RYOBI KISO HOLDINGS LTD.
(Company Registration No. 200803985D)
(Incorporated in the Republic of Singapore)

UPDATE ON ARBITRATION BETWEEN RYOBI KISO (S) PTE LTD AND LUM CHANG BUILDING CONTRACTORS PTE LTD

The Board of Directors (the "**Board**") of Ryobi Kiso Holdings Ltd. (the "**Company**" and together with its subsidiaries, the "**Group**") refers to the announcement made on 29 August 2013 in relation to the arbitration proceedings between the Company's wholly-owned subsidiary, Ryobi Kiso (S) Pte Ltd ("RK") with Lum Chang Building Contractors Pte Ltd ("**LCBC**"), a wholly-owned subsidiary of Lum Chang Holdings Limited (the **"Parties**").

The Board wishes to announce that the Parties have terminated their respective claims against each other and reached an out-of-court settlement on mutually agreed terms. The Company is not able to disclose the terms of the settlement due to a confidentiality clause agreed between the Parties as part of the settlement.

On 14 January 2016, the Parties obtained the relevant information that entitled them to treat the arbitration as having been formally concluded.

BY ORDER OF THE BOARD

Ong Tiong Siew
Chief Executive Officer and Executive Director

15 January 2016