



KSH Holdings Limited

(Company Registration Number: 200603337G)
(Incorporated in the Republic of Singapore on 9 March 2006)

RESPONSE TO QUERIES FROM THE SINGAPORE EXCHANGE REGULATION IN RELATION TO THE COMPANY'S ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

The Board of Directors (the “**Board**”) of KSH Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) would like to respond to the following queries raised by the Singapore Exchange Regulation (“**SGX RegCo**”) on 25 July 2022 in relation to the Company’s annual report for the financial year ended 31 March 2022 (the “**2022 Annual Report**”).

Query 1

Listing Rule 1207(10C) requires the Audit Committee’s comments on whether the internal audit (“**IA**”) function is independent, effective and adequately resourced. As noted in Page 45 of the Company’s Annual Report, the IA function of the Company has been outsourced to an external professional firm, TRS Forensics Pte Ltd (“**TRS Forensics**”).

Please provide information on the relevant experience of TRS Forensics’ size including i) its track record in auditing similar listed issuers or its subsidiaries, ii) accreditations or qualifications relevant to the jurisdiction or internationally, iii) experience in internal audits of the partner-in-charge and the audit team including their relevant experience in internal controls relating to risk management, financial, operational, compliance and information technology risks, and iv) the relevant resources of TRS Forensics in its function as an IA.

Please also disclose the Audit Committee’s basis in engaging TRS Forensics and assessing its suitability to perform the role of IA.

Company’s Response

TRS Forensics Pte Ltd (“**TRS Forensics**”), the internal auditors (“**IA**”) appointed to conduct the internal audit of the Group for the financial year ended 31 March 2022, is a technology-based professional service firm that specialises in the provision of risk advisory services including Internal Audit, Data Protection, Cybersecurity and Forensics Investigation. TRS Forensics was established in year 2017 and maintains an outsourced internal audit portfolio of more than 10

companies listed on the SGX-ST, Bursa Malaysia Securities Berhad and The Stock Exchange of Hong Kong in the construction, property development, manufacturing, healthcare, logistics, engineering services, e-commerce and trading industries. TRS Forensics' engagement team comprises the Head of Internal Audit, a manager and is supported by two internal auditors. The Head of Internal Audit, who is a Certified Internal Auditor and Chartered Accountant of Singapore, has close to 20 years of external and internal audit experience after graduating from Nanyang Technological University with a Bachelor of Accountancy degree. He was formerly the Head of Internal Audit at Nexia TS Pte Ltd before joining TRS Forensics. The team members supporting the Head of Internal Audit include members of the Institute of Internal Auditors, cybersecurity and forensic professionals. The internal audit team was guided by the International Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors in carrying out its functions.

After taking into consideration TRS Forensics' track record and the engagement team's experience, the Audit & Risk Committee (the "**ARC**") had assessed TRS Forensics to be suitable to perform the role of IA.

Query 2

Listing Rule 715(2) requires that an issuer must engage a suitable auditing firm for its significant foreign-incorporated subsidiaries and associated companies, while Listing Rule 712(1) requires that an issuer must appoint a suitable auditing firm to meet its audit obligations, having regard to the adequacy of the resources and experience of the auditing firm and the audit partner-in-charge assigned to the audit, the firm's other audit engagements, the size and complexity of the listed group being audited, and the number and experience of supervisory and professional staff assigned to the particular audit.

With reference to the list of subsidiaries of the Company and its auditors on Page 102 of the Company's 2022 Annual Report, please explain i) the Audit Committee's basis in engaging the relevant audit firms retained for significant foreign-incorporated subsidiaries to meet the requirements of Listing Rules 715(2) and 712 and ii) the relevant experience and track record of the audit firms for significant foreign subsidiaries of the Company as required under Listing Rule 712.

Company's Response

The Company notes that its significant foreign-incorporated subsidiaries are (1) Tianjin Tian Xing Real Estate Development Co., Ltd. ("**TTXRE**") and Tianjin Tian Xing Property Management Co., Ltd. ("**TTXPM**"), both of which were audited by Tianjin Shencheng Certified Public Accountants Co., Ltd ("**Tianjin Shencheng**"), and (2) Duford Investment (Hong Kong) Limited ("**Duford**"),

which was audited by C K Yau & Partners CPA Limited (“**C K Yau**”). Each of TTXRE, TTXPM and Duford are indirect subsidiaries of the Company.

Tianjin Shencheng was established in 2017 and is a professional firm of Certified Public Accountants registered with the Tianjin City Finance Department. The firm possesses strong expertise through its team of qualified certified public accountants registered with The Chinese Institute of Certified Public Accountants and offers a board range of professional services including audit, tax and others. Tianjin Shencheng’s clients are mainly based in the People’s Republic of China (“**PRC**”) and include both private companies and PRC state-owned enterprises involved in a wide spectrum of businesses and industries including property investments and property development. The audit partner-in-charge assigned to the audit of TTXRE and TTXPM has relevant auditing experience in similar industries of more 20 years.

C K Yau (formerly known as C K Yau & Company) was established in 1962 and is a professional firm of Certified Public Accountants registered under the Professional Accountants Ordinance of Hong Kong. As one of the member firms of the Hong Kong Institute of Certified Public Accountants, the firm possesses strong expertise with qualified chartered accountants and certified public accountants and offers a board range of professional services including audit, tax and others to clients based worldwide (including in countries such as Singapore, China, Taiwan, Japan, Canada, United States of America, Australia and Europe) and involved in a wide spectrum of businesses and industries including those involving investment holding, real estate and construction. The audit partner-in-charge and senior manager assigned to the audit of Duford have relevant auditing experience in similar industries for more than 30 and 17 years, respectively.

In view of each of Tianjin Shencheng’s and C K Yau’s track record, resources and experience, the ARC and the Board are of the opinion that suitable auditing firms have been engaged in respect of its significant foreign-incorporated subsidiaries as required by Listing Rule 715(2).

As set out in Page 44 of the Company’s 2022 Annual Report, the Company engages different audit firms for certain indirect subsidiaries or associated companies (including non-significant subsidiaries and/or associated companies). The Board and ARC have reviewed the appointment of these audit firms and are of the view that the appointment of these other audit firms does not compromise the standard and effectiveness of the audit of the Company and the Group.

BY ORDER OF THE BOARD

CHOO CHEE ONN

Executive Chairman and Managing Director
26 July 2022