



KSH HOLDINGS LIMITED

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

JOINT VENTURE WITH LIAN BENG GROUP LTD AND DEVELOPMENT 16 PTE LTD IN WEALTH DEVELOPMENT PTE LTD (THE "JOINT VENTURE") FOR REDEVELOPMENT OF THE PROPERTY AT NO. 160 CHANGI ROAD SINGAPORE

1. INTRODUCTION

Further to the announcements dated 28 March 2013 and 26 April 2013, the Board of Directors (the "**Board**") of KSH Holdings Limited (the "**Company**"), and together with its subsidiaries, the "**Group**") wishes to announce that Kim Seng Heng Realty Pte Ltd ("**KSHR**"), a wholly-owned subsidiary of the Company, has today entered into a joint venture agreement ("**Agreement**") with Lian Beng Group Ltd ("**LBG**"), Development 16 Pte Ltd ("**D16**") (collectively, the "**JV Partners**"), and Wealth Development Pte Ltd ("**Wealth**") in relation to the Joint Venture, pursuant to which KSHR, LBG and D16 have formalized their respective rights as shareholders of Wealth, for the redevelopment of the property located at No. 160 Changi Road, Singapore 419728 ("**Property**").

2. SALIENT TERMS OF THE AGREEMENT

The terms of the Agreement were negotiated amongst the JV Partners on a commercial basis taking into account, *inter alia*, normal business and operational considerations.

2.1 Shareholding Structure

The shareholding structure of Wealth is as follows:

JV Partner	Number of Wealth shares held	% of total issued and paid-up share capital of Wealth
KSHR	150,000	30.0%
LBG	200,000	40.0%
D16	150,000	30.0%
Total	500,000	100.0%



KSH HOLDINGS LIMITED

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

2.2 Directors of Wealth

The board of directors of Wealth (~~the Wealth Board~~) shall comprise four (4) directors (~~the Wealth Directors~~). Each of KSHR and D16 shall be entitled to nominate, appoint, and maintain one (1) person as Wealth Director while LBG shall be entitled to nominate, appoint and maintain up to two (2) persons as Wealth Directors. The chairman of the Wealth Board will be nominated by the LBG.

In the event of a change in their respective shareholdings in Wealth, the JV Partners agree that each party shall be entitled to nominate, appoint and maintain such number of person(s) as Wealth Directors(s) in light of each party's then shareholding in Wealth.

2.3 Business of Wealth

The day-to-day management and operation of the Wealth and its affairs and business, keeping of the accounting records of the Wealth, and the administration of Wealth, shall be undertaken by the Wealth Directors.

2.4 Shareholders' Loans and Further Funding

In the event Wealth requires further funding for its working capital or other requirements in relation to its business and such funding requirements are not financed by loans or credit facilities from banks, financial institutions or other third party, such funding requirements shall be met by advances from all the JV Partners to Wealth by way of shareholders' loans (~~the Shareholders' Loans~~) on a *pro-rata* basis in proportion to their respective shareholding in Wealth provided that a business plan and explanation for the requirement for such additional funding has been set out by the management and approved by the Wealth Board.

It is the intention of the Company to fund KSHR's share of the cost of equity participation in Wealth and the Shareholders' Loan (if any) using its existing cash resources and/or external bank borrowings.



KSH HOLDINGS LIMITED

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

3. RATIONALE

The Joint Venture will enable the Group to leverage on the strengths of the LBG and D16 in their respective areas.

The directors of the Company (~~%Directors~~) believe that the Joint Venture will combine the strengths of the Company and LBG and D16 and are of the view that the benefits arising from the synergies would be beneficial for the Group in the long run.

4. FINANCIAL EFFECTS

The Joint Venture is not, in itself, expected to have any material impact on the earnings and net tangible assets per share of the Group for the current financial year ending 31 March 2014.

5. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

As at the date of this announcement, none of the Directors has any other interest, direct or indirect, in the Joint Venture (other than by reason only of being a Director). As at the date of this announcement, the Company has not received any notification from any of the Company's controlling shareholders that it has or they have any interest, direct or indirect, in the Joint Venture (other than by reason of their shareholding interest in the Company).

6. GENERAL INFORMATION

A copy of the Agreement is available for inspection during normal business hours at the registered office of the Company at 36 Senoko Road, Singapore 758108, for a period of three (3) months from the date of this announcement.

By Order of the Board

CHOO CHEE ONN

Executive Chairman and Managing Director
30 May 2013