

**SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES  
(OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005**

**OFFER INFORMATION STATEMENT  
UNDER SECTION 277 OF THE SECURITIES AND FUTURES ACT (CAP. 289)**

**OFFER INFORMATION STATEMENT DATED 12 MARCH 2013**  
(Lodged with the Monetary Authority of Singapore on 12 March 2013)

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This document is important. If you are in any doubt as to the action you should take, you should consult your legal, financial, tax, or other professional adviser.

A copy of this Offer Information Statement has been lodged with the Monetary Authority of Singapore (the "**Authority**"). The Authority assumes no responsibility for the contents of this Offer Information Statement. Lodgment of this Offer Information Statement with the Authority does not imply that the Securities and Futures Act (Cap. 289), or any other legal or regulatory requirements, have been complied with. The Authority has not, in any way, considered the merits of the securities being offered for investment.

An application will be made to the Singapore Exchange Securities Trading Limited for permission for the dealing in and quotation of up to 30,899,000 new ordinary shares in the capital of KSH Holdings Limited.

No Shares (as defined below) will be allotted or allocated on the basis of this Offer Information Statement later than six months after the date of lodgment of this Offer Information Statement.

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**KSH HOLDINGS LIMITED**

(Company Registration Number: 200603337G)  
(Incorporated in the Republic of Singapore)  
(the "**Company**")

**PROPOSED PLACEMENT OF UP TO 30,899,000 NEW ORDINARY SHARES AND 4,101,000  
EXISTING ISSUED ORDINARY SHARES HELD BY THE COMPANY AS TREASURY SHARES IN  
ACCORDANCE WITH SECTION 76H OF THE COMPANIES ACT, CAP. 50 IN THE CAPITAL OF THE  
COMPANY AT THE PRICE OF S\$0.4080 PER ORDINARY SHARE**



**Placement Agent**

**OVERSEA-CHINESE BANKING CORPORATION LIMITED**

(Incorporated in the Republic of Singapore)  
(Company Registration Number: 193200032W)

<p><b>THIS OFFER INFORMATION STATEMENT HAS BEEN PREPARED SOLELY IN RELATION TO THE ABOVE TRANSACTION AND SHALL NOT BE RELIED UPON BY ANY OTHER PERSON AND FOR ANY OTHER PURPOSE.</b></p>
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## Definitions

For the purposes of this Offer Information Statement, the following terms shall, unless the context otherwise requires, have the following meanings:

"Authority"	means the Monetary Authority of Singapore
"Business Day"	means a day (excluding Saturday and Sunday) on which commercial banks are open for business in Singapore
"CDP"	means The Central Depository (Pte) Limited
"Companies Act"	means Companies Act, Cap.50
"Company"	means KSH Holdings Limited
"Completion"	means the completion of the Placement in accordance with the Placement Agreement
"Completion Date"	means the date falling three (3) Business Days after approval for the listing and quotation of the New Shares has been obtained from the SGX-ST, or such other date as the Company and the Placement Agent may agree
"Directors"	means the directors of the Company as at the date of this Offer Information Statement
"EPS"	means earnings per Share
"FY2010"	means the financial year ended 31 March 2010
"FY2011"	means the financial year ended 31 March 2011
"FY2012"	means the financial year ended 31 March 2012
"Group"	means the Company and its subsidiaries
"Latest Practicable Date"	means 8 March 2013, being the latest practicable date prior to the lodgement of this Offer Information Statement
"New Shares"	means up to 30,899,000 new ordinary shares in the capital of the Company to be allotted and issued by way of placement in accordance with the terms and conditions of the Placement Agreement
"Offer Information Statement" or "Statement"	means this offer information statement which complies as to form and content with the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 that was lodged with and accepted by the Authority
"Placees"	means the subscribers and/or purchasers whom the Placement Agent has procured for purposes of subscribing and/or purchasing the Placement Shares
"Placement"	means the placement of the Placement Shares at the Placement Price by the Company to the investors in accordance with the terms

and conditions of the Placement Agreement

"Placement Agent"	Oversea-Chinese Banking Corporation Limited
"Placement Agreement"	means the placement agreement dated 12 March 2013 entered into between the Company and the Placement Agent in relation to the placement of the Placement Shares
"Placement Price"	means the price of S\$0.4080 per Placement Share
"Placed Shares"	means the Placement Shares for which the Placement Agent has procured subscribers and/or purchasers
"Placement Shares"	means up to 30,899,000 new Shares and 4,101,000 existing Shares (held by the Company as treasury shares in accordance with Section 76H of the Companies Act) to be allotted and issued and/or sold pursuant to the Placement
"PRC"	means the People's Republic of China (excluding Taiwan and the special administrative regions of Hong Kong and Macau)
"Registrar"	means the Registrar of Companies and Businesses
"Sale Shares"	means 4,101,000 existing issued Shares held by the Company as treasury shares in accordance with Section 76H of the Companies Act
"SGX-ST"	means Singapore Exchange Securities Trading Limited
"Shares"	means the ordinary shares in the capital of the Company
"subsidiary" or "subsidiaries"	has the meaning ascribed to it by Section 5 of the Companies Act
"S\$"	means the lawful currency of Singapore

Except where the context otherwise requires, words denoting the singular include the plural and *vice versa*; words denoting any gender include all genders; and words denoting persons include firms and corporations and *vice versa*.

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**PART II – IDENTITY OF DIRECTORS, ADVISERS AND AGENTS**
**Directors**

1. Provide the names and addresses of each of the directors or equivalent persons of the relevant entity.

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	<b>Name</b>	<b>Address</b>
(1)	Kwok Ngat Khow	53 Lichi Avenue Sennett Estate Singapore 348827
(2)	Tok Cheng Hoe	1 Seletar Crescent Seletar Park Singapore 807153
(3)	Lim Kee Seng	4A Mimosa Road Singapore 805295
(4)	Choo Chee Onn	141 Countryside Road Singapore 789862
(5)	Lai Meng Seng	109 Holland Grove View Singapore 276266
(6)	Lim Yeow Hua @ Lim You Qin	64 Waterloo Street #08-02 Waterloo Apartments Singapore 187959
(7)	Ivan Khua Kian Kheng	6A Frankel Avenue Singapore 458245

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**Advisers**

2. Provide the names and addresses of —
- (a) the issue manager to the offer, if any;
  - (b) the underwriter to the offer, if any; and
  - (c) the legal adviser for or in relation to the offer, if any.

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<b>Role</b>	<b>Name</b>	<b>Address</b>
Issue Manager	: Not applicable	Not applicable
Underwriter	: Not applicable	Not applicable
Placement Agent	: Oversea-Chinese Banking Corporation Limited	65 Chulia Street #09-00 OCBC Centre Singapore 049513
Legal Adviser to the Company	: Shook Lin & Bok LLP	1 Robinson Road #18-00 AIA Tower Singapore 048542

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**Registrars and Agents**

3. Provide the names and addresses of the relevant entity's registrars, transfer agents and receiving bankers for the securities being offered, where applicable.

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	<b>Name</b>	<b>Address</b>
Registrar	: Boardroom Corporate & Advisory Services Pte. Ltd.	50 Raffles Place #32-01 Singapore Land Tower Singapore 048623
Transfer Agent	: Boardroom Corporate & Advisory Services Pte. Ltd.	50 Raffles Place #32-01 Singapore Land Tower Singapore 048623
Receiving Banker	: Oversea-Chinese Banking Corporation Limited	65 Chulia Street #09-00 OCBC Centre Singapore 049513

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**PART III – OFFER STATISTICS AND TIMETABLE**
**Offer Statistics**

1. For each method of offer, state the number of the securities being offered.

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Number of Placement Shares	:	Up to 30,899,000 New Shares and 4,101,000 Sale Shares. The maximum of 30,899,000 New Shares and the 4,101,000 Sale Shares represent approximately up to 8.06% and 1.07% of the issued share capital of the Company of 383,454,307 Shares as at the date of this Offer Information Statement.
Placement Price	:	S\$0.4080 per Placement Share
Status of 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 in all respects <i>pari passu</i> with the then existing issued Shares 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.

