APPENDIX DATED 12 JULY 2018

THIS APPENDIX IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

This Appendix is circulated to shareholders (the "**Shareholders**") of KSH Holdings Limited (the "**Company**"), together with the Company's annual report for the financial year ended 31 March 2018 (the "**Annual Report 2018**"). Its purpose is to explain to the Shareholders the rationale for, and provide the Shareholders with relevant information relating to, the proposed renewal of the Share Purchase Mandate (as defined herein) to be tabled at the annual general meeting ("**2018 AGM**") of the Company to be held on 27 July 2018 at 9.30 a.m. at 60 Eu Tong Sen Street, Furama City Centre, Ballroom 1, Level 5, Singapore 059804.

The ordinary resolution proposed to be passed in respect of the above matter is set out in the notice of the AGM convening the 2018 AGM (**"Notice of AGM**"). The Notice of the AGM and a proxy form are enclosed with the Annual Report 2018.

Your attention is drawn to page 18 of this Appendix in respect of actions to be taken if you wish to attend and vote at the annual general meeting.

The Singapore Exchange Securities Trading Limited assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained in this Appendix.

If you have sold or transferred all your ordinary shares in the capital of the Company, you should immediately forward this Appendix, the Annual Report 2018 (including the Notice of AGM of the Company and the accompanying proxy form) to the purchaser or transferee or to the bank, stockbroker or agent through whom the sale was effected for onward transmission to the purchaser or transferee.

If you are in any doubt as to the course of action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or any other professional adviser immediately.



KSH HOLDINGS LIMITED

(Incorporated in the Republic of Singapore on 9 March 2006)
(Company Registration No. 200603337G)

APPENDIX TO SHAREHOLDERS

IN RELATION TO

THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE

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DEFINITIONS

For the purpose of this Appendix, the following definitions have, where appropriate, been used:

"**2017 Mandate**"	:	Has the meaning ascribed to it in Section 1
"**2018 AGM**"	:	The AGM of the Company to be held on 27 July 2018 at 9.30 a.m. at 60 Eu Tong Sen Street, Furama City Centre, Ballroom 1, Level 5, Singapore 059804 notice of which is enclosed with the Annual Report 2018
"**AGM**"	:	Annual general meeting of the Company
"**Annual Report 2018**"	:	The annual report of the Company for the financial year ended 31 March 2018
"**Appendix**"	:	This appendix to Shareholders
"**Approval Date**"	:	The date on which the resolution authorising the proposed renewal of the Share Purchase mandate is passed
"**CDP**"	:	The Central Depository (Pte) Limited
"**Company**"	:	KSH Holdings Limited
"**Companies Act**"	:	The Companies Act (Chapter 50) of Singapore, as amended, modified or supplemented from time to time
"**Directors**"	:	The directors of the Company as at the date of this Appendix
"**EPS**"	:	Earnings per Share
"**FY2018**"	:	The financial year ended 31 March 2018
"**Group**"	:	The Company and its subsidiaries
"**Latest Practicable Date**"	:	21 June 2018, being the latest practicable date prior to the printing of this Appendix
"**Listing Manual**"	:	The Listing Manual of the SGX-ST, as amended, modified or supplemented from time to time
"**Market Day**"	:	A day on which the SGX-ST is open for trading in securities
"**NTA**"	:	Net tangible asset

"**public**"	:	Persons other than the Directors, chief executive officer, substantial shareholders or controlling shareholders of the Company or its subsidiaries, and their respective associates (as defined in the Listing Manual)
"**Registrar**"	:	The Registrar of Companies
"**Relevant Period**"	:	The period commencing from the date on which the ordinary resolution in relation to the renewal of the Share Purchase Mandate is passed at the 2018 AGM, and expiring on the date the next AGM is or is required by law to be held, whichever is the earlier
"**Securities Account**"	:	Securities account maintained by a Depositor with CDP but not including securities sub-accounts maintained with a Depository Agent
"**Securities and Futures Act**"	:	The Securities and Futures Act (Chapter 289) of Singapore, as amended, modified or supplemented from time to time
"**SGX-ST**"	:	Singapore Exchange Securities Trading Limited
"**Shareholders**"	:	Persons who are registered as holders of the Shares in the register of members of the Company, or where CDP is the registered holder of the Shares, the term "**Shareholders**" shall, in relation to such Shares and where the context so admits, mean the Depositors whose Securities Accounts are credited with such Shares
"**Shares**"	:	Ordinary shares in the capital of the Company
"**Share Purchase Mandate**"	:	The general mandate to enable the Company to purchase Shares in accordance with the Constitution of the Company, the Companies Act and the Listing Manual, the terms of which are set out in this Appendix
"**subsidiaries**"	:	The subsidiaries of a company (as defined in Section 5 of the Companies Act) and "**subsidiary**" shall be construed accordingly
"**substantial shareholder**"	:	A person who has an interest in not less than 5% of the total votes attached to all the voting shares of the Company
"**Take-over Code**"	:	The Singapore Code on Take-overs and Mergers, as amended, modified or supplemented from time to time

