



KSH Holdings Limited

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

NEWS RELEASE

KSH HOLDINGS' EARNINGS SURGE OVER 85% TO HIT S\$9.8 MILLION IN 2QFY2013

- **Property Development division achieves stronger than expected contributions, boosting bottomline**
- **Strong construction order book of approximately S\$375.0 million as at September 30, 2012**
- **Proposes interim, tax-exempt dividend of 1.35 cents per ordinary share**
- **Low gearing of 0.3x and healthy cash and cash equivalents of S\$34.2 million**

S\$'million	2QFY2013	2QFY2012	% Change	1HFY2013	1HFY2012	% Change
Revenue	57.3	54.4	5.4	112.5	95.1	18.2
Profit before taxation	11.8	6.8	74.2	16.9	10.2	66.1
Profit after taxation	9.9	5.3	85.3	14.4	8.0	79.3
Net Profit attributable to Owners of the Company	9.8	5.2	89.9	14.2	7.8	81.9

Singapore, November 14, 2012 – KSH Holdings Limited (KSH Holdings or the Group) (金成兴控股有限公司), a well-established construction, property development and property management group, today announced that its earnings surged over 85% to S\$9.8 million on the back of a revenue of S\$57.3 million for the second quarter ended September 30, 2012 (2QFY2013).

Commented Mr. Choo Chee Onn (朱峙安), Executive Chairman and Managing Director of KSH Holdings, "I am pleased to report a sterling set of results in 2QFY2013. This is largely due to the increase in revenue from our construction projects and prudent management of costs. Stronger than expected performance of our property-development projects with reputable joint-venture partners, such as Cityscape@Farrer Park, also contributed significantly to this quarter's results."

Proposed Dividend

Added Mr. Choo, "With KSH's strong performance and healthy balance sheet, and to reward our loyal shareholders, the Board of Directors is pleased to declare a one-tier tax-exempt interim dividend of 1.35 cents per share."

Performance Review

In 2QFY2013, the Group's revenue held steady at S\$57.3 million, a 5.4% growth from S\$54.4 million in 2QFY2012. The increase was mainly due to a 55.0% surge in revenue from construction business from S\$33.3 million in 2QFY2012 to S\$51.6 million in 2QFY2013. KSH's Construction segment contributed 90.0% of the Group's revenue in the quarter under review and the remaining 10.0% was contributed by the Property Development and Management segment.

With the increase in revenue from construction business, cost of construction increased 1.3% from S\$43.3 million in 2QFY2012 to S\$43.8 million in 2QFY2013. There was no significant variation from personnel expenses, depreciation, finance costs and other operating expenses between 2QFY2013 and 2QFY2012.

Property development boosted the Group's bottomline. A share of results of associates jumped by S\$2.9 million from a loss of S\$0.8 million in 2QFY2012 to a profit of S\$2.1 million in 2QFY2013. This was mainly due to contribution from property development projects, with significant increase in sales and higher recognition of construction projects such as Cityscape@Farrer Park.

Given the above, profit before taxation increased 74.2% from S\$6.8 million in 2QFY2012 to S\$11.8 million in 2QFY2013. Correspondingly, the Group's net profit attributable to shareholders also rose from S\$5.2 million in 2QFY2012 to S\$9.8 million in 2QFY2013.

For the half year ended September 30, 2012 (1HFY2013+), the Group's total revenue increased 18.2% to S\$112.5 million from S\$95.1 million registered in the previous corresponding period (1HFY2012+). This was mainly due to the increase in revenue from the construction business to S\$99.5 million in 1HFY2013. Net profit attributable to shareholders also jumped 81.9% from S\$7.8 million in 1HFY2012 to S\$14.2 million in 1HFY2013.

As at September 30, 2012, the Group maintained a healthy balance sheet and working capital position, with cash and cash equivalents of S\$34.2 million. The Group's earnings per share and net asset value stood at 2.73 cents and 39.04 cents respectively, as at September 30, 2012.

Prospects and Growth Plans

The Monetary Authority of Singapore (MAS+) announced in its Macroeconomics Review that the Singapore economy could grow between 3% and 5% in 2013 as the outlook for the global economy remains uncertain. However, with the Government's public-housing projects and ongoing plans to improve Singapore's infrastructure, Singapore's domestic economy will stay resilient.

Mr. Choo commented, notwithstanding general macro uncertainties, KSH has a strong construction order book of approximately S\$375.0 million as at September 30, 2012. We will continue to carefully manage our costs as we continue to tender for projects, paying greater emphasis on public sector construction activities. With our healthy fundamentals and strong track record, KSH will continue to focus on construction business in Singapore as well as grow our portfolio of public and private sector property development projects in Singapore and the PRC.

KSH has a good track record in CONQUAS for quality workmanship. Together with our certified A1 grading under the CW01 category for general building by the Building and Construction Authority, we are well positioned to tender for public sector construction projects of unlimited value.

In Property Development, our recently launched development, Sky Green at Macpherson, has been successful and sold more than 85% of total units within a period of less than a month but we shall continue to exercise prudence in the evaluation of each opportunity before embarking on any new acquisition or investment in these projects.+

Barring unforeseen circumstances, the Group expects to remain profitable in FY2013.

About KSH Holdings Limited

Listed on the Main Board of SGX-ST on February 8, 2007, KSH is a well-established Construction, Property Development and Property Management group. Incorporated in 1979, the Group has more than 33 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. The Group is also registered with an A2 grading under BCA's CW02 category for civil engineering, which allows it to tender for Public Sector projects for values of up to S\$85.0 million.

The Group has in hand a contract worth S\$53.3 million for the construction of The Boutiq, a freehold development located just off the prime Orchard Road shopping belt on Killiney Road. Other on-going construction projects carried out by the Group include a contract worth S\$110.28 million for the construction of Seastrand . a condominium development, a contract worth S\$49.9 million for the proposed additions and alterations to the existing Mount Alvernia Hospital, a contract worth S\$138.4 million for the construction of Eight Courtyards condominium, a contract worth S\$78.7 million for the construction of Ardmore Three condominium and a S\$70.6 million contract to construct Centennia Suites condominium.

Besides acting as a 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 Singapore as well as in the PRC. Property Development projects in Singapore includes Lincoln Suites at Novena; The Boutiq at Killiney Road; Cityscape@Farrer Park; Rezi 26 at Lor 26 Geylang; Palacio cluster terrace at Lorang M Telok Kurau and the recently launched Sky Green at Macpherson Road.

More details can be found at www.kimsengheng.com.

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