



## KSH Holdings Limited

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

### NEWS RELEASE

#### KSH HOLDINGS REPORTS STRONG RESULTS IN FY2009

- Revenue increases 81% to S\$328.7 million
- Excluding fair value adjustment of investment properties, profit before tax rises 95% to S\$21.1 million
- PBT (before finance costs) for core Construction business up 113.4% to S\$25.0 million in FY2009
- Strong order book of over S\$400 million
  - o To be completed by end FY2010
- Healthy balance sheet with cash and fixed deposits of S\$62.4 million
- Proposes final dividend of 2.0 cents per share

S\$m	FY2008	FY2009	% Change
Revenue	182.0	328.7	+ 81
Profit before tax	54.3	17.3	- 68
Profit before tax (excluding fair value adjustment of investment properties)	10.8	21.1	+ 95
Net Profit (Before MI) Attributable to Shareholders	31.4	14.0	- 55
Net Profit (Before MI) Attributable to shareholders (excluding fair value adjustment of investment properties)	8.8	16.4	+ 86
EPS (Basic)(Singapore cents)*	17.81	7.95	- 55
NAV per share (Singapore cents)	42.13	51.38	+ 22

*\*EPS per share was computed based on the weighted average number of shares of 176,245,000 for FY2008 and FY2009*

Singapore, May 26, 2009 – KSH Holdings Limited (“KSH Holdings” or the “Group”) (“KSH 控股有限公司”), a well-established Construction, Property Development and Property Management group, today announced a strong set of results for the financial year ended March 31, 2009 (“FY2009”).

Revenue jumped 81% to S\$328.7 million in FY2009 from S\$182.0 million in FY2008. Excluding fair value adjustment of investment properties, profit before tax rose 95% to S\$21.1 million in FY2009 as compared to S\$10.8 million in FY2008, while net profit attributable to shareholders increased by 86% to S\$16.4 million in FY2009 from S\$8.8 million in FY2008.

Commented Mr Choo Chee Onn (“朱峙安”), Executive Chairman and Managing Director of KSH Holdings, “We are encouraged by our results, notwithstanding the current economic conditions. This reflects our solid fundamentals, as well as our resilience in the Construction sector.”

### **Performance Review**

During the financial year in review, the Group continued to focus on its core Construction business. This business segment remains as KSH’s strongest revenue contributor in FY2009, contributing 99% to total Group revenue.

Revenue from the Group’s other business division, the Property Development and Management segment, made up 1% of total revenue in FY2009 at S\$4.6 million.

The Group’s Construction business contributed S\$25.0 million to the Group’s pre-tax profit before finance costs as compared to S\$11.7 million in FY2008, registering an increase of 113.7%.

Geographically, KSH continues to derive the bulk of its revenue from its operations in Singapore. In FY2009, Singapore contributed S\$322.2 million in revenue, making up 98% of total sales. Malaysia contributed S\$2.3 million in revenue, making up 0.7% of total revenue; while China contributed S\$4.2 million in revenue, accounting for 1.3% of total revenue.

In line with revenue growth, the Group registered an 81% increase in total operating expenses amounting to S\$319.1 million, comprising mainly of cost of Construction, personnel expenses, and other operating expenses. Cost of Construction rose from S\$161.7 million in FY2008 to S\$294.5 million in FY2009. Personnel expenses also increased to S\$5.7 million in FY2009 from S\$5.0 million the previous financial year, and other operating expenses increased to S\$9.2 million in FY2009 from S\$4.1 million in FY2008.

Finance costs increased from S\$3.5 million in FY2008 to S\$8.2 million in FY2009. Arising from the accounting treatment on convertible notes issued by the Group, finance costs included an imputed interest on the convertible notes which amounted to S\$5.5 million in FY2009. The accounting treatment on convertible notes also led to a fair value gain on embedded derivatives of S\$4.8 million.

As at March 31, 2009, the Group maintained a healthy balance sheet with cash and fixed deposits of S\$62.4 million.

The Group's EPS and net asset value per share stood at 7.95 and 51.38 Singapore cents respectively, as at March 31, 2009.

### **Proposed Final Dividend**

To reward its loyal shareholders, the Group has proposed a final, tax-exempt dividend of 2.0 cents per ordinary share to be paid in cash.

## **Prospects And Growth Plans**

Moving ahead, the Group is cautiously optimistic on the outlook of its Construction business. Singapore's Construction sector continues to demonstrate resilience, being the only output that registered positive growth of 24.4% year-on-year and 7.7% quarter-on-quarter despite sharp contraction in the rest of local economy in the first quarter of 2009. The government's pledge to invest S\$18 billion to S\$20 billion in public projects, S\$4.4 billion more than commitments made the previous year, is also helping to cushion the impact of the economic slump.

Added Mr Choo, "Construction remains our key focus, in particular the Public sector. Our expertise in the sector, together with our A1 grading under the Building Construction Authority's ("BCA") category for general building which allows us to tender for Public sector Construction projects of unlimited value, will enable us to compete effectively in this space. Further more, our impressive track record in Public sector construction projects, which include the Singapore Air Traffic Control Centre at Biggin Hill, Choa Chu Kang Sports Complex, Jalan Bahar SCDF Rescue Training Centre, Nanyang Polytechnic, Tanah Merah Ferry Terminal and so on, will put us in a good position in securing more Public sector projects in the future."

As at March 31, 2009, KSH has a healthy order book of S\$400 million, expected to be completed by the end of FY2010.

On the Property front, despite an uncertain outlook in Property Development, the Group noted the recent improvement in the sentiments of the residential property market in Singapore.

"In Property Development, we will continue to monitor the market and work closely with our joint venture partners for future launches," concluded Mr Choo.

## **About KSH Holdings Limited**

KSH is a well-established Construction, Property Development and Property Management group. Incorporated in 1979, the Group has 29 years of experience in the Singapore construction industry and is backed by an impressive track record, both in Public and Private Sector construction projects. The Group is registered with the Building and Construction Authority (“BCA”) with an A1 grading under the category CW01 for general building, which is currently the highest grade for contractors’ registration in this category, and allows the Group to tender for Public Sector construction projects of unlimited value.

Besides acting as main contractor for both the Public and Private Construction sectors in Singapore, and for the Private sector in Malaysia, KSH is also involved in Property Development and Property Management in the PRC as well as in Singapore (via a joint venture). The Group currently has completed two property developments in the PRC – Tianxing Riverfront Square in Tianjin (currently held as an investment property), and Liang Jing Ming Ju in Beijing, which are developed by its associated company, JHTD. The Group also has a property management arm, TTX Property Management, which manages Tianxing Riverfront Square.

KSH’s current ongoing projects cover mainly Residential, Commercial, and Industrial sectors, serving reputable property owners and developers. Some of the Group’s notable completed public sector portfolio includes the Air Traffic Control Tower at Biggin Hill, Choa Chu Kang Sports Complex, Jalan Bahar SCDF Rescue Training Centre, Nanyang Polytechnic, The Frontier Community Place, and Tanah Merah Ferry Terminal. Its completed private sector construction projects in Singapore include: Clifford Pier Hotel, Montview, Mustafa Shopping Centre Extension, One<sup>o</sup> 15 Marina Club, the restoration at Far East Square, The Berth By The Cove, and The Coast.

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