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LIAN BENG GROUP LTD

NEWS RELEASE

KOH BROTHERS GROUP, HEETON HOLDINGS, KSH HOLDINGS AND LIAN BENG GROUP FORMS CONSORTIUM; SUCCESSFULLY AWARDED PRIME FREEHOLD LINCOLN LODGE SITE AT KHIANG GUAN AVE (OFF NEWTON ROAD) FOR S\$243 MILLION

- **Potential for redevelopment into a 36-storey freehold condominium comprising 120 units of luxurious apartments averaging 1,600 sq ft each**

Singapore, June 21, 2007 - Koh Brothers Group Limited ("Koh Brothers Group"), Heeton Holdings Limited ("Heeton Holdings"), KSH Holdings Limited ("KSH Holdings") and Lian Beng Group Ltd ("Lian Beng Group") have formed a consortium with equal shares each. Together, they announced that they have been successfully awarded the prime Lincoln Lodge site at 1/3 Kiang Guan Avenue, off Newton Road, in District 11, for a total consideration of S\$243 million.

The Lincoln Lodge site has a land area of 5572.7 sq m and comprises of two blocks, a 12-storey and a 15-storey block, housing a total of 98 units. Unit sizes range from 76 sq m to 154 sq m.

This prime freehold site has the potential for redevelopment into a 36-storey residential block comprising 120 units of luxurious apartments averaging 1,600 sq ft each.

“We and our three JV partners, Heeton Holdings, KSH Holdings and Lian Beng Group, are delighted to have secured this prime parcel of enbloc sale. We find synergies amongst the partners and will look for opportunities for bigger and more residential developments.

“With its excellent location in District 11, and the continuing growth and strength in demand for high-end developments in prime districts as well as rising rental market, we are confident it can be redeveloped into a luxurious condominium that will be very much sought-after for owner occupation and investment potential,” said Mr Francis Koh, Group Managing Director and CEO of Koh Brothers Group.

“This consortium comes very soon after our recent partnership with Koh Brothers for the highly anticipated freehold luxury apartment development, The Lumos, located in the prime Leonie Hill area. We are very happy to be working once again with Koh Brothers Group, especially after the success of our last project, the Sun Plaza, next to Sembawang MRT Station,” said Mr Danny Low, Chief Operating Officer and Executive Director of Heeton Holdings.

“With our complementary strengths, I believe we can do something very special with this development and I am truly excited about the potential of this residential project,” added Mr Choo Chee Onn, Executive Chairman and Managing Director of KSH Holdings.

Mr Ong Pang Aik PBM, the Chairman and Managing Director of Lian Beng Group, added : “This latest move will further strengthen the growth of our property development division. We share our partners’ excitement in the project, and with the current demand for prime residential developments, we expect the project to do well.” Lian Beng Group has previously developed two other residential properties, Kew Drive and Derbyshire Heights, and will continue to engage in property development where opportunities arise.

This transaction will be financed through a combination of internal cash resources and bank borrowings.

The details of the residential project will be unveiled at a later date.

About Koh Brothers Group Limited

Koh Brothers was established as a sole proprietorship in 1960 by Mr Koh Tiat Meng undertaking contracting works for civil engineering and building projects. Today, the Group has 45 subsidiaries, 5 JV companies and 3 associated companies in Singapore, PRC, Indonesia, Malaysia and Vietnam.

Over the years, the Group has also undertaken numerous construction and infrastructure projects, and in addition, has developed a name for itself as a niche real estate developer, with an established reputation for quality.

Koh Brothers' diversified businesses present them with multiple revenue streams, with operating synergies arising from its three core areas of expertise:

- Real Estate;
- Construction and building materials; and
- Leisure & Hospitality.

Real Estate

The Group's Real Estate Division provides quality property developments with specialized themes at choice locations. Koh Brothers Development Pte Ltd ("KBD"), established in 1993, a wholly-owned subsidiary of Koh Brothers Group, is the Group's real estate division.

KBD is noted for its 'lifestyle-and-theme' developments. For example, its latest project – Starville, was the first to introduce a star-gazing observatory, complete with an astronomy theme. Launched in June 2003, this joint venture project is between KBD and AIG Lengkong Investment Limited, a member of America International Group Inc. Earlier projects include The Montana, in which KBD became the first developer to introduce state-of-the-art home automation features, broadband cable and an infinity

pool. The Montana, launched in November 1999, is a 108-unit luxury freehold apartment located off River Valley Road.

Other completed projects include:

- The highly successful Sun Plaza, located next to Sembawang MRT station, which introduced a sun flower theme. The residential block in Sun Plaza has been fully sold and the retail mall is currently held as investment with 100% occupancy;
- The Capri, an 18-unit residential development, is situated along the prime Stevens Road;
- The Sierra, an 18-storey residential development comprising 60 units located in the established and popular enclave of Mount Sinai.

Construction and Building Materials

This division leads in providing a complete and diverse range of infrastructure project management, products, services and solutions for the construction industry. Current mega projects include the Changi Water Reclamation Plant, Marina Barrage and Common Service Tunnel at Business Financial Centre.

