HEETON HOLDINGS LIMITED
(Unique Entity Number 197601387M)
Incorporated in the Republic of Singapore

INCORPORATION OF JOINT VENTURE COMPANY IN PEOPLE'S REPUBLIC OF CHINA

The Board of Directors (the "**Board**") of Heeton Holdings Limited (the "**Company**", and together with its subsidiaries, the "**Group**") is pleased to announce that the Company's 15%-owned investee company, KAP Holdings (China) Pte. Ltd. ("**KAP**"), has entered into a joint venture with 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**") and incorporated a joint venture company, named 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 ("**PRC**"). It is intended for SSKAP to undertake property development in the PRC.

BJJHTD is a PRC-incorporated company whose shareholders are Beijing Jia Hua Hong Yuan Investment Co., Ltd. (北京嘉华宏远投资有限公司) (holding 55% equity interest) and Duford Investment (Hong Kong) Limited, a wholly-owned subsidiary of KSH Holdings Limited (holding 45% equity interest).

SSKAP has a registered share capital of RMB360,000,000 (approximately SGD74,150,000) which will be injected by KAP and BJJHTD in equal shares. KAP and BJJHTD will each hold 50% equity interest in SSKAP.

The Group's investment of RMB27,000,000 (approximately SGD5,561,250) in SSKAP will be funded by internal resources and is not, in itself, expected to have any material impact on the earnings per share or net tangible assets per share of the Company for the current financial year ending 31 December 2014.

None of the Directors or controlling shareholders of the Company has any interest, directly or indirectly, in the aforesaid transaction, save through his shareholding (if any) in the Company.

By order of the Board

Low Yee Khim
Executive Director / Chief Operating Officer
24 March 2014