



ANTI-MONEYLAUNDERING AND COUNTERFINANCING OF TERRORISM POLICY

1. Objective

Soon Hock Group is committed to upholding the highest standards of integrity and compliance with Singapore's legal and regulatory requirements concerning Anti-Money Laundering (AML) and Counter Financing of Terrorism (CFT). This policy outlines our framework to prevent our business operations from being exploited for money laundering or terrorism financing activities, in alignment with the Guidelines for Developers on Anti-Money Laundering and Counter Financing of Terrorism issued on 21 January 2025.

2. Regulatory Framework

We are guided by the following laws and guidelines:

- Housing Developers (Control & Licensing) Act
- Sale of Commercial Properties Act
- Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act
- Terrorism (Suppression of Financing) Act
- United Nations Act
- Guidelines for Developers on AML/CFT (21 January 2025)

3. Risk Assessment

We adopt a risk-based approach to identify and assess potential money laundering and terrorism financing risks associated with our business activities. This includes evaluating:

- Customer Risk: Assessing the risk profile of purchasers, including their background, occupation, and source of funds.
- Geographical Risk: Considering the risk associated with the countries or regions where purchasers are located or have business interests.
- Transaction Risk: Analyzing the nature, size, and complexity of transactions to identify unusual patterns.

4. Customer Due Diligence (CDD)

Prior to entering into any sale and purchase agreement, we will:

- Identify and Verify Purchasers: Obtain and verify identification documents for all purchasers and, where applicable, their beneficial owners.
- Understand Purpose and Nature: Gather information to understand the purpose and intended nature of the business relationship.
- Ongoing Monitoring: Conduct regular reviews of existing purchasers to ensure information remains current and transactions are consistent with our knowledge of the customer.

5. Enhanced Due Diligence (EDD)



For higher-risk scenarios, such as transactions involving politically exposed persons (PEPs) or purchasers from high-risk jurisdictions, we will implement enhanced due diligence measures, including:

- Obtaining additional information on the purchaser and the source of funds.
- Conducting more frequent and detailed transaction monitoring.
- Obtaining senior management approval before establishing or continuing the business relationship.

6. Ongoing Monitoring of Transactions

Before issuing notices of payment for Temporary Occupation Permit (TOP) and sale completion, the adequacy of information and documents obtained through CDD/ECDD/SCDD must be reviewed to ensure continued compliance. This is to ascertain whether the transactions carried out by the purchasers are consistent with the developers' knowledge of the purchaser, the purchaser's income and risk profile and the purchaser's source(s) of funds, particularly in cases where there is a higher risk of ML or TF.

7. Independent Audit

An independent audit function assesses the effectiveness of the AML/CFT program, including:

- Compliance with legal and regulatory requirements
- Adequacy of internal controls
- Effectiveness of training programs

Audit findings are reported to senior management and the Board of Directors, with recommendations for improvements.

8. Suspicious Transaction Reporting

Any staff member who suspects or has reasonable grounds to suspect that a transaction may involve proceeds of criminal conduct or be related to terrorism financing must promptly report the matter to the Compliance Officers (CFO and CEO). The Compliance Officer will assess the report and, if necessary, file a Suspicious Transaction Report (STR) with the Suspicious Transaction Reporting Office (STRO) of the Commercial Affairs Department.

9. Record Keeping

We will maintain comprehensive records of all transactions, CDD information, and STRs (if any) for a minimum of five years from the date of the transaction or the end of the business relationship, whichever is later, in accordance with regulatory requirements.

10. Training and Awareness

All employees will receive regular training on AML/CFT policies and procedures to ensure they understand their responsibilities and can identify and report suspicious activities effectively.

11. Governance and Oversight

The Compliance Officer is responsible for implementing and overseeing this policy. The policy will be reviewed at least annually and updated to reflect changes in regulations, risk exposure, or business operations.