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**Method and Timetable**

2. Provide the information referred to in paragraphs 3 to 7 of this Part to the extent applicable to —

- (a) the offer procedure; and
  - (b) where there is more than one group of targeted potential investors and the offer procedure is different for each group, the offer procedure for each group of targeted potential investors.
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Please see below.

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- 3. State the time at, date on, and period during which the offer will be kept open, and the name and address of the person to whom the purchase or subscription applications are to be submitted. If the exact time, date or period is not known on the date of lodgment of the offer information statement, describe the arrangements for announcing the definitive time, date or period. State the circumstances under which the offer period may be extended or shortened, and the duration by which the period may be extended or shortened. Describe the manner in which any extension or early closure of the offer period shall be made public.**
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Pursuant to the Placement Agreement, the Company has agreed to offer by way of placement the Placement Shares, and the Placement Agent has agreed to, on a best efforts basis, procure subscribers to subscribe and/or purchase the Placement Shares at the Placement Price.

The obligations of the Company and the Placement Agent under the Placement Agreement will be conditional upon the performance by the Placement Agent and the Company of their respective obligations under the Placement Agreement and also upon the following:

- (i) the lodgment with and acceptance by the Authority of this Offer Information Statement;
  - (ii) 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;
  - (iii) the allotment, issue and subscription and/or transfer of the Placement Shares not being prohibited by any statute, order, rule or regulation promulgated or issued after the date of the Placement Agreement by any legislative, executive or regulatory body or authority of Singapore which is applicable to the Company and/or the Placement Agent;
  - (iv) the delivery to the Placement Agent on the Completion Date, of a certificate, substantially in the form as prescribed under the Placement Agreement, signed on behalf of the Company by its duly authorised officer(s); and
  - (v) on the Completion Date, the representations and warranties of the Placement Agent and the Company in the Placement Agreement being true, accurate, and correct in all material respects as if made on the Completion Date, with reference to the then existing circumstances.
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- 4. State the method and time limit for paying up for the securities and, where payment is to be partial, the manner in which, and dates on which, amounts due are to be paid.**
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Under the Placement Agreement, the Placement Agent shall, on the Completion Date, make payment to the Company the net placement monies, being the aggregate Placement Price less the relevant commission and miscellaneous expenses (if any) payable to the Placement Agent, by way of a wire transfer to a bank account designated by the Company.

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**5. State, where applicable, the methods of and time limits for —**

- (a) the delivery of the documents evidencing title to the securities being offered (including temporary documents of title, if applicable) to subscribers or purchasers; and**
- (b) the book-entry transfers of the securities being offered in favour of subscribers or purchasers.**

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On the Completion Date, the Company shall deliver:

- (a) to CDP for the account of the Placement Agent or of such persons as it may direct, the appropriate number of duly issued share certificates in respect of the relevant number of Placed Shares (that are New Shares) in the name of CDP and shall deliver to the Placement Agent written confirmation of such delivery to the CDP; and
- (b) in book entry form through the CDP to the account of the Placement Agent or of such persons as it may direct the relevant number of Placed Shares (that are Sale Shares) and any other documents required to effect the transfer of such Placed Shares to such persons, and shall pay any fees or expenses payable in respect of the transfer of such Placed Shares (including without limitation any transfer fees imposed by the CDP and any stamp duty payable).

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**6. In the case of any pre-emptive rights to subscribe for or purchase the securities being offered, state the procedure for the exercise of any right of preemption, the negotiability of such rights and the treatment of such rights which are not exercised.**

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Not applicable.

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**7. Provide a full description of the manner in which results of the allotment or allocation of the securities are to be made public and, where appropriate, the manner for refunding excess amounts paid by applicants (including whether interest will be paid).**

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The Company will announce Completion (including the number of Placement Shares successfully placed to subscribers and/or purchasers) by way of an SGXNET announcement.

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**PART IV**

**KEY INFORMATION**

**Use of Proceeds from Offer and Expenses Incurred**

1. In the same section, provide the information set out in paragraphs 2 to 7 of this Part.
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Noted.

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2. Disclose the estimated amount of the proceeds from the offer (net of the estimated amount of expenses incurred in connection with the offer) (referred to in this paragraph and paragraph 3 of this Part as the net proceeds). Where only a part of the net proceeds will go to the relevant entity, indicate the amount of the net proceeds that will be raised by the relevant entity. If none of the proceeds will go to the relevant entity, provide a statement of that fact.
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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 estimated expenses of approximately S\$409,000, will be approximately S\$13,871,000.

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3. Disclose how the net proceeds raised by the relevant entity from the offer will be allocated to each principal intended use. If the anticipated proceeds will not be sufficient to fund all of the intended uses, disclose the order of priority of such uses, as well as the amount and sources of other funds needed. Disclose also how the proceeds will be used pending their eventual utilisation for the proposed uses. Where specific uses are not known for any portion of the proceeds, disclose the general uses for which the proceeds are proposed to be applied. Where the offer is not fully underwritten on a firm commitment basis, state the minimum amount which, in the reasonable opinion of the directors or equivalent persons of the relevant entity, must be raised by the offer of securities.
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Assuming the Placement is completed, the net proceeds arising from the Placement will be utilised in the manner as follows:

- (a) approximately 70% of the 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 net proceeds will be used as working capital for the purposes of existing business operations.

Pending the deployment of the net proceeds, such proceeds may be placed as deposits with financial institutions or invested in short term money markets or debt instruments or for any other purposes on a short term basis as the Directors may deem fit.

In the reasonable opinion of the Directors, no minimum amount must be raised from the Placement of the Placement Shares.

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4. For each dollar of the proceeds from the offer that will be raised by the relevant entity, state the estimated amount that will be allocated to each principal intended use and the estimated amount that will be used to pay for expenses incurred in connection with the



**offer.**

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Assuming that all the Placement Shares are placed out, each dollar of the gross proceeds from the Placement will be utilised in the following proportion:

- (a) approximately 68.00 cents 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;
  - (b) approximately 29.14 cents will be used as working capital for the purposes of existing business operations; and
  - (c) approximately 2.86 cents will be used to pay for the expenses incurred in relation to the Placement.
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- 5 If any of the proceeds to be raised by the relevant entity will be used, directly or indirectly, to acquire or refinance the acquisition of an asset other than in the ordinary course of business, briefly describe the asset and state its purchase price. If the asset has been or will be acquired from an interested person of the relevant entity, identify the interested person and state how the cost to the relevant entity is or will be determined.**
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None of the net proceeds from the Placement will be used, directly or indirectly, to acquire or refinance the acquisition of an asset other than in the ordinary course of business.

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- 6. If any of the proceeds to be raised by the relevant entity will be used to finance or refinance the acquisition of another business, briefly describe the business and give information on the status of the acquisition.**
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None of the net proceeds from the Placement will be used to finance or refinance the acquisition of another business.

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- 7. If any material part of the proceeds to be raised by the relevant entity will be used to discharge, reduce or retire the indebtedness of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, of the group, describe the maturity of such indebtedness and, for indebtedness incurred within the past year, the uses to which the proceeds giving rise to such indebtedness were put.**
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None of the proceeds will be used to discharge, reduce or retire the indebtedness of the Company or any member of the Group.

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- 8. In the section containing the information referred to in paragraphs 2 to 7 of this Part or in an adjoining section, disclose the amount of discount or commission agreed upon between the underwriters or other placement or selling agents in relation to the offer and the person making the offer. If it is not possible to state the amount of discount or commission, the method by which it is to be determined must be explained.**

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In consideration of the agreement of the Placement Agent to procure subscribers and/or purchasers on a best endeavours basis for the Placement Shares, the Company shall pay to the Placement Agent a commission equivalent to:

- (a) 2.25% of the gross proceeds raised from the Placement; or
- (b) S\$350,000,

whichever is higher (and if applicable, goods and services tax thereon).

