



KSH Holdings Limited

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

INCORPORATION OF JOINT VENTURE COMPANIES AND PROVISION OF SHAREHOLDERS' LOANS TO JOINT VENTURE COMPANIES BY AN 33.33%-OWNED ASSOCIATED COMPANY

1. INTRODUCTION

The Board of Directors of KSH Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the Company’s announcement dated 3 December 2021 (the “**3 December 2021 Announcement**”).

Unless otherwise stated, terms defined in the 3 December 2021 Announcement shall have the same meaning in this announcement.

2. UPDATES ON INVESTMENT IN THE JOINT VENTURE

The Group wishes to provide the following updates in connection with its investment in the Joint Venture:

(a) Incorporation of Joint Venture Companies

On 14 December 2021, CEL, SHCPL and UIPL (collectively, the “**JV Partners**”) incorporated two joint venture companies, Sophia Residential Pte. Ltd. and Sophia Commercial Pte. Ltd. (collectively, the “**JV Companies**”, and each, a “**JV Company**”), to jointly undertake the Project.

As at the date of this announcement, each JV Company has an initial issued and paid-up share capital of S\$10.00. In accordance with their respective Participation Proportions, CEL, SHCPL and UIPL contributed and hold 40%, 30% and 30% respectively in the share capital of each JV Company.

(b) Provision of Loan Facility by JV Partners

On 15 December 2021, the JV Partners entered into a shareholders' loan agreement (the "**Loan Agreement**") with the JV Companies.

Under the terms of the Loan Agreement, the JV Partners have agreed to provide to the JV Companies collectively a loan facility up to an aggregate principal amount of S\$350 million (the "**Loan Facility**"). Each shareholders' loan to be drawn down under the Loan Facility (each, a "Shareholders' Loan") shall be provided by the JV Partners according to their respective shareholding percentages in the JV Companies. As at the date of this announcement, CEL, SHCPL and UIPL hold 40%, 30% and 30% respectively in the share capital of each JV Company.

The JV Companies are entitled to request to draw down from the Loan Facility during the period commencing from the date of the Loan Agreement and ending on the date falling three months after the temporary occupation permit for the Project is granted.

The rationale for the provision of the Loan Facility is to provide funding to the JV Companies in connection with the Project, including funding the purchase price and stamp duty payable for the Property and the ongoing working capital requirements of the JV Companies in connection with the Project.

3. FINANCIAL IMPACT

The Group's contribution to the JV Companies and the provision by UIPL of its proportionate share of each Shareholders' Loan under the Loan Facility are, and will be, funded from internal cash resources and external borrowings.

The Group's investment in the Joint Venture is not expected to have a material impact on the net tangible assets and earnings per share of the Group for the current financial year ending 31 March 2022 barring unforeseen circumstances.

4. OTHERS

Save as disclosed in this announcement and in the 3 December 2021 Announcement, none of the Directors and, to the best knowledge of the Directors, none of the controlling and substantial shareholders of the Company has any direct or indirect interest in the Joint Venture, other than through their respective shareholdings and/or directorships, as the case may be, in the Company.

BY ORDER OF THE BOARD

CHOO CHEE ONN

Executive Chairman and Managing Director
15 December 2021