



ANNOUNCEMENT PURSUANT TO RULE 704(17)(D) OF THE LISTING MANUAL OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED

1 INTRODUCTION

- 1.1 The board of directors ("**Board**") of GSH Corporation Limited (the "**Company**", and together with its subsidiaries, the "**Group**") is pleased to announce that the Company has increased its shareholding in its subsidiaries, MXIM Holdings Pte Ltd ("**MXIM**") and Mainfield Holdings Ltd. ("**Mainfield**").
- 1.2 The increase in shareholding is a result of the following acquisitions:
- (a) an acquisition of 206 shares representing 20.6% of the total issued share capital of MXIM ("**MXIM Shares**") by Ocean View Ventures Pte Ltd, a wholly-owned subsidiary of the Company, from Ong Han Nam @ Edward Ong (the "**MXIM Acquisition**") for a consideration of MYR 25,846,000 (the "**MXIM Consideration**"); and
 - (b) an acquisition of 15 shares representing 15% of the total issued share capital of Mainfield ("**Mainfield Shares**") by MXIM from Hing Chi Chiang @ Hing Yee Chang (the "**Mainfield Acquisition**") for a consideration of MYR 22,154,000 (the "**Mainfield Consideration**").
- 1.3 Following completion of the MXIM Acquisition and Mainfield Acquisition today, MXIM and Mainfield have become wholly-owned subsidiaries of the Company.
- 1.4 The MXIM Acquisition and the Mainfield Acquisition are expansions of the Group's existing property development business, in the ordinary course of business and accordingly this announcement is made pursuant to Rule 704(17)(d).

2 CONSIDERATION AND ATTRIBUTABLE VALUE

- 2.1 The MXIM Consideration and Mainfield Consideration were each negotiated on an arm's length and willing buyer willing seller basis, after taking into account, *inter alia*, the discounted cash flow based on the projected profitability of MXIM and Mainfield respectively, and were wholly satisfied on completion by way of cashiers' order in Singapore Dollars, based on the buy MYR/SGD rate as stipulated on Bloomberg at 9.00 am on 8 October 2018.
- 2.2 As mentioned in the announcements of the Company dated 2 January 2014 and 26 March 2014, MXIM and Mainfield holds, via wholly-owned subsidiaries, a parcel of land in Kota Kinabalu, Sabah. The Coral Bay residential development is currently being undertaken on such land.

2.3 The value attributable to the MXIM Shares are as follows:

(a) Book Value / Net Tangible Asset Value

Based on the unaudited management accounts of MXIM as at 30 June 2018, the book value and net asset value attributable to the MXIM Shares is approximately negative S\$130,000.

(b) Latest Available Open Market Value

The open market value of the MXIM Shares is not available as the MXIM Shares are not publicly traded. No valuation of the MXIM Shares was commissioned.

2.4 The value attributable to the Mainfield Shares are as follows:

(a) Book Value / Net Tangible Asset Value

Based on the unaudited management accounts of Mainfield as at 30 June 2018, the book value and net asset value attributable to the Mainfield Shares is approximately negative S\$1,296,000.

(b) Latest Available Open Market Value

The open market value of the Mainfield Shares is not available as the Mainfield Shares are not publicly traded. No valuation of the Mainfield Shares was commissioned.

By Order of the Board

Gilbert Ee Guan Hui
Chief Executive Officer and Executive Director
10 October 2018