The Company also agrees that the Placement Agent may impose a brokerage fee of up to 1.0% of the Placement Price for each Placed Share (and if applicable, goods and services tax thereon), which shall be payable to the Placement Agent by such persons who have subscribed for and/or purchased the Placement Shares.

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### Information on the Relevant Entity

#### 9. Provide the following information:

- (a) **the address and telephone and facsimile numbers of the relevant entity's registered office and principal place of business (if different from those of its registered office);**

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Registered office and principal place of business	:	36 Senoko Road Singapore 758108
Telephone number	:	+65 6758 2266
Facsimile number	:	+65 6758 2532

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- (b) **the nature of the operations and principal activities of the relevant entity or, if it is the holding company or holding entity of a group, of the group;**
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The principal activity of the Company is that of an investment holding company.

The Group's principal activities are as follows:

- (a) construction in Singapore and Malaysia;
- (b) property development in Singapore and the PRC; and
- (c) property management in the PRC.

As at the Latest Practicable Date, the subsidiaries and associated companies of the Company are as follows:

<b>Name of Company (Country of incorporation and place of business)</b>	<b>Principal business</b>	<b>Effective interest held by Group</b>
<b><i>Subsidiaries held by the Company</i></b>		
Kim Seng Heng Engineering Construction (Pte) Ltd (Republic of Singapore)	Carry on business as builders and contractors	100%
Kim Seng Heng Realty Pte Ltd (Republic of Singapore)	Property developers, deriving rental income from investment properties and investment holding	100%
KSH Overseas Pte. Ltd. (Republic of Singapore)	Investment holding	100%
KSH Property Development Pte. Ltd. (Republic of Singapore)	Property development	100%
KSH Property Investment Pte. Ltd. (Republic of Singapore)	Investment holding	100%
Ferris Rise Pte. Ltd. (Republic of Singapore)	Holding of assets	100%
<b><i>Subsidiaries held by subsidiaries of the Company</i></b>		
Tianjin Tian Xing Real Estate Development Co., Ltd (The PRC)	Construction, rental, sale of property	69%
Tianjin Tian Xing Property Management Co., Ltd. (The PRC)	Property management	69%
Duford Investment (Hong Kong) Limited (Hong Kong Special Administrative Region)	Investment holding	58.33%
Techpath Construction Sdn Bhd (Malaysia)	Building construction	100%
<b><i>Associated companies held by subsidiaries of the Company</i></b>		
Beijing Jin Hua Tong Da Real Estate Development Co., Ltd. (The PRC)	Residential property developer	26.24%

<b>Name of Company (Country of incorporation and place of business)</b>	<b>Principal business</b>	<b>Effective interest held by Group</b>
Mergui Development Pte. Ltd. (Republic of Singapore)	Property development	35%
Sino-Singapore Kim Seng Heng (Beijing) Engineering Construction Co., Ltd. (The PRC)	Engineering and construction	50%
Unique Development Pte. Ltd. (Republic of Singapore)	Real estate developers	35%
Development 26 Pte. Ltd. (Republic of Singapore)	Property development	45%
Residenza Pte. Ltd. (Republic of Singapore)	Property development	32%
Unique Realty Pte. Ltd. (Republic of Singapore)	Property development	25%
KSH (China) Venture Pte. Ltd. (Republic of Singapore)	Property development	50%
Unique Consortium Pte. Ltd. (Republic of Singapore)	Property development	35%
Unique Capital Pte. Ltd. (Republic of Singapore)	Property development	25%
Phileap Pte. Ltd. (Republic of Singapore)	Property development	25%
Unique Commercial Pte. Ltd. (formerly known as KSH Property Premier Pte. Ltd.) (Republic of Singapore)	Property development	35%
Development 32 Pte. Ltd (formerly known as TEE Residence Pte. Ltd. (Republic of Singapore)	Property development	45%
Unique Resi Estate Pte. Ltd. (Republic of Singapore)	Property development	30%

<b>Name of Company (Country of incorporation and place of business)</b>	<b>Principal business</b>	<b>Effective interest held by Group</b>
Unique Rezi Pte. Ltd. (Republic of Singapore)	Property development	42%
Unique Wellness Pte. Ltd. (Republic of Singapore)	Real estate activities with owned or leased property and other investment holding	20%

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- (c) **the general development of the business from the beginning of the period comprising the 3 most recent completed financial years to the latest practicable date, indicating any material change in the affairs of the relevant entity or the group, as the case may be, since —**
- (i) **the end of the most recent completed financial year for which financial statements of the relevant entity have been published; or**
- (ii) **the end of any subsequent period covered by interim financial statements, if interim financial statements have been published;**
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The general development of the business of the Group in the three (3) most recently completed financial years up to the Latest Practicable Date (being FY2010, FY2011, and FY2012) is as follows:

#### **Key developments in FY2010**

The Group completed construction of Tampines Central 1, Forte at New Industrial Road, Platinum 28 at Genting Lane and The Coast at Sentosa Cove.

The Group was also engaged in construction projects including, NUS Education Resource Centre, The Seascape and The Orange Grove (both of which are high-end residential properties).

The residential development, Lincoln Suites, a collaboration between Koh Brothers Group Limited, Heeton Holdings Limited, Lian Beng Group Ltd and the Group, was launched in October 2009.

On 2 November 2009, the Group announced that it had secured a contract worth approximately S\$36 million for the construction of Watten Residences, a 59-unit freehold strata development in the Bukit Timah area.

On 12 November 2009, the Group announced that it had acquired, through a consortium formed with Heeton Holdings Limited and TEE International Limited, the freehold property at the former Mitre Hotel site at 145 Killiney Road for approximately S\$121.1 million.

#### **Key developments in FY2011**

During FY2011, the Group completed the construction of the National University of Singapore's residential colleges Cinnamon & Tembusu.

On 3 June 2010, the Group announced that it had secured a contract worth S\$70.6 million from Lippo Real Estate Pte. Limited, a subsidiary of the Lippo Group, for the construction of Centennia Suites, a 36-storey freehold strata development with 97 residential units in the River Valley area.

In October 2010, the Group (in collaboration with IOI Group and LBH Pte. Ltd.) launched the Cityscape at Farrer Park, a freehold condominium located at Mergui Road.

All units of the first three phases of the Group's Liang Jing Ming Ju project in the PRC were sold.

On 5 November 2010, the Group entered into heads of agreement with the local government of Gaobeidian City in Hebei Province of the PRC for the development of a new satellite township. The Group formed a joint venture with TEE International Group and Heeton Group to invest in the aforesaid Gaobeidian project.

On 4 March 2011, the Company announced that its wholly-owned subsidiary, Kim Seng Heng Engineering Construction (Pte) Ltd, was awarded a contract worth up to S\$49.1 million, by the Ministry of Education of Singapore, for the proposed construction of two new primary schools in Punggol and Anchorvale.

In FY2011, the Group also acquired through joint ventures the following:

- (a) with Heeton Group and TEE International Group, (i) a freehold site at Lorong 26 Geylang and (ii) Camay Court, a freehold site at Lorong M Telok Kurau; and
- (b) with Heeton Group, TEE International Group and Zap Piling Pte Ltd, Macpherson Green, a freehold site at MacPherson Road.

These three (3) sites have a total land area of approximately 125,500 square feet, which may be developed into approximately 260,000 square feet of gross floor area.

#### **Key developments in FY2012**

The Group secured a series of construction projects amounting to approximately S\$430.6 million:

- (a) Ardmore Three, a niche 36-storey 84-units development in Ardmore Park;
- (b) Eight Courtyards, a 99-year leasehold condominium development in Canberra Drive;
- (c) additions and alterations work for Mount Alvernia Hospital;
- (d) The Seastrand, a condominium development in Pasir Ris; and
- (e) The Boutiq, an upmarket freehold development located at Killiney Road.

The contracts were awarded by established property developers such as Wheelock Properties Limited, Frasers Centrepoint Limited, Far East Organisation and Heeton Homes Pte Ltd.

