



KSH Holdings Limited

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

NEWS RELEASE

KSH HOLDINGS ACHIEVES NET PROFIT OF S\$2.7 MILLION ON REVENUE OF S\$40.8 MILLION FOR 1QFY2012

- ***Strong order book of approximately S\$350 million as at June 30, 2011***
- ***Healthy balance sheet with cash and cash equivalents and fixed deposits of S\$79.6 million***

Singapore, August 5, 2011 – **KSH Holdings Limited** (“KSH Holdings” or the “Group”) (“KSH控股有限公司”), a well-established construction, property development and property management group, today announced a net profit S\$2.7 million on the back of a revenue of S\$40.8 million for the three months period ended June 30, 2011 (“1QFY2012”).

Commented Mr Choo Chee Onn (“朱峙安”), Executive Chairman and Managing Director of KSH Holdings, “I am pleased to report that the Group has achieved bottom-line performance of S\$2.7 million notwithstanding a challenging property and construction environment. This demonstrates the resilience of our business and the confidence that our business partners have in us. We will continue to build up a balanced portfolio of public and private sector construction and property development projects, which is in line with our business strategy.”

Performance Review

KSH's core Construction segment remains as the Group's strongest revenue contributor in 1QFY2012, contributing S\$39.4 million or 97% of total Group revenue of S\$40.8 million. Revenue from the construction business decreased from S\$71.0 million in 1QFY2011 to S\$39.4 million in 1QFY2012. The decrease was mainly due to completion of several projects. In addition, most of the Group's on-going projects are still at an early stage of construction.

Revenue from the Group's Property Development and Management segment made up the remaining 3% of total revenue in 1QFY2012 at S\$1.4 million.

In line with the decrease in revenue, the Group's profit before taxation decreased from S\$5.1 million in 1QFY2011 to S\$3.4 million in 1QFY2012. As a result, the Group's net profit attributable to shareholders decreased from S\$4.2 million in 1QFY2011 to S\$2.6 million in 1QFY2012.

As at June 30, 2011, the Group maintained a healthy balance sheet and working capital position, with cash and cash equivalents and fixed deposits of S\$79.6 million.

The Group's EPS and net asset value per ordinary share stood at 0.76 cents and 36.9 cents respectively, as at June 30, 2011.

Prospects and Growth Plans

The Building and Construction Authority ("BCA") projects construction demand for the year to range between S\$22 billion to S\$28 billion for 2011, and expects an average construction demand for 2012 and 2013 to be between \$19 billion and \$26 billion per annum, with about 65% of the demand coming from building projects while the remaining 35% from civil engineering projects.

KSH will tap on these opportunities and further enhance its portfolio to maintain a good mix of projects in the public and private sectors for sustained growth in the

business. At the same time, the Group will continue to tender for new construction projects to value add to its established track record in the business.

Mr Choo commented, “Going forward, backed by construction order books of approximately S\$350 million as at June 30, 2011, we are cautiously optimistic on the outlook of our core construction business. We will employ well-calculated and prudent approach whilst remaining focused on our strategy, which is to leverage on our strong track record in Construction and capitalise on our ability to tender for general building projects of unlimited value. We will also be mindful of the possible impacts of the uncertainties in economic conditions and rising costs that may have an effect on the performance of our business.”

About KSH Holdings Limited

Listed on the Main Board of SGX-ST on February 8, 2007, KSH is a well-established Construction, Property Development and Property Management group. Incorporated in 1979, the Group has 32 years of experience in the Singapore construction industry and is backed by an impressive track record, both in Public and Private Sector construction projects. The Group is registered with the Building and Construction Authority (“BCA”) with an A1 grading under the category CW01 for general building, which is currently the highest grade for contractors’ registration in this category, and allows the Group to tender for Public Sector construction projects of unlimited value. The Group is also registered with an A2 grading under BCA’s CW02 category for civil engineering, which allows it to tender for Public Sector projects for values of up to S\$85.0 million.

The Group had recently secured a contract worth S\$138.4 million for the construction of Eight Courtyards from a joint venture company between Frasers Centrepoint and Far East Organisation. On-going construction projects carried out by the Group include a contract of S\$78.7 million from Wheelock Properties subsidiary for the construction of Ardmore Three, a S\$49.1 million contract from the Ministry of Education, Singapore, for the construction of one new primary school along Punggol Place and one new primary school along Anchorvale Link and a S\$70.6 million

contract to construct a luxury freehold condominium, Centennia Suites along Kim Seng Road. Other on-going projects include the construction of Watten Residences as well as a four-storey Education Resource Centre at the NUS University Town.

Besides acting as a main contractor for both the Public and Private Construction sectors in Singapore, and for the Private sector in Malaysia, KSH is also involved in Property Development and Property Management in the People's of Republic of China ("PRC") as well as in Singapore (via joint ventures).

More details can be found at www.kimsengheng.com

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