



**KOON HOLDINGS LIMITED
(INCORPORATED IN THE REPUBLIC OF SINGAPORE)
(COMPANY REGISTRATION NO. 200303284M)
(ARBN 105 734 709)**

NEW JOINT VENTURE AND AWARD OF NEW PROJECT

NEW JOINT VENTURE

Koon Holdings Limited (the “**Group**”) is pleased to announce that its wholly-owned subsidiary, Koon Construction & Transport Co. Pte. Ltd. (“**KCTC**”), has entered into a joint venture with Penta-Ocean Construction Company Ltd which is registered with the Accounting and Corporate Regulatory Authority of Singapore as a partnership with the name, “Penta-Ocean/Koon Joint Venture” (the “**JV**”).

KCTC has a 20% participating interest in the JV. KCTC’s investment in the JV will be funded through internal resources. The JV is not expected to have any material impact on the consolidated net tangible assets per share and consolidated earnings per share of the Group for the financial year ending 31 December 2014.

None of the Directors has any interest, direct or indirect, in the JV other than through their shareholdings and/ or directorships, where applicable, in the Group.

AWARD OF NEW PROJECT

The Group is pleased to announce that the JV has been awarded the following new construction contract (“**New Project**”) from the Ministry of Transport:

Project Title	Contract Value
Land Preparation Works for Airport Development	S\$1.108 billion secured under the JV

The New Project is for land preparation works for the expansion of Changi Airport. The works include site clearance, ground treatment including the strengthening of the ground for airport facilities and operations, and earthworks. The works are complex in nature and in more than 70 phases across more than 1,000 hectares. The appointed contractor, Penta-Ocean/Koon Joint Venture will carry out the works in phases, over the next few years, to allow the construction of new facilities including the extension of Runway 3 and Terminal 5.

Revenue from the New Project will be recognized progressively over the contract duration. Barring unforeseen circumstances, the New Project is expected to contribute positively to the Group’s financial performance for the financial year ending 31 December 2014.

With the inclusion of KCTC's portion of this newly awarded New Project, the Group's outstanding order book for the Construction division stood at approximately S\$392 million as at the date of this announcement.

BY ORDER OF THE BOARD

Yuen Kai Wing
Managing Director
3 November 2014