Currencies and others

"**S$**", "**$**" and "**cents**"	:	Singapore dollars and cents respectively
"**%**" or "**per cent**"	:	Per centum or percentage

The terms "**Depositor**", "**Depository Register**" and "**Depository Agent**" shall have the meanings ascribed to them respectively by Section 81SF of the Securities and Futures Act. The term "**treasury share**" shall have the meaning ascribed to it in Section 4 of the Companies Act. The term "**subsidiary holdings**" shall have the meaning ascribed to it in the Listing Manual.

Any reference in this Appendix to any enactment is a reference to that enactment as for the time being amended or re-enacted.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall, where applicable, include corporations.

Any reference to a time and date in this Appendix is a reference to Singapore time and date, unless otherwise stated.

Any discrepancies in this Appendix between the sum of the figures stated and the total thereof are due to rounding. Accordingly, figures shown as totals in this Appendix may not be an arithmetic aggregation of the figures which precede them.

LETTER TO SHAREHOLDERS

KSH HOLDINGS LIMITED

₱(Incorporated in the Republic of Singapore on 9 March 2006)
(Company Registration No. 200603337G)

Directors:

Choo Chee Onn (Executive Chairman and Managing Director)
Lim Kee Seng (Executive Director)
Tok Cheng Hoe (Executive Director)
Kwok Ngat Khow (Executive Director)
Lim Yeow Hua @ Lim You Qin (Independent Director)
Khua Kian Kheng Ivan (Independent Director)
Ko Chuan Aun (Independent Director)

Registered Office:

36 Senoko Road
Singapore 758108

12 July 2018

To: The Shareholders of KSH Holdings Limited

Dear Shareholder,

THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE

1. INTRODUCTION

The purpose of this Appendix is to explain the rationale for, and provide Shareholders with relevant information relating to, the proposed renewal of the Share Purchase Mandate to be tabled at the 2018 AGM.

At the extraordinary general meeting of the Company held on 22 July 2011, the Shareholders had approved, *inter alia*, the Share Purchase Mandate to enable the Company to purchase or otherwise acquire Shares. The Share Purchase Mandate was last renewed at the annual general meeting of the Company held on 28 July 2017 (the "**2017 Mandate**"). The validity period of the 2017 Mandate will expire at the forthcoming 2018 AGM. Accordingly, the Company is seeking approval from its Shareholders for the proposed renewal of the Share Purchase Mandate at the 2018 AGM.

The SGX-ST assumes no responsibility for the correctness of any of the statements made, reports contained, or opinions expressed in this Appendix.

2. PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE

2.1 Rationale for the Share Purchase Mandate

The Share Purchase Mandate would give the Company flexibility to undertake purchases or acquisitions of its Shares at any time, subject to market conditions, during the period when the Share Purchase Mandate is in force. Share purchases provide the Company with a mechanism to facilitate the return of surplus cash (if any) over and above its ordinary capital requirements to its Shareholders, in an expedient and cost-efficient manner. Share purchases or acquisitions will also allow the Directors greater flexibility over the Company's share capital structure with a view to enhancing its NTA per Share and/or EPS.

The purchase or acquisition of Shares will only be undertaken if the Directors believe that it can benefit the Company and Shareholders. Shareholders should note that purchases or acquisitions of Shares pursuant to the Share Purchase Mandate may not be carried out to the full 10% limit as authorised. No purchase or acquisition of Shares will be made in circumstances which would or, in the Directors' reasonable opinion, may have a material adverse effect on the financial position, liquidity and capital of the Company or the Group.

2.2 Authority and Limitations of the Share Purchase Mandate

The authority and limitations placed on purchases or acquisitions of Shares by the Company under the Share Purchase Mandate, if approved at the 2018 AGM, are summarised below:

2.2.1 Maximum Number of Shares

The Company may purchase only Shares which are issued and fully paid-up. The total number of Shares that may be purchased is limited to that number of Shares representing not more than 10% of the issued Shares (excluding treasury shares and subsidiary holdings) as at the date of the 2018 AGM on which the resolution authorising the proposed renewal of the Share Purchase Mandate is passed (the "**Approval Date**") (unless the Company has effected a reduction of its share capital in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period, in which event the total number of issued Shares shall be taken to be the total number of issued Shares as altered, excluding any subsidiary holdings and any treasury shares that may be held by the Company from time to time). As at the Latest Practicable Date, the Company does not hold any treasury shares and does not have any subsidiary holdings.

