



KSH HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 200603337G)
(the “Company”)

PROPOSED PLACEMENT OF UP TO 30,899,000 NEW ORDINARY SHARES AND 4,101,000 EXISTING ISSUED ORDINARY SHARES WHICH ARE HELD BY THE COMPANY AS TREASURY SHARES IN ACCORDANCE WITH SECTION 76H OF THE COMPANIES ACT, CAP. 50 IN THE SHARE CAPITAL OF THE COMPANY (THE “PLACEMENT”)

1. INTRODUCTION

1.1 The board of directors (the “**Board**” or the “**Directors**”) of KSH Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that the Company has on 12 March 2013 entered into a placement agreement (the “**Placement Agreement**”) with Oversea-Chinese Banking Corporation Limited (the “**Placement Agent**”), pursuant to which the Company has agreed to offer, by way of placement, and the Placement Agent has agreed to, on a best efforts basis, procure subscribers and/or purchasers for:

- (a) up to 30,899,000 new ordinary shares in the capital of the Company (the “**New Shares**”); and
- (b) 4,101,000 existing issued ordinary shares in the capital of the Company (the “**Sale Shares**”, together with the New Shares, the “**Placement Shares**”) which are held by the Company as treasury shares in accordance with Section 76H of the Companies Act, Cap. 50.

The Company will be making an additional listing application to the Singapore Exchange Trading Limited (the “**SGX-ST**”) for the listing and quotation of the New Shares on the Official List of the SGX-ST.

1.2 The Company has today, in respect of the Placement, lodged the offer information statement relating to the Placement (the “**Offer Information Statement**”) with the Monetary Authority of Singapore pursuant to Section 277 of the Securities and Futures Act, Cap. 289. A copy of the Offer Information Statement is attached to this Announcement.

2. SALIENT TERMS OF THE PLACEMENT

2.1 Placement Price

The Placement Shares will be issued and/or transferred at the Placement Price of S\$0.4080 per Placement Share. The Placement Price represents a discount of 5.18%

to the weighted average price of S\$0.4303 for trades done on the SGX-ST for the full market day of 11 March 2013, being the last full market day prior to which the Placement Agreement was signed.

2.2 Placement Shares

The New Shares will be allotted and issued pursuant to the general mandate (the "**General Mandate**") given to the Directors by shareholders of the Company by way of an ordinary resolution at the annual general meeting of the Company held on 27 July 2012.

The proposed issue and allotment of the New Shares will be within the limits of the General Mandate.

The Placement Shares represent up to approximately 9.13% of the Company's issued and paid-up share capital as at the date of this Announcement and up to approximately 8.45% of the enlarged issued share capital of the Company after the issuance of the Placement Shares.

The New Shares and the Sale Shares shall be issued or transferred free from all claims, pledges, mortgages, charges, liens and encumbrances and shall rank *pari passu* in all respects with the existing issued Shares at the time of issue except that the New Shares and the Sale Shares will not rank for any dividends, rights, allotments or other distributions the record date for which falls on or before the date of the issue of the New Shares or the transfer date of the Sale Shares.

2.3 Conditions Precedent

Completion of the Placement Agreement is conditional upon, *inter alia*:

- (a) the lodgment with and acceptance by MAS of the Offer Information Statement;
- (b) the in-principle approval for the listing and quotation of the New Shares on the SGX-ST having been obtained and not revoked or amended, and any conditions thereto having been waived or fulfilled to the satisfaction of the SGX-ST;
- (c) on the date of completion of the Placement (the "**Completion Date**"), the representations and warranties of the Placement Agent and the Company being true, accurate, and correct in all material respects as if made on the Completion Date, with reference to the then existing circumstances.

3. **USE OF THE PROCEEDS**

3.1 Assuming all the Placement Shares are placed out, the gross proceeds arising from the Placement will be S\$14,280,000 and the estimated net proceeds arising from the Placement, after deducting expenses, will be approximately S\$13,871,000.

3.2 The Company intends to use the estimated net proceeds arising from the Placement in the following manner:

- (a) approximately 70% of the estimated net proceeds will be earmarked to support the growth of the Group's business and operations in Singapore, the PRC and Southeast Asia, including the funding of strategic investments, joint ventures,

acquisitions and/or strategic alliances as and when such opportunities arise and are deemed appropriate; and

- (b) approximately 30% of the estimated net proceeds will be used as working capital for the purposes of existing business operations.
- 3.3 Pending deployment of the estimated net proceeds from the Placement, such proceeds may be placed as deposits with financial institutions or invested in short-term money markets or debt institutions or for any other purposes on a short term basis, as the Directors may deem fit.
- 3.4 The Company will make periodic announcements on the use of the estimated net proceeds from the Placement as and when such proceeds are materially disbursed, and provide a status report on the use of such proceeds in the Company's annual report.

4. FINANCIAL EFFECTS OF THE PLACEMENT

- 4.1 Assuming that the Placement had been completed and all the Placement Shares have been placed out, the existing issued and paid-up number of ordinary shares ("**Shares**") of the Company will increase by approximately 8.06% from 383,454,307 Shares (as at the date of this Announcement) to 414,353,307 Shares.
- 4.2 For illustrative purposes only and based on the audited consolidated financial statements of the Group for the financial year ended 31 March 2012 ("**FY2012**"), the financial effects of the Placement on (i) the net tangible asset ("**NTA**") per Share of the Group (assuming the Placement had been completed at the end of FY2012) and (ii) the earnings per Share ("**EPS**") of the Group (assuming that the Placement had been completed at the beginning of FY2012) are as follows:

	Before Placement	After Placement
NTA per Share (cents)	39.71	39.71
Number of Shares excluding treasury shares at the end of the year for calculating NTA per Share ('000)	350,268	385,268
EPS (cents)	5.30	4.82
Weighted average number of Shares for calculating EPS ('000)	344,919	379,919

- 4.3 The financial effects of the Placement on the Group are for illustrative purposes only and are, therefore, not indicative of the actual financial performance or position of the Group after the completion of the Placement.

5. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

The Placement Shares will not be placed to any person who is a Director or a substantial shareholder of the Company or any other person who falls within the categories set out in Rule 812(1) of the Listing Manual of the SGX-ST. None of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in the Placement (other than arising from their shareholdings in the Company, if any).

6. OTHERS

The Company will make the appropriate announcements as and when there are further material developments in relation to the Placement.

By Order of the Board

CHOO CHEE ONN
Executive Chairman / Managing Director
12 March 2013