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

INCREASE IN REGISTERED CAPITAL OF JOINT VENTURE COMPANY IN THE PEOPLE'S REPUBLIC OF CHINA

The Board of Directors (the "**Board**") of Heeton Holdings Limited (the "**Company**", and together with its subsidiaries, the "**Group**") refers to the Company's announcement on 24 March 2014 (Announcement reference. SG140324OTHR5O67) in relation to 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.

Further to the said announcement, the Board wishes to inform that the Company's 15%-owned investee company, KAP Holdings (China) Pte. Ltd. ("**KAP**"), has entered into a further joint venture agreement (the "**JVA**") 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 an additional joint venture partner, Herons Investment Limited ("**Herons**").

Under the JVA, SSKAP will increase its registered capital from RMB360,000,000 to RMB450,000,000 (approximately SGD90,837,000) and the additional registered capital will be contributed entirely by Herons. Upon completion of the capital injections, KAP, BJJHTD and Herons will respectively hold 40%, 40% and 20% equity interest in SSKAP.

None of the Directors or substantial shareholders of the Company has any interest, directly or indirect, in the aforesaid transaction, save through his shareholdings (if any) in the Company.

By order of the Board

Low Yee Khim
Executive Director / Chief Operating Officer
9 July 2014