The Building Materials division provides total ready-mix concrete solutions to the construction industry. The supply chain includes cement, ready-mix concrete, equipment rental and various types of products such as pre-cast elements and interlocking concrete blocks.

Leisure & Hospitality

This division provides 'no-frills' hospitality services through its chain of Oxford, Changi and Asian Hotel Saigon brand names with more than 240 hotel rooms in Singapore and the region.

About Heeton Holdings Limited (“Heeton”)

Heeton Holdings Limited was established in 1976, as a private company engaged in the ownership, lease and operation of retail outlets and wet markets, property investment, as well as the development of small to medium sized niche property projects. Heeton became a public listed company in September 2003.

Since its formation, the company has been renowned for its unique property developments aimed at discerning home buyers. Heeton’s property developments are focused in quality and characterised by their unique architectural features alongside high construction standards.

Property Development

Since the development of the Group’s first project, Mandai Garden in 1968, it has been making inroads in the property sector. Hong Heng Garden and Heeton Park, which are medium sized residential property projects developed by the Group in the 1980s, were milestones that established its presence in the property development industry. Some of its current projects include:

DLV, a prestigious 25-unit residential development built on the site of the former Chinese Embassy nestled between Nassim Road, Bukit Timah Road and Stevens Road. The luxurious apartments are equipped with futuristic “fish tank” swimming pools, a “floating” gym, fittings and furnishings from leading European brands and state-of-the-art electrical systems which offer a selection of different scene modes.

Lynnsville 331, along Pasir Panjang Road and located near NUS and Vivocity offers 19 exclusive 3-storey, 5-bedroom units. All units were taken up within two weeks of the highly successful official launch in November 2006. On the back of this overwhelming response, Heeton has recently purchased another plot of land nearby with the intention of meeting strong demand for innovative cluster homes in the Pasir Panjang area

Heeton's latest project, launching very soon, The Element @ Stevens is an exclusive 17- unit residential development situated at the heart of the city along Stevens Road. Developed with an elemental theme, the project is surrounded on all sides by water and designed to give owners a unique "floating" effect unlike anything they have experienced. In fact, the effect is so unique that Heeton has deliberately delayed The Element's launch, to allow prospective homebuyers to fully experience it as the project nears completion.

About KSH Holdings Limited

KSH Holdings is a well established construction, property development and property management group with over 27 years of experience in the construction industry. Its principal activities are construction in Singapore and Malaysia, and property development and property management in the PRC. The Group acts as main contractors in construction projects in both the public and private sectors in Singapore, and in the private sector in Malaysia. Its wholly-owned subsidiary, Kim Seng Heng Engineering Construction (Pte) Ltd, is currently registered with the Building and Construction Authority ("BCA") with a A1 grading under the category CW01 for general building, which is currently the highest grade for contractors' registration in this category, and allows it to tender for public sector construction projects of unlimited value.

KSH has completed the high-end luxurious condominium at The Berth By The Cove and is working on another high-end luxurious condominium project, The Coast at Sentosa Cove, among other notable private sector construction projects in Singapore such as The Spectrum, Montview, the Mustafa Shopping Centre extension and the restoration of Far East Square. Its public sector portfolio includes The Frontier Community Place, Choa Chu Kang Sports Complex, Nanyang Polytechnic and Tanah Merah Ferry Terminal. The Group entered the construction industry in Malaysia in June 2006 and secured a S\$32 million contract that same month for the construction of an assembly plant in Selangor.

The Group has an established presence in the PRC since 1997, where it is principally engaged in property development and property management. It has developed two properties in the PRC, being Tianxing Riverfront Square in Tianjin, which was developed by its subsidiary, Tianjin Tianxing Real Estate Development Co., Ltd. and managed by its property management arm, Tianjin Tianxing Property Management Co.,Ltd, and Liang Jing Ming Ju in Beijing, which was developed by its associated company, Beijing Jin Hua Tong Da Real Estate Development Co., Ltd.

About Lian Beng Group Ltd

Established in 1973, Lian Beng Group is one of Singapore's major home-grown building construction groups with integrated civil engineering, engineering and construction support service capabilities. The Group is principally involved in the construction of residential, industrial, institutional and commercial projects and civil engineering projects as a main contractor.

The Group has been providing building construction services since 1973. With an A1 and A2 grade registration with the Singapore Building and Construction Authority (BCA) in General Building and Civil Engineering respectively, the Group is able to tender for public sector's building projects with unlimited contract value and civil Engineering projects with contract valued up to \$65 million. Its track record of private condominium construction projects includes Eastpoint Green, Rafflesia and Blue Horizon. Currently, the Group is also engaged in Design and Build projects such as 8 @ Mount Sophia, La Casa, Grand Duchess, Northwood and The Sixth Avenue Residences.

Amidst the growth in businesses, the Group had begun to diversify into the property development market. One of its property division subsidiaries, Lian Beng Realty Pte Ltd, has previously developed 2 residential properties, Kew Drive and Derbyshire Heights.

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