The Group, as part of a syndicate of developers, acquired several freehold and leasehold developments in Singapore for land and redevelopment. The acquisitions include:

- (i) approximately 73,000 square feet of freehold land at Seletar Gardens;
- (ii) approximately 60,000 square feet of freehold land at 11 King Albert Park; and
- (iii) approximately 151,000 square feet of 956-year leasehold land at Hong Leong Garden Shopping Centre.

**Key developments since 31 March 2012 to the Latest Practicable Date**

On 25 July 2012, the Group entered into a joint venture agreement with Heeton Home Pte. Ltd., ZAP Piling Pte Ltd and Raffles Asia Capital Pte. Ltd. to acquire, through Unique Resi Estate Pte. Ltd., approximately 22,000 square feet of freehold land located at 121C Whitley Road at a purchase price of \$31 million for redevelopment purposes. The Group's equity interest in Unique Resi Estate Pte. Ltd. is 30%.

On 23 October 2012, the Group, as part of a consortium involving Heeton Holdings Limited, TEE International Limited and Zap Piling Pte Ltd, soft-launched its latest residential development, Sky Green, a 176-unit freehold development located at the start of MacPherson Road just off Upper Paya Lebar Road.

On 21 January 2013, the Company announced that it had been awarded the main contract works for Q Bay Residences, a private condominium located at Tampines Avenue 10 by Quarry Bay Pte Ltd, a consortium comprising Frasers Centrepoint Limited, Far East Organisation and Sekisui House.

**(d) the equity capital and the loan capital of the relevant entity as at the latest practicable date, showing —**

- (i) in the case of the equity capital, the issued capital; or**
- (ii) in the case of the loan capital, the total amount of the debentures issued and outstanding, together with the rate of interest payable thereon;**

As at the Latest Practicable Date, the equity capital and the loan capital of the Company are as follows:

Issued and paid-up share capital	S\$41,518,123.22
Number of ordinary shares in issue (including treasury shares)	383,454,307
Number of ordinary shares held as treasury shares	4,101,000
Loan capital	Nil

**(e) where —**

- (i) the relevant entity is a corporation, the number of shares of the relevant entity owned by each substantial shareholder as at the latest practicable date; or
- (ii) the relevant entity is not a corporation, the amount of equity interests in the relevant entity owned by each substantial interest-holder as at the latest practicable date;

Based on the Register of Substantial Shareholders maintained by the Company, the following are the substantial shareholders of the Company and their respective interests in Shares in the Company as at the Latest Practicable Date:

	Direct Interests		Indirect Interests	
	Number of Shares	% <sup>(1)</sup>	Number of Shares	%
Choo Chee Onn	79,158,763	20.64	-	-
Kwok Ngat Khow	59,094,745	15.41	-	-
Lim Kee Seng	59,094,745	15.41	-	-
Tok Cheng Hoe	59,094,745	15.41	-	-

- (1) The percentage shareholding interest is based on the Company's issued share capital of 383,454,307 Shares as at the Latest Practicable Date.

- (f) any legal or arbitration proceedings, including those which are pending or known to be contemplated, which may have, or which have had in the 12 months immediately preceding the date of lodgment of the offer information statement, a material effect on the financial position or profitability of the relevant entity or, where the relevant entity is a holding company or holding entity of a group, of the group;

As at the date of this Offer Information Statement, the Directors are not aware of any legal or arbitration proceedings, including those which are pending or known to be contemplated, which may have, or which have had in the 12 months immediately preceding the date of lodgment of this Statement, a material effect on the financial position or profitability of the Group.

- (g) where any securities or equity interests of the relevant entity have been issued within the 12 months immediately preceding the latest practicable date —
- (i) if the securities or equity interests have been issued for cash, state the prices at which the securities have been issued and the number of securities or equity interests issued at each price; or
- (ii) if the securities or equity interests have been issued for services, state the nature and value of the services and give the name and address of the person who received the securities or equity interests; and



### **Conversion of Warrants to New Shares**

On 3 April 2009, the Company issued 176,245,000 warrants at an issue price of S\$0.01 for each warrant. Each warrant carried the right to subscribe for one (1) new Share on the basis of one (1) warrant for every one existing Share. The exercise price and the number of warrants held by each warrant holder could be adjusted if certain terms and conditions were met.

As at 2 April 2012, 175,819,771 warrants had been converted to 175,819,771 new Shares, of which 3,301,035 warrants had been converted to 3,301,035 new Shares after 2 March 2012. The holders of such new Shares are entitled to receive dividends as and when declared by the Company. All such new Shares carry one (1) vote per share without restrictions.

The remaining 425,229 outstanding warrants expired on 2 April 2012.

### **Issue of Bonus Shares**

On 25 May 2012, the Company announced a proposed bonus issue to its shareholders on the basis of one (1) bonus share credited as fully paid ("**Bonus Shares**") for every ten (10) existing Shares. The Bonus Shares in respect of Shares held by shareholders were to be issued credited as fully paid at no consideration to entitled shareholders and when allotted and issued, would rank *pari passu* in all respects with the existing issued Shares and with each other, except that the Bonus Shares would not be entitled to such rights, allotments, or distributions the record date of which fell before the date of allotment and issue of such Bonus Shares (including any dividends declared or paid in respect of FY2012).

On 6 August 2012, the Company allotted and issued 35,223,084 Bonus Shares (comprising 34,823,084 new Shares and 400,000 treasury shares in the Company) to its shareholders.

- (h) **a summary of each material contract, other than a contract entered into in the ordinary course of business, to which the relevant entity or, if the relevant entity is the holding company or holding entity of a group, any member of the group is a party, for the period of 2 years immediately preceding the date of lodgment of the offer information statement, including the parties to the contract, the date and general nature of the contract, and the amount of any consideration passing to or from the relevant entity or any other member of the group, as the case may be.**

Neither the Company nor any of its subsidiaries has entered into any material contract (other than contracts entered into in the ordinary course of business) during the two years immediately preceding the date of lodgement of this Offer Information Statement.

## **PART V**

### **Operating Results**

- 1. Provide selected data from:**

- (a) the audited income statement of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, the audited consolidated income statement of the relevant entity or the audited combined income statement of the group, for each financial year (being one of the 3 most recent completed financial years) for which that statement has been published; and
- (b) any interim income statement of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, any interim consolidated income statement of the relevant entity or interim combined income statement of the group, for any subsequent period for which that statement has been published.

The audited consolidated income statements of the Group for the last three financial years and the unaudited consolidated income statement of the Group for the nine-month financial period ended 31 December 2012 ("9MFY2013") are set out below:

	FY2010 (Audited) S\$'000	FY2011 (Audited) S\$'000	FY2012 (Audited) S\$'000	9MFY2013 (Unaudited) S\$'000
<b>Revenue</b>				
Project revenue	285,394	257,306	145,361	148,337
Sales from development property	-	-	19,730	12,340
Rental income from investment properties	4,783	5,413	5,533	4,033
Rental income from development property	699	106	-	-
	290,876	262,825	170,624	164,710
Other income	3,227	5,961	9,902	3,348
Cost of construction	(252,078)	(220,952)	(139,962)	(133,018)
Personnel expenses	(7,941)	(8,603)	(6,059)	(9,648)
Depreciation of property, plant and equipment	(1,750)	(1,812)	(1,776)	(1,369)
Finance costs	(3,180)	(2,152)	(1,542)	(1,197)
Other operating expenses	(6,310)	(5,462)	(5,500)	(5,082)
	(271,259)	(238,981)	(154,839)	(150,314)
<b>Profit from operations before share of results of associates</b>	22,844	29,805	25,687	17,744
Share of results of associates	119	(545)	(88)	8,083
<b>Profit before taxation</b>	22,963	29,260	25,599	25,827
Tax expenses	(4,672)	(6,585)	(5,200)	(3,172)
<b>Net profit for the financial year / period</b>	18,291	22,675	20,399	22,655
<b>Attributable to:</b>				
shareholders of the Company	17,978	21,690	18,295	22,276

Non-controlling interest	313	985	2,104	379
	18,291	22,675	20,399	22,655
Dividends declared per share (cents)	2.00	2.00	1.50	1.35
<b>EPS<sup>(1)</sup> (cents)</b>				
- Basic	7.05	6.76	5.30	6.08
- Diluted	6.18	6.63	5.29	6.08
<b>EPS (cents) after Placement</b>				
- Basic	6.20	6.09	4.82	5.55
- Diluted	5.52	5.99	4.81	5.55
Weighted average number of Shares for calculating basic EPS ('000)	255,074	321,038	344,919	366,472
Weighted average number of ordinary shares for calculating diluted EPS ('000)	290,720	327,401	345,701	366,472

Note:

- (1) EPS has been calculated based on the Group's profit after taxation attributable to shareholders of the Company for the respective financial year or period and the weighted average number of ordinary shares taken into account the weighted average effect of any changes in treasury shares transactions during the financial year or period.

