HEETON HOLDINGS LIMITED

(UEN/Company Registration No. 197601387M)
(Incorporated in the Republic of Singapore)

ACQUISITION OF EQUITY INTEREST IN HEBEI YUE ZHI REAL ESTATE DEVELOPMENT CO., LTD BY JOINT VENTURE COMPANY

The Board of Directors (the "**Board**") of Heeton Holdings Limited (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to announce that pursuant to an agreement (the "**Agreement**") entered into with Beijing Jia Hua Hong Yuan Investment Co., Ltd. (北京嘉华宏远投资有限公司) ("**Jia Hua**"), Gaobeidian City Lei Hua Yi Wei Sport Development Co., Ltd. (高碑店市雷华羿伟体育发展有限公司) ("**Lei Hua**") and KSH International Investment Pte. Ltd. ("**KSHII**"), the Group's 15%-owned joint venture company, KAP Holdings (China) Pte. Ltd. ("**KAP**") has invested RMB100 million to subscribe for a 50% equity interest in Hebei Yue Zhi Real Estate Development Co., Ltd. (河北悦致房地产开发有限公司) ("**Yue Zhi**"), a company incorporated in the People's Republic of China (the "**Acquisition**").

Prior to the Acquisition, the registered capital of Yue Zhi was RMB55 million, fully unpaid as the registered capital had not been due in accordance with Yue Zhi's constitution, and held by Jia Hua (82%) and Lei Hua (18%). Yue Zhi had negative book net tangible assets of approximately RMB148,608 as at 30 November 2017. The principal activity of Yue Zhi is real estate development and management. Subject to the receipt of approvals from the relevant authorities, Yue Zhi intends to carry on real estate development and management for the development project in Gaobeidian, Hebei.

Pursuant to the Agreement:

(a) the registered capital of Yue Zhi shall be increased to RMB200 million, to be contributed by the parties as follows:

(i)	Jia Hua	-	RMB45 million, being 22.5% of the registered capital
(ii)	Lei Hua	-	RMB10 million, being 5.0% of the registered capital
(iii)	KSHII	-	RMB45 million, being 22.5% of the registered capital
(iv)	KAP	-	RMB100 million, being 50.0% of the registered capital

(b) the profit and loss as well as the risks relating to Yue Zhi shall be borne by the parties in the following proportions:

(i)	Jia Hua	-	28.00%
(ii)	Lei Hua	-	6.75%
(iii)	KSHII	-	20.25%
(iv)	KAP	-	45.00%

The Group's share of investment of RMB 15,000,000 for the Acquisition is funded through the Group's internal resources and/or external borrowings and is not expected to have any material impact on the net tangible assets per share or earnings per share of the Company for the current financial year ending 31 December 2018.

Interests of Directors and Controlling Shareholders

None of the directors or controlling shareholders of the Company has any interest, direct or indirect, in the Acquisition, save for their shareholdings (if any) in the Company.

BY ORDER OF THE BOARD
HEETON HOLDINGS LIMITED

MR TENG HENG CHEW ERIC
EXECUTIVE DIRECTOR AND CHIEF EXECUTIVE OFFICER
23 JANUARY 2018