholders with information relating to the Proposed Change of Auditors to be tabled at the AGM. The Notice of AGM is set out on pages 157 to 166 of the Annual Report.

2. THE PROPOSED CHANGE OF AUDITORS

2.1 Background and Rationale for the Proposed Change of Auditors

The Company's existing auditors, Deloitte & Touche LLP, has been auditors of the Group since the financial year ended 31 March 2001. The Directors are of the view that a change of auditors would be a good corporate governance practice as it would enable the Company to benefit from fresh perspectives. Therefore, the Directors are of the opinion that it would be in the interest of the Company to consider a rotation in the present auditors of the Company. Accordingly, the out-going Auditors, Deloitte & Touche LLP will not be seeking re-appointment at the forthcoming AGM of the Company.

The Directors have determined, in consultation with the Audit Committee that the proposal given by BDO LLP suits the needs of the Company and the Group. The Directors and the Audit Committee have considered various factors, including the adequacy of the resources, the audit engagements and the experience of BDO LLP, the number and experience of the supervisory and professional staff who will be assigned to the audit of the consolidated accounts of the Company and BDO LLP's proposed audit arrangements for the Company and are of the opinion that BDO LLP will be able to meet the audit requirements of the Company.

The engagement partner-in-charge from BDO LLP will be Poh Chin Beng. The scope of audit services to be provided by BDO LLP will be comparable to the services currently provided by Deloitte & Touche LLP. As such, the Directors are proposing a change of Auditors to BDO LLP in place of Deloitte & Touche LLP.

BDO LLP has given its consent to act as auditors of the Company by way of a letter dated 12 September 2020.

The retirement of Deloitte & Touche LLP and the appointment of BDO LLP as auditors of the Company will take effect upon the approval by the Shareholders at the AGM.

2.2 Confirmation

In accordance with the requirements of Rule 1203(5) of the Listing Manual of the SGX-ST, as amended from time to time (the "Listing Manual"):

- (a) the outgoing Auditor, Deloitte & Touche LLP, has confirmed that it is not aware of any professional reasons why the new Auditor, BDO LLP, should not accept appointment as Auditor of the Company;
- (b) the Company confirms that there were no disagreements with the outgoing Auditor, Deloitte & Touche LLP, on accounting treatments within the last 12 months;
- (c) the Company confirms that, other than as set out above, it is not aware of any circumstances connected with the proposed change of Auditor that should be brought to the attention of Shareholders; and
- (d) the Company confirms that it is or will be in compliance with Rule 712 and Rule 715 of the Listing Manual in relation to the appointment of BDO LLP as the Auditor of the Company.

2.3 About BDO LLP

BDO LLP in Singapore is a member firm of BDO International which has one of the largest international accounting networks with a strong global presence and local roots. BDO's global organisation extends across 167 countries and territories, with 88,120 people working out of 1,617 offices. Their firms across the organisation cooperate closely and comply with consistent operating principles and quality standards. BDO LLP is one of the largest professional services firms in Singapore today with audit team size of approximately 250 people and has a wide-ranging clientele base consisting of industries such as construction, shipping, manufacturing, food and beverage, palm oil plantations, oil and gas, trading, electronics, education and food processing.

The audit partner who will be in charge of the audit is Poh Chin Beng, who is a practising member of the Institute of Singapore Chartered Accountants and a public accountant registered with the Accounting and Corporate Regulatory Authority, and has more than 20 years of experience in providing audit services to a variety of clients in various industries.

For more information about BDO LLP, please visit <https://www.bdo.com.sg/en-gb/home>.

3. AUDIT COMMITTEE'S STATEMENT

The Audit Committee has reviewed and deliberated on the Proposed Change of Auditors and recommends the same for approval after taking into consideration the suitability of BDO LLP and the requirements under Rule 712 and Rule 715 of the Listing Manual.

4. DIRECTORS' RECOMMENDATIONS

Having fully considered the rationale and benefit of the Proposed Change of Auditors, the Directors are of the opinion that the Proposed Change of Auditors is in the best interests of the Company. Accordingly, the Directors recommend that Shareholders vote in favour of the resolution in respect of the Proposed Change of Auditors at the AGM.

5. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Appendix and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Appendix constitutes full and true disclosure of all material about the Proposed Change of Auditors of the Company, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Appendix misleading.

Where information in this Appendix has been extracted from published or publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Appendix in its proper form and context.

6. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents are available for inspection at the registered office of the Company at 8 Sungei Kadut Loop, Singapore 729455 during normal business hours from the date of this Appendix up to the date of the AGM:

- (a) the Constitution of the Company;
- (b) the annual report of the Company for the financial year ended 31 March 2020;
- (c) Notice of Nomination from a shareholder;
- (d) Deloitte & Touche LLP's letter of professional clearance to BDO LLP dated 10 September 2020; and
- (e) BDO LLP's letter to the Company in respect of their consent to act as Auditors of the Company dated 12 September 2020.

Yours faithfully

Chua Kim Hua

(Executive Chairman)

for and on behalf of the Board of Directors
of King Wan Corporation Limited