Diluted EPS has been calculated based on the Group's profit after taxation attributable to shareholders of the Company for the respective financial year or period and the weighted average number of ordinary shares taken into account the weighted average effect of any changes in treasury shares transactions during the financial year or period in issue adjusted for the effects of all the dilutive potential ordinary shares, being the outstanding warrants if any.

- (2) For calculation of EPS after the Placement, it is assumed that:

- (a) the size of the Placement is 35,000,000 Placement Shares; and
- (b) the Placement Shares have been issued at the beginning of each financial year or period but without taking into account the effect of the use of proceeds on the earnings of the Group.

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**2. The data referred to in paragraph 1 of this Part shall include the line items in the audited income statement, audited consolidated income statement, audited combined income statement, interim income statement, interim consolidated income statement or interim combined income statement, as the case may be, and shall in addition include the following items:**

- (a) dividends declared per share in both the currency of the financial statements and the Singapore currency, including the formula used for any adjustment to dividends declared;
- (b) earnings or loss per share; and
- (c) earnings or loss per share, after any adjustment to reflect the sale of new securities.
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Noted.

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3. In respect of —

- (a) each financial year (being one of the 3 most recent completed financial years) for which financial statements have been published; and
- (b) any subsequent period for which interim financial statements have been published,

provide information regarding any significant factor, including any unusual or infrequent event or new development, which materially affected profit or loss before tax of the relevant entity or, if it is the holding company or holding entity of a group, of the group, and indicate the extent to which such profit or loss before tax of the relevant entity or the group, as the case may be, was so affected. Describe any other significant component of revenue or expenditure necessary to understand the profit or loss before tax for each of these financial periods.

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**FY2011 vs FY2010**

***Revenue***

The Group registered a total revenue of S\$262.8 million for FY2011, a decrease of 9.7% compared to a total revenue of S\$290.9 million registered by the Group for FY2010. The decrease was mainly due to the decrease in revenue from construction business.

Revenue from the construction business decreased by S\$28.1 million or approximately 9.8% from S\$285.4 million in FY2010 to S\$257.3 million in FY2011. The decrease was partially offset by the increase in revenue from one completed project of approximately S\$5.6 million and on-going projects of approximately S\$87.7 million which have progressed into more advanced stages of construction and new projects of approximately S\$8.9 million.

Rental income from investment properties has increased approximately S\$0.6 million in FY2011 as compared to FY2010, offset by the decrease in rental income from development property of approximately S\$0.6 million in FY2011 as compared to the same in FY2010.

***Other income***

The increase in other income of approximately S\$2.8 million from S\$3.2 million in FY2010 to S\$6.0 million in FY2011 was mainly from the increase in gain from fair value adjustments of investment properties of approximately S\$2.2 million and increase in interest income from associates.

***Operating expenses***

Cost of construction decreased by approximately S\$31.1 million or 12.3% from S\$252.1 million in FY2010 to S\$221.0 million in FY2011 in line with the decrease in revenue. The decrease was also due to the cost savings from a completed project, partially offset by rising cost and lower pricing from the later projects awarded as competition in the industry became more intense.

Personnel expenses increased by approximately S\$0.7 million or 8.9% from S\$7.9 million in FY2010 to S\$8.6 million in FY2011. The increase was mainly due to increase in provision for bonuses in line with the increase in profit as well as increase in expenses such as training,

insurance for staffs and workers and workers' accommodations.

Finance costs decreased as all outstanding convertible notes were redeemed for cancellation by 22 June 2009 and no further interest on convertible notes were incurred in FY2011 as compared to S\$0.8 million in FY2010 as well as the decrease in the borrowings in FY2011.

Other operating expenses decreased by approximately S\$0.8 million or 12.7% from S\$6.3 million in FY2010 to S\$5.5 million in FY2011. The decrease was mainly due to decrease of expenses related to convertible notes of approximately S\$0.7 million in FY2010 but none in FY2011 and the reversal of provision for anticipated losses of approximately S\$0.2 million for an ongoing construction project as provision for anticipated loss has been realised as cost of construction during FY2011.

There were no significant difference in depreciation between FY2010 and FY2011.

#### ***Profit before taxation***

Share of results of associates decreased by approximately S\$0.6 million from a profit of S\$0.1 million in FY2010 to a loss of S\$0.5 million in FY2011 because an associate had ceased to collect rental from a development property since June 2010 as redevelopment was about to commence.

The Group's profit before taxation increased by approximately S\$6.3 million from S\$23.0 million in FY2010 to S\$29.3 million in FY2011 as explained above.

#### ***Tax expense***

Tax expense increased in FY2011 as compared to FY2010 due to the higher profit before taxation offset by the reversal of a provision for taxation of S\$0.5 million in FY2011 as it was no longer required according to the finalised tax assessment from The Comptroller of Income Tax.

#### ***Net profit attributable to shareholders of the Company***

As a result of the above, the Group made a net profit attributable to shareholders of the Company of approximately S\$21.6 million in FY2011 as compared to S\$18.0 million in FY2010.

### **FY2012 vs FY2011**

#### ***Revenue***

The Group registered a total revenue of S\$170.6 million for the FY2012, a decrease of S\$92.2 million or 35.1% compared to S\$262.8 million registered in the corresponding FY2011. The decrease was mainly due to the decrease in revenue from the construction business of S\$111.9 million or 43.5% from S\$257.3 million in FY2011 to S\$145.4 million in FY2012. The decrease in revenue from the construction business was partly offset by an increase in revenue recognised from the sale of a development property of S\$19.7 million in FY2012 compared to none in FY2011.

Cost of sales decreased by S\$81.0 million or 36.7% from S\$221.0 million in FY2011 to S\$140.0 million in FY2012 mainly due to the decrease in cost of construction business of S\$101.3 million or 45.8% from S\$221.0 million in FY2011 to S\$119.7 million in FY2012. The

decrease in cost of construction was partly offset by an increase in cost recognised from sale of development property of S\$20.2 million in FY2012 compared to none in FY2011.

***Operating expenses***

Personnel expenses decreased by S\$2.5 million or 29.6% from S\$8.6 million in FY2011 to S\$6.1 million in FY2012. This was mainly due to the decrease in provision of bonuses for management, staff and workers.

There were no significant differences in depreciation of property, plant and equipment and other operating expenses between FY2012 and FY2011.

Finance costs decreased by S\$0.7 million or 28.3% from S\$2.2 million in FY2011 to S\$1.5 million in FY2012 mainly due to less borrowings and lower interest rate.

***Profit before taxation***

Share of losses of associates decreased by S\$0.4 million from S\$0.5 million in FY2011 to S\$0.1 million in FY2012 mainly due to the contributions from the development property projects which have begun recognition of revenue and cost of sales based on the percentage of construction completion of these projects.

The Group's profit before taxation decreased by approximately S\$3.7 million from S\$29.3 million in FY2011 to S\$25.6 million in FY2012 as explained above.

***Tax expense***

Tax expense decreased in FY2012 as compared to FY2011 due to the lower profit before taxation.

***Net profit attributable to shareholders of the Company***

As a result of the above, the Group made a net profit attributable to shareholders of the Company of approximately S\$22.0 million in FY2011 as compared to S\$18.0 million in FY2012.

