



KSH HOLDINGS LIMITED

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

PROPOSED BONUS ISSUE

1. INTRODUCTION

The Board of Directors (the “**Directors**”) of KSH Holdings Limited (the “**Company**”) is pleased to announce that the Company is proposing a bonus issue (the “**Proposed Bonus Issue**”) to its shareholders on the basis of one (1) bonus share credited as fully paid (“**Bonus Shares**”) for every ten (10) existing shares in the capital of the Company (“**Shares**”) (including treasury shares) held as at a books closure date (“**Books Closure Date**”) to be determined by the Directors for the purpose of determining the entitlements of shareholders. Fractional entitlements will be disregarded and disposed of in such manner as the Directors may in their absolute discretion deem fit for the benefit of the Company.

The Bonus Shares will be issued pursuant to a general mandate (the “**Resolution**”) obtained at the Annual General Meeting of the Company held on 22 July 2011 which allows the Directors to issue Shares in the Company aggregating up to fifty per cent (50%) of the total number of issued shares (excluding treasury shares) in the capital of the Company at the time of passing of the Resolution.

2. TERMS OF THE PROPOSED BONUS ISSUE

The actual number of Bonus Shares to be issued by the Company will depend on the total issued share capital (including treasury shares of the Company as at the Books Closure Date. Assuming 352,231,223 Shares (including 1,011,000 treasury shares) as at the Books Closure Date, up to 35,223,122 Bonus Shares will be issued pursuant to the Proposed Bonus Issue.

The Bonus Shares in respect of Shares held by shareholders will be issued credited as fully paid at nil consideration to entitled shareholders and when allotted and issued, will rank *pari passu* in all respects with the existing issued Shares and with each other, except that **the Bonus Shares will not be entitled to such rights, allotments or distributions the record date of which falls before the date of allotment and issue of such Bonus Shares (including any dividends declared or paid in respect of the financial year ended 31 March 2012).**

Pursuant to the Companies Act (Chapter 50 of Singapore), the Bonus Shares in respect of the treasury shares held by the Company, when allotted and issued, will be held as treasury shares by the Company.

3. RATIONALE FOR THE PROPOSED BONUS ISSUE

The Company is considering the Proposed Bonus Issue to increase the issued share capital base of the Company to reflect the growth and expansion of the Group’s business, and to give due recognition to its shareholders for their continuing support for the Company at the same time.

The Proposed Bonus Issue, if carried out, will also increase the accessibility of an investment in the Company to more investors, thereby encouraging trading liquidity and greater participation by investors and broadening the shareholder base of the Company.

4. APPROVAL

The Proposed Bonus Issue is subject to the approval of the SGX-ST for the listing and quotation of the Bonus Shares on the Official List of the SGX-ST. An application will be made to the SGX-ST for permission to deal in and for the listing of and quotation for the Bonus Shares on the Official List of the SGX-ST in due course.

5. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the Directors and substantial Shareholders of the Company has any interest, direct or indirect, in the Proposed Bonus Issue other than through their respective shareholdings in the Company.

6. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Announcement and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this Announcement constitutes full and true disclosure of all material facts about the Proposed Bonus Issue, the Company and its subsidiaries and the Directors are not aware of any facts the omission of which would make any statement in this Announcement misleading.

Where information in this Announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Announcement in its proper form and context.

7. ADDITIONAL INFORMATION

Persons registered in the records of the Central Depository (Pte) Limited or the Register of Members of the Company as at the Books Closure Date will be entitled to the Proposed Bonus Issue on the basis of the number of Shares registered in their names or standing to the credit of their securities accounts as at the Books Closure Date. The Company will make a further announcement on the Books Closure Date after all necessary approvals have been obtained.

By Order of the Board

Choo Chee Onn
Executive Chairman and Managing Director
25 May 2012