

The Board of Directors
Khoon Group Limited
Block 5000
Ang Mo Kio Avenue 5
#04-01 Techplace II
Singapore 569870

3 February 2023

Dear Sirs,

We refer to the composite document jointly issued by Khoon Group Limited (the “**Company**”) and Southern Heritage Limited (the “**Offeror**”) dated 3 February 2023 (the “**Composite Document**”) in relation to the mandatory unconditional cash offer by Mighty Divine Securities Limited for and on behalf of the Offeror to acquire all the issued shares of the Company (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it). Unless the context otherwise requires, all capitalised terms used herein shall have the same meanings as those defined in the Composite Document.

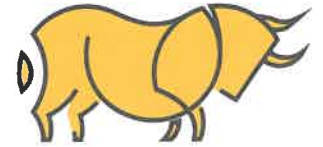
We refer to the announcement of the Company dated 4 January 2023 in relation to the positive profit alert and the below statement made by the Board under the Composite Document (the “**Profit Estimate**”):

“based on the preliminary assessment of the unaudited consolidated management accounts of the Group for the five months ended 30 November 2022, it is expected to record a net profit attributable to owners of the Company for the six months ended 31 December 2022 of not more than approximately S\$0.7 million as compared to a net loss of approximately S\$0.1 million for the corresponding period in 2021.”

We note that the Profit Estimate constitutes profit forecasts pursuant to Rule 10 of the Takeovers Code.

We have reviewed the Profit Estimate and other relevant information and documents (in particular the unaudited consolidated management accounts of the Group for the five months ended 30 November 2022 with comparative figures for the corresponding period in 2021 (the “**Unaudited Management Accounts & Comparative Figures**”)) which you as the Directors are solely responsible for and discussed with the Company the information and documents (in particular, the Unaudited Management Accounts & Comparative Figures) provided by the Group which formed the key bases upon the Profit Estimate have been made.

In respect of the accounting policies and calculations concerned, upon which the Profit Estimate has been made, we have considered the report as contained in Appendix V to the Composite Document addressed to the Board from McMillan Woods (Hong Kong) CPA Limited, being the consultant accountant of the Company. McMillan Woods (Hong Kong) CPA Limited is of the opinion that so far as the accounting policies and calculations are



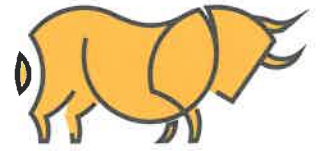
concerned, the Profit Estimate has been properly compiled in accordance with the bases adopted by the Directors and is presented on a basis consistent in all material respects with the accounting policies normally adopted by the Group as set out in the audited consolidated financial statements of the Group for the year ended 30 June 2022.

On the basis of (i) the Unaudited Management Accounts & Comparative Figures and other relevant documents, and (ii) the opinion from McMillan Woods (Hong Kong) CPA Limited as contained in Appendix V to the Composite Document in relation to the accounting policies and calculations of the Profit Estimate, we are of the opinion that the Profit Estimate, for which the Directors are solely responsible for, have been made by the Directors after due care and consideration.

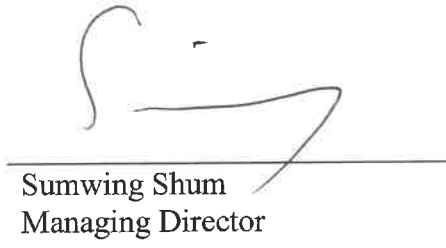
For the purpose of this letter, we have relied on and assumed the accuracy and completeness of all information provided to us and/or discussed with the Group. We have not assumed any responsibility for independently verifying the accuracy and completeness of such information or undertaken any independent evaluation or appraisal of any of the assets or liabilities of the Group. Save as provided in this letter, we do not express any other opinion or views on the Profit Estimate. The Directors remain solely responsible for the Profit Estimate.

Our opinion has been given for the sole purpose of compliance with Note 1(c) to Rules 10.1 and 10.2 and Rule 10.4 of the Takeovers Code and for no other purpose. We do not accept any responsibility to any person(s), other than the Company, in respect of, arising out of, or in connection with this letter.

Yours faithfully,
For and on behalf of
Grande Capital Limited




Matthew Leung
Managing Director


Sumwing Shum
Managing Director