**9MFY2013 vs 9MFY2012 (as defined below)**

***Revenue***

The Group registered a total revenue of S\$164.7 million for 9MFY2013, an increase of S\$39.1 million or 31.1% compared to S\$125.6 million registered in the corresponding nine months ended 31 December 2012 ("**9MFY2012**"). The increase was mainly due to the increase in revenue from the construction business of S\$46.5 million or 45.7% from S\$101.8 million in 9MFY2012 to S\$148.3 million in 9MFY2013. The increase was offset by a decrease in sales of development property of S\$7.4 million or 37.5% from S\$19.7 million in 9MFY2012 to S\$12.3 million in 9MFY2013.

***Other income***

Other income increased by S\$0.6 million from S\$2.7 million in 9MFY2012 to S\$3.3 million in 9MFY2013. The increase was mainly due to a gain on sale of investment properties in the PRC and increase in interest income from associates.

***Operating expenses***

Cost of construction increased by S\$34.5 million or 35.1% from S\$98.5 million in 9MFY2012

to S\$133.0 million in 9MFY2013 mainly due to the increase in revenue for construction business, partly offset by the decrease in cost due to the decrease in revenue from development property business.

Personnel expenses increased by S\$3.0 million or 46.1% from S\$6.6 million in 9MFY2012 to S\$9.6 million in 9MFY2013 mainly due to an increase in salaries and wages for staff and workers, increase in provision of bonuses as well as other expenses such as contributions to The Central Provident Fund, staff & workers training, workers levies and workers accommodation.

Other operating expenses increased by S\$0.9 million or 20.8% from S\$4.2 million in 9MFY2012 to S\$5.1 million in 9MFY2013 mainly due to the increase in provision for anticipated losses on construction projects of S\$0.5 million and the increase in sales tax of S\$0.2 million from the sale of investment properties in PRC and building maintenance of S\$0.2 million.

#### **Profit before taxation**

Share of results of associates increased by S\$10.2 million from a loss of S\$2.1 million in 9MFY2012 to a profit of S\$8.1 million in 9MFY2013 mainly due to the contribution from the development property projects with significant increases in sales and higher recognition on percentage of construction completion on projects such as The Cityscape at Farrer Park, The Boutiq and Rezi26.

As a result of the above, the Group registered a net profit attributable to shareholders of the company of S\$22.3 million in 9MFY2013 as compared to S\$10.7 million in 9MFY2012.

#### **Financial Position**

4. Provide selected data from the balance sheet of the relevant entity or, if it is the holding company or holding entity of a group, the group as at the end of —
- (a) the most recent completed financial year for which audited financial statements have been published; or
- (b) if interim financial statements have been published for any subsequent period, that period.

The audited balance sheet of the Group for FY2012 and the unaudited balance sheet of the Group for 9MFY2013 are set out as follows:

	FY2012 (Audited) (S\$'000)	9MFY2013 (Unaudited) (S\$'000)
<b>Non-current assets</b>		
Property, plant and equipment	10,648	10,270
Interests in associates	65,732	86,133
Investment properties	105,010	100,376

Amount due from a minority shareholder Of a subsidiary (non-trade)	2,202	2,147
Club membership	49	47
Other investments –quoted equity shares	1	1
Trade receivables	4,814	15,745
Structured deposits	1,060	1,060
	<hr/> 189,516	<hr/> 215,779
<b>Current assets</b>		
Development property	50,632	46,081
Trade receivables	28,212	20,673
Other receivables and deposits	1,871	2,192
Prepayments	363	404
Construction work-in-progress in excess of progress billings	2,217	6,220
Fixed deposits	45,854	48,099
Structured deposits	2,000	-
Cash and cash equivalents	11,660	18,570
Inventory	2	1
	<hr/> 142,811	<hr/> 142,240
<b>Current Liabilities</b>		
Trade payables	20,740	21,488
Other payables and accruals	49,548	45,204
Deferred income	-	40
Amount due to a Director of a subsidiary	294	370
Finance lease obligations	558	30
Provision for income tax	3,173	4,025
Progress billings in excess of Construction work-in-progress	4,267	8,667
Bank term loans, secured	7,527	10,588
Bills payable to banks, secured	20,934	35,082
	<hr/> 107,041	<hr/> 125,494
<b>Net current assets / liabilities</b>	35,770	16,746
<b>Non-current Liabilities</b>		
Trade payables	1,380	5,250
Other payables and accruals	151	173
Finance lease obligations	18	2
Bank term loans, secured	46,497	39,420
Deferred tax liabilities	16,903	15,842
	<hr/> 64,949	<hr/> 60,687
<b>NET ASSETS</b>	<hr/> 160,337	<hr/> 171,838



	FY2012 (Audited) (S\$'000)	9MFY2013 (Unaudited) (S\$'000)
<b>EQUITY</b>		
<b>Equity attributable to shareholders of the Company</b>		
Share capital	39,483	38,693
Treasury shares	(222)	(1,031)
Translation reserve	123	(1,463)
Accumulated profits	97,678	112,836
Other reserves	2,044	2,300
	139,106	151,335
Non-controlling interests	21,231	20,503
<b>TOTAL EQUITY</b>	<b>160,337</b>	<b>171,838</b>
Net tangible assets per Share (cents)	39.71	39.89
Number of Shares at the end of the year / period excluding treasury shares	350,267,941	379,353,307
Proforma net tangible assets per Share <sup>(1)</sup> after Placement (cents)	39.71	39.87
Proforma number of Shares at the end of the year / period excluding treasury shares after Placement	385,267,941	414,353,307

Notes:-

- (1) The proforma net tangible assets per Share after the Placement has been computed based on the following assumptions:-
- (a) the price for each Placement Share is S\$0.4080;
  - (b) the size of the Placement is 35,000,000 Placement Shares;
  - (c) the net proceeds from the Placement is approximately S\$13,871,000; and
  - (d) the Placement Shares have been issued at the end of the financial year or period.

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- 5. The data referred to in paragraph 4 of this Part shall include the line items in the audited or interim balance sheet of the relevant entity or the group, as the case may be, and shall in addition include the following items:**
- (a) number of shares after any adjustment to reflect the sale of new securities;**
  - (b) net assets or liabilities per share; and**
  - (c) net assets or liabilities per share after any adjustment to reflect the sale of new securities.**
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Noted.

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## Liquidity and Capital Resources

6. Provide an evaluation of the material sources and amounts of cash flows from operating, investing and financing activities in respect of —
- (a) the most recent completed financial year for which financial statements have been published; and
- (b) if interim financial statements have been published for any subsequent period, that period.

An evaluation of the material resources and amounts of cash flows from operating, investing and financing activities of the Group is set out as follows:

	FY2012 (Audited) (S\$'000)	9MFY2013 (Unaudited) (S\$'000)
<b>Operating activities</b>		
Profit before taxation	25,599	25,827
Adjustments:		
Depreciation of property, plant and equipment	1,776	1,369
Amortisation of club membership	2	1
Net (gain) / loss on sale of plant and equipment	(12)	8
Gain on sale of investment property	(52)	(748)
Gain on fair value adjustments of investment properties	(6,703)	-
Allowance for doubtful debts	58	29
Interest expense	1,427	1,115
Interest income	(1,508)	(1,724)
Share of results of associates	88	(8,083)
Gain on dilution of interest in a subsidiary	(17)	(7)
Operating cash flows before changes in working capital	20,658	17,787
Decrease / (increase) in:		
Development property	7,214	4,551
Inventory	(2)	1
Trade and other receivables, deposits and prepayments	217	(3,800)
Construction work-in-progress, net	11,054	396
(Decrease) / increase in:		
Trade and other payables	(27,459)	345
<b>Cash flows generated from operations</b>	11,682	19,280
Income taxes paid	(5,294)	(3,038)
Interest income received	1,508	1,724
Exchange differences	(404)	190
<b>Net cash flows generate from operating activities</b>	7,492	18,156

