



KSH Holdings Limited

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

PROPOSED DISPOSAL OF INDIRECT ASSOCIATED COMPANIES

Further to the Company's announcement dated 21 November 2016, the Board of Directors of KSH Holdings Limited (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that its 28%-owned associated company, Epic Land Pte. Ltd. ("**Vendor**" or "**Epic**") has executed a sale and purchase agreement (the "**SPA**") to dispose of the entire issued and paid-up share capital of its 12 wholly-owned subsidiaries, Epic Land (11-1) Pte. Ltd., Epic Land (12-1) Pte. Ltd., Epic Land (12-2) Pte. Ltd., Epic Land (13-1) Pte. Ltd., Epic Land (13-2) Pte. Ltd., Epic Land (14-1) Pte. Ltd., Epic Land (14-2) Pte. Ltd., Epic Land (15-1) Pte. Ltd., Epic Land (15-2) Pte. Ltd., Epic Land (23) Pte. Ltd., Epic Land (24) Pte. Ltd., and Epic Land (29) Pte. Ltd. (collectively, the "**Sale Companies**"), holding in aggregate a total of 17 strata office units in Prudential Tower (the "**Properties**") to an unrelated third party (the "**Purchaser**") for an aggregate consideration based on the adjusted net asset value of the Sale Companies as at the completion date ("**Sale Consideration**") computed on the basis that the value of the Properties is equivalent to S\$206,593,400 (the "**Proposed Disposal**"). The outstanding shareholder's loan owing by the Sale Companies to the Vendor will be fully settled on Completion.

The Sale Consideration was arrived on a willing-buyer-willing-seller basis, which has taken into account, *inter alia*, the shareholder's loan due to the Vendor, the cost of the Properties and the prevailing market conditions. The Sale Consideration will be satisfied in cash by the Purchaser and the Purchaser will pay a deposit of S\$20,659,340 following the signing of the SPA.

No valuation was commissioned in respect of the Sale Companies. The aggregate unaudited net asset value of the Sale Companies as at 31 December 2016 was approximately S\$915,804.58, after deducting the outstanding shareholder's loan owing by the Sale Companies to the Vendor.

The completion of the Proposed Disposal ("**Completion**") is scheduled on 31 March 2017. Upon Completion, the Sale Companies will cease to be associated companies of the Company.

The Proposed Disposal is in line with one of the Group's core business activities in property development and investments. As the Proposed Disposal is in line with the Group's ordinary course of business and is of a revenue nature, Chapter 10 of the Singapore Exchange Securities Trading Limited's listing manual, in particular, seeking Shareholders' approval under Rule 1014 where the relative figures as computed on the bases set out in Rule 1006 exceeds 20%, does not apply to the Proposed Disposal.

Subject to Completion taking place on the Completion Date (as set out above), the Proposed Disposal is expected to have a positive impact on the net earnings per share or the net tangible assets per share of the Group for the current financial year ending 31 March 2017.

Mr Ko Chuan Aun, an Independent Director of the Company, is also an Independent Director and shareholder of Lian Beng Group Ltd, holding company of one of the shareholder of Epic and also the President, Executive Director and shareholder of KOP Limited, holding company of one of the shareholder of Epic.

Save as disclosed above, none of the other directors or substantial shareholders of the Company has any interest, direct or indirect, in the aforesaid transaction save for their shareholdings (if any) in the Company.

BY ORDER OF THE BOARD

CHOO CHEE ONN
Executive Chairman and Managing Director
21 January 2017