



KSH HOLDINGS LIMITED

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

SHARES TRANSFER OF JOINT VENTURE COMPANY IN THE PEOPLE'S REPUBLIC OF CHINA

The Board of Directors (the “**Board**”) of KSH Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to inform that the Company’s 45%-owned associated company, Beijing Jin Hua Tong Da Real Estate Development Co., Ltd. (北京津华通达房地产开发有限公司) (“**BJJHTD**”), has entered into a shares transfer agreement (the “**Agreement**”) with KAP Holdings (China) Pte. Ltd. (“**KAP**”) and Herons Investment Limited (“**Herons**”) in relation to the transfer of shares in the joint venture company, Sino-Singapore KAP Construction Co., Ltd. (阿尔伯特园建筑工程有限公司) (“**SSKAP**”), in the People’s Republic of China.

Under the Agreement, Herons will transfer its entire existing of 20% shares while BJJHTD and KAP will each receive 10% shares in SSKAP (the “**Shares Transfer**”).

BJJHTD and KAP will each pay Herons RMB 8,136,911.25 (approximately S\$1,783,253.31), amounting to RMB16,273,822.50 in total (approximately S\$3,566,506.62) being the purchase consideration (the “**Purchase Consideration**”) for the Shares Transfer. The Purchase Consideration is based on the amount of share capital which Herons injected into SSKAP prior to the entering of the Agreement. Payment of their respective share of the Purchase Consideration by BJJHTD and KAP will be made to Herons within 30 days upon the obtaining of all necessary approvals from the relevant authorities of the People’s Republic of China and before the completion of the Change of Business Registration (工商变更登记).

BJJHTD and KAP has further agreed to inject RMB36,863,088.75 each (approximately S\$8,078,768.82), amounting to an aggregate of RMB73,726,177.50 (approximately S\$16,157,537.64) into SSKAP (the “**Remaining Share Capital Injection**”), being the remaining unpaid share capital by Herons before the Shares Transfer. The respective share of the Remaining Share Capital Injection will be made by BJJHTD and KAP before 31 October 2017 in accordance with the memorandum and articles of association of SSKAP.



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Upon completion of the Shares Transfer, BJJHTD and KAP will increase their existing equity interest of 40% and 40% respectively to 50% and 50% respectively in SSKAP. Accordingly, the Group's effective equity interest in SSKAP will increase from the existing 18% to 22.5%.

The required funding from the Group on the Shares Transfer for BJJHTA's share of Purchase Consideration and Remaining Share Capital Injection, will be funded by internal sources and external borrowings. The Shares Transfer is not expected to have any material impact on the net earnings per share or the net tangible assets per share of the Company and the Group for the financial year ending 31 March 2016.

Mr Lim Yeow Hua @ Lim You Qin, an Independent Director and shareholder of the Company, is an independent director of Oxley Holdings Limited, a company listed on the SGX-ST. KAP is an indirect 50%-owned associated company of Oxley Holdings Limited. Mr Ko Chuan Aun, an Independent Director and shareholder of the Company, is an independent director and shareholder of Lian Beng Group Ltd, a company listed on the SGX-ST. KAP is an indirect 15%-owned company of Lian Beng Group Ltd. None of the directors or substantial shareholders of the Company has any interest, direct or indirect, in the aforesaid joint venture save for their shareholdings in the Company, if any, and as disclosed in this announcement.

By order of the Board

CHOO CHEE ONN

Executive Chairman and Managing Director

9 December 2015