	FY2012 (Audited) (S\$'000)	9MFY2013 (Unaudited) (S\$'000)
<b>Investing activities</b>		
Purchase of investment properties	(1,028)	(380)
Purchase of plant and equipment	(592)	(1,008)
Proceeds from sale of plant and equipment	47	5
Proceeds from sale of investment property	379	3,382
investment in associates	(1,100)	(1,174)
Loans due from associates	(7,563)	-
Amounts due from associates	(1,383)	(11,399)
(Increase) / decrease in structure deposits	(3,060)	2,000
<b>Net cash flows used in investing activities</b>	<b>(14,300)</b>	<b>(8,574)</b>
<b>Financing activities</b>		
Purchase of treasury shares	(222)	(1,694)
Dividends paid	(7,236)	(7,446)
Issuance of new shares	899	96
Proceeds from bank term loans	5,175	2,361
Repayment of bank term loans	(8,243)	(6,142)
Repayment of bills payable to banks	(14,785)	-
Proceeds of bills payable to banks	-	14,148
Interest paid	(1,427)	(1,115)
Repayment of lease obligations	(1,392)	(544)
Increase in pledged fixed deposits	1,030	(2,040)
<b>Net cash flows used in financing activities</b>	<b>(26,201)</b>	<b>(2,376)</b>
Net (decrease) / increase in cash and cash equivalents	(33,009)	7,206
Effect of exchange rate changes on cash and cash equivalents	96	(90)
Cash and cash equivalents at beginning of the financial year / period	76,534	43,620
<b>Cash and cash equivalent at end of the financial year / period</b>	<b>43,621</b>	<b>50,736</b>

7. Provide a statement by the directors or equivalent persons of the relevant entity as to whether, in their reasonable opinion, the working capital available to the relevant entity or, if it is the holding company or holding entity of a group, to the group, as at the date of lodgment of the offer information statement, is sufficient for present requirements and, if insufficient, how the additional working capital considered by the directors or equivalent persons to be necessary is proposed to be provided.

The Directors are of the opinion that, after taking into consideration the Group's present internal resources and bank facilities, the Group has sufficient working capital to meet its present requirements as at the date of lodgement of the Offer Information Statement.

8. If the relevant entity or any other entity in the group is in breach of any of the terms and

conditions or covenants associated with any credit arrangement or bank loan which could materially affect the relevant entity's financial position and results or business operations, or the investments by holders of securities in the relevant entity, provide —

- (a) a statement of that fact;
- (b) details of the credit arrangement or bank loan; and
- (c) any action taken or to be taken by the relevant entity or other entity in the group, as the case may be, to rectify the situation (including the status of any restructuring negotiations or agreement, if applicable).

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The Group is not in breach of any of the terms and conditions or covenants associated with any credit arrangement or bank loan which could materially affect the Group's financial position and results or business operations, or the investments by holders of securities in the Company.

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#### **Trend Information and Profit Forecast or Profit Estimate**

9. **Discuss, for at least the current financial year, the business and financial prospects of the relevant entity or, if it is the holding company or holding entity of a group, the group, as well as any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on net sales or revenues, profitability, liquidity or capital resources, or that would cause financial information disclosed in the offer information statement to be not necessarily indicative of the future operating results or financial condition. If there are no such trends, uncertainties, demands, commitments or events, provide an appropriate statement to that effect.**

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Save as disclosed in the SGXNET announcements made by the Company and in this Offer Information Statement, the Directors are not aware of any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the net sales or revenues, profitability, liquidity or capital resources, or that would cause financial information disclosed in this Offer Information Statement to be not necessarily indicative of the future operating results or financial condition.

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10. **Where a profit forecast is disclosed, state the extent to which projected sales or revenues are based on secured contracts or orders, and the reasons for expecting to achieve the projected sales or revenues and profit, and discuss the impact of any likely change in business and operating conditions on the forecast.**

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No profit forecast is disclosed in this Offer Information Statement.

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11. **Where a profit forecast or profit estimate is disclosed, state all principal assumptions, if any, upon which the directors or equivalent persons of the relevant entity have based their profit forecast or profit estimate, as the case may be.**

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No profit forecast or estimate is disclosed in this Offer Information Statement.

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12. Where a profit forecast is disclosed, include a statement by an auditor of the relevant entity as to whether the profit forecast is properly prepared on the basis of the assumptions referred to in paragraph 11 of this Part, is consistent with the accounting policies adopted by the relevant entity, and is presented in accordance with the accounting standards adopted by the relevant entity in the preparation of its financial statements.
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No profit forecast is disclosed in this Offer Information Statement.

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13. Where the profit forecast disclosed is in respect of a period ending on a date not later than the end of the current financial year of the relevant entity, provide in addition to the statement referred to in paragraph 12 of this Part:
- (a) a statement by the issue manager to the offer, or any other person whose profession or reputation gives authority to the statement made by him, that the profit forecast has been stated by the directors or equivalent persons of the relevant entity after due and careful enquiry and consideration; or
  - (b) a statement by an auditor of the relevant entity, prepared on the basis of his examination of the evidence supporting the assumptions referred to in paragraph 11 of this Part and in accordance with the Singapore Standards on Auditing or such other auditing standards as may be approved in any particular case by the Authority, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the profit forecast.
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No profit forecast is disclosed in this Offer Information Statement.

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14. Where the profit forecast disclosed is in respect of a period ending on a date after the end of the current financial year of the relevant entity, provide in addition to the statement referred to in paragraph 12 of this Part —
- (a) a statement by the issue manager to the offer, or any other person whose profession or reputation gives authority to the statement made by him, prepared on the basis of his examination of the evidence supporting the assumptions referred to in paragraph 11 of this Part, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the profit forecast; or
  - (b) a statement by an auditor of the relevant entity, prepared on the basis of his examination of the evidence supporting the assumptions referred to in paragraph 11 of this Part and in accordance with the Singapore Standards on Auditing or such other auditing standards as may be approved in any particular case by the Authority, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the profit forecast.
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No profit forecast is disclosed in this Offer Information Statement.

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**Significant Changes**

15. Disclose any event that has occurred from the end of —
- (a) the most recent completed financial year for which financial statements have been published; or
  - (b) if interim financial statements have been published for any subsequent period, that period,

to the latest practicable date which may have a material effect on the financial position and results of the relevant entity or, if it is the holding company or holding entity of a group, the group, or, if there is no such event, provide an appropriate negative statement.

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Save as disclosed in paragraph 9 of Part IV and Part V of this Offer Information Statement and in all public announcements made by the Company, the Directors are not aware of any event which has occurred from 31 December 2012 up to the Latest Practicable Date which may have a material effect on the financial position and results of the Group.

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**Meaning of “published”**

16. In this Part, “published” includes publication in a prospectus, in an annual report or on the SGXNET.
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Noted.

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**PART VI – THE OFFER AND LISTING****Offer and Listing Details**

1. Indicate the price at which the securities are being offered and the amount of any expense specifically charged to the subscriber or purchaser. If it is not possible to state the offer price at the date of lodgment of the offer information statement, the method by which the offer price is to be determined must be explained
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Placement Price: S\$0.4080 for each Placement Share

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2. If there is no established market for the securities being offered, provide information regarding the manner of determining the offer price, the exercise price or conversion price, if any, including the person who establishes the price or is responsible for the determination of the price, the various factors considered in such determination and the parameters or elements used as a basis for determining the price.
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The Shares are traded on the Official List of the SGX-ST.

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## 3. If —

- (a) any of the relevant entity's shareholders or equity interest-holders have pre-emptive rights to subscribe for or purchase the securities being offered; and
- (b) the exercise of the rights by the shareholder or equity interest-holder is restricted, withdrawn or waived,

indicate the reasons for such restriction, withdrawal or waiver, the beneficiary of such restriction, withdrawal or waiver, if any, and the basis for the offer price.

None of the shareholders of the Company has pre-emptive rights to subscribe for and/or purchase the Placement Shares.

## 4. If securities of the same class as those securities being offered are listed for quotation on any securities exchange —

- (a) in a case where the first-mentioned securities have been listed for quotation on the securities exchange for at least 12 months immediately preceding the latest practicable date, disclose the highest and lowest market prices of the first-mentioned securities —
  - (i) for each of the 12 calendar months immediately preceding the calendar month in which the latest practicable date falls; and
  - (ii) for the period from the beginning of the calendar month in which the latest practicable date falls to the latest practicable date; or
- (b) in a case where the first-mentioned securities have been listed for quotation on the securities exchange for less than 12 months immediately preceding the latest practicable date, disclose the highest and lowest market prices of the first-mentioned securities —
  - (i) for each calendar month immediately preceding the calendar month in which the latest practicable date falls; and
  - (ii) for the period from the beginning of the calendar month in which the latest practicable date falls to the latest practicable date;
- (c) disclose any significant trading suspension that has occurred on the securities exchange during the 3 years immediately preceding the latest practicable date or, if the securities have been listed for quotation for less than 3 years, during the period from the date on which the securities were first listed to the latest practicable date; and
- (d) disclose information on any lack of liquidity, if the securities are not regularly traded on the securities exchange.

- (a) The highest and lowest traded prices and the volume of the Shares of the Company traded on the SGX-ST over the 12 months immediately preceding the Latest Practicable Date and for the period from 1 March 2013 to the Latest Practicable Date are as

follows:-

Month	Price Range		Volume of Shares Traded
	Low (S\$)	High (S\$)	
1 March 2013 (up to the Latest Practicable Date)	0.4100	0.4450	8,964,000
February 2013	0.4000	0.4950	53,442,000
January 2013	0.3300	0.4200	100,139,000
December 2012	0.3250	0.3550	22,779,000
November 2012	0.3027	0.3459	50,092,000
October 2012	0.2883	0.3411	55,182,000
September 2012	0.2162	0.3459	98,317,000
August 2012	0.2018	0.2162	3,187,000
July 2012	0.1968	0.2139	7,958,500
June 2012	0.1883	0.2011	3,326,400
May 2012	0.1840	0.2011	4,222,900
April 2012	0.1925	0.2139	11,410,300
March 2012	0.1925	0.2054	2,896,300

- (b) The Shares have been listed on the SGX-ST for more than 12 months immediately preceding the Latest Practicable Date.
- (c) There has been no trading suspension that has occurred on the securities exchange during the period 3 years immediately preceding the Latest Practicable Date.
- (d) The Company's Shares are regularly traded on the SGX-ST. Please refer to paragraph 4(a) of the section entitled "Offer and Listing Details" of this Offer Information Statement for the volume of Shares traded during each of the last 12 calendar months immediately preceding the Latest Practicable Date and for the period from 1 March 2013 to the Latest Practicable Date.

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**5. Where the securities being offered are not identical to the securities already issued by the relevant entity, provide:**

- (a) a statement of the rights, preferences and restrictions attached to the securities being offered; and
- (b) an indication of the resolutions, authorisations and approvals by virtue of which the entity may create or issue further securities, to rank in priority to or *pari passu* with the securities being offered.
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Not applicable. The New Shares and the Sale Shares shall be issued or transferred (as the case may be) free from all claims, pledges, mortgages, charges, liens and encumbrances and shall rank in all respects *pari passu* with the then existing issued Shares 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 issue of the New Shares or



the transfer date of the Sale Shares.

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**Plan of Distribution**

- 6. Indicate the amount, and outline briefly the plan of distribution, of the securities that are to be offered otherwise than through underwriters. If the securities are to be offered through the selling efforts of any broker or dealer, describe the plan of distribution and the terms of any agreement or understanding with such entities. If known, identify each broker or dealer that will participate in the offer and state the amount to be offered through each broker or dealer.**

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Number of Placement Shares	:	Up to 30,899,000 New Shares and 4,101,000 Sale Shares. The maximum of 30,899,000 New Shares and the 4,101,000 Sale Shares represent approximately up to 8.06% and 1.07% of the issued share capital of the Company of 383,454,307 Shares as at the date of this Offer Information Statement.
Placement Price	:	S\$0.4080 per Placement Share
Manner of Placement	:	The Placement Agent will procure subscribers and/or purchasers on a best efforts basis at the Placement Price for each Placement Share subject to the terms and conditions of the Placement Agreement.

Pursuant to the Placement Agreement, the Placement Agent has undertaken to the Company, *inter alia*, that:

- (a) it will not offer or sell or procure subscribers and/or purchasers or make an invitation for or in respect of the Placement Shares in any jurisdiction or under any circumstances in which such offer, subscription or invitation is unlawful or not authorised;
- (b) it will comply with the selling restrictions as set out in the Placement Agreement; and
- (c) in procuring subscribers and/or purchasers for the Placement Shares, it is not acting as an agent of the Company and will not represent itself or hold itself out as an agent of the Company or make any representation or enter into any agreement on behalf of the Company and it will not on behalf of the Company give any information or make any representation in connection with the Placement, save for and except as provided under this Offer Information Statement or other publicly available information that is released by the Company.

Further, under the terms of the Placement Agreement, the Placement Agent may carry out the Placement itself and/or through the agency of such sub-agents as the Placement Agent may agree with the Company.

The obligations of the Placement Agent under the Placement Agreement will be subject to the fulfillment or waiver of certain conditions as described in paragraph 3 of Part III of this Offer Information Statement.

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- 7. Provide a summary of the features of the underwriting relationship together with the**

amount of securities being underwritten by each underwriter.

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Not applicable. The Placement is not underwritten.

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## **PART VII – ADDITIONAL INFORMATION**

### **Statement by Experts**

- 1. Where a statement or report attributed to a person as an expert is included in the offer information statement, provide such person's name, address and qualifications.**
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No statement or report made by an expert is included in this Offer Information Statement.

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- 2. Where the offer information statement contains any statement (including what purports to be a copy of, or extract from, a report, memorandum or valuation) made by an expert —**
    - (a) state the date on which the statement was made;**
    - (b) state whether or not it was prepared by the expert for the purpose of incorporation in the offer information statement; and**
    - (c) include a statement that the expert has given, and has not withdrawn, his written consent to the issue of the offer information statement with the inclusion of the statement in the form and context in which it is included in the offer information statement.**
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No statement or report made by an expert is included in this Offer Information Statement.

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- 3. The information referred to in paragraphs 1 and 2 of this Part need not be provided in the offer information statement if the statement attributed to the expert is a statement to which the exemption under regulation 26(2) or (3) applies.**
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Noted.

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### **Consents from Issue Managers and Underwriters**

- 4. Where a person is named in the offer information statement as the issue manager or underwriter (but not a sub-underwriter) to the offer, include a statement that the person has given, and has not withdrawn, his written consent to being named in the offer information statement as the issue manager or underwriter, as the case may be, to the offer.**
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Not applicable.

**Other Matters**

- 5. Include particulars of any other matters not disclosed under any other paragraph of this Schedule which could materially affect, directly or indirectly —**
- (a) the relevant entity's business operations or financial position or results; or**
  - (b) investments by holders of securities in the relevant entity.**
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Save as disclosed in the above sections of this Offer Information Statement, the Directors are not aware of any other matters which could materially affect, directly or indirectly, the Company's business operations or financial position or results or investments by holders of securities in the Company.

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The Directors collectively and individually accept responsibility for the accuracy of the information given in this Offer Information Statement and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, the facts stated and opinions expressed in this Offer Information Statement are fair and accurate in all material respects as at the date of this Offer Information Statement and there are no material facts the omission of which would make any statement in this Offer Information Statement misleading in any material respect. Where information has been extracted or reproduced from published or otherwise publicly available sources, the sole responsibility of the Directors has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Offer Information Statement.

For and on behalf of  
**KSH HOLDINGS LIMITED**

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KWOK NGAT KHOW

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TOK CHENG HOE

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LIM KEE SENG

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CHOO CHEE ONN

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LAI MENG SENG

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LIM YEOW HUA @ LIM YOU QIN

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IVAN KHUA KIAN KHENG