For illustrative purposes only, based on the Company's 569,735,645 issued Shares (excluding treasury shares and subsidiary holdings) as at the Latest Practicable Date, and assuming that there is no change in the number of issued Shares as at the Approval Date, not more than 56,973,564 Shares (representing 10% of the issued Shares (excluding treasury shares and subsidiary holdings)) may be purchased or acquired by the Company pursuant to the Share Purchase Mandate.

2.2.2 Duration of Authority

Purchase(s) or acquisition(s) of Shares may be made at any time and from time to time from the Approval Date up to the earliest of:

(a) the date on which the next AGM is held or required by law to be held;

(b) the date on which purchase(s) or acquisition(s) of Shares have been carried out to the full extent permitted under the Share Purchase Mandate; or

(c) the date on which the authority contained in the Share Purchase Mandate is varied or revoked by an ordinary resolution of Shareholders in a general meeting.

2.2.3 Manner of Purchase

Purchase(s) or acquisition(s) of Shares may be made by way of:

(a) on-market purchase(s) ("**Market Purchases**") transacted on the SGX-ST through the SGX-ST's trading system, through one or more duly licensed stockbrokers appointed by the Company for the purpose; and/or

(b) off-market purchase(s) ("**Off-Market Purchases**") (if effected otherwise than on the SGX-ST) in accordance with an equal access scheme(s) and as may be determined or formulated by the Directors as they may consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act and the Listing Manual.

The Directors may impose such terms and conditions, which are not inconsistent with the Share Purchase Mandate, the Companies Act and the Listing Manual, as they consider fit in the interests of the Company in connection with or in relation to an equal access scheme. Under the Companies Act, an equal access scheme must satisfy all of the following conditions:

(a) offers for the purchase or acquisition of Shares are to be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;

(b) all of those persons shall be given a reasonable opportunity to accept the offers made to them; and

(c) the terms of all the offers are the same, except that there shall be disregarded:

    (i) differences in consideration attributable to the fact that offers may relate to Shares with different accrued dividend entitlements;

    (ii) differences in consideration attributable to the fact that offers relate to Shares with different amounts remaining unpaid; and

    (iii) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

In addition, Rule 885 of the Listing Manual provides that, in making an Off-Market Purchase, the Company must issue an offer document to all Shareholders, which must contain at least the following information:

(a) the terms and conditions of the offer;

(b) the period and procedures for acceptances;

(c) the reasons for the proposed share buy-back;

(d) the consequences, if any, of purchase(s) or acquisition(s) of Shares by the Company that will arise under the Take-over Code or other applicable take-over rules;

(e) whether the purchase(s) or acquisition(s) of Shares, if made, could affect the listing of the Shares on the SGX-ST;

(f) details of any purchase(s) or acquisition(s) of Shares made by the Company in the previous 12 months (whether Market Purchases or Off-Market Purchases), giving the total number of Shares purchased or acquired, the purchase or acquisition price per Share or the highest and lowest prices paid for the purchase(s) or acquisition(s), where relevant, and the total consideration paid for the purchase(s) or acquisition(s); and

(g) whether the Shares purchased by the Company will be cancelled or kept as treasury shares.

2.2.4 Maximum Purchase Price

The purchase or acquisition price (excluding brokerage, stamp duties, commissions, applicable goods and services tax and other related expenses) to be paid for the Shares will be determined by the Directors.

However, the purchase or acquisition price must not exceed:

(a) in the case of a Market Purchase, 105% of the Average Closing Price (as defined below); and

(b) in the case of an Off-Market Purchase pursuant to an equal access scheme, 120% of the Average Closing Price,

(the "**Maximum Price**") in either case, excluding related expenses of the purchase.

For the above purposes:

"**Average Closing Price**" means the average of the closing market prices of a Share over the last five (5) Market Days on which transactions in Shares were recorded, in the case of a Market Purchase, preceding the date of the Market Purchase, or in the case of an Off-Market Purchase, preceding the date of the making of the offer pursuant to the Off-Market Purchase, as the case may be, and deemed to be adjusted for any corporate action that occurs after such five-day period; and

"**date of the making of the offer**" means the date on which the Company announces its intention to make an offer for an Off-Market Purchase, stating the purchase or acquisition price (which shall not be more than the Maximum Price for an Off-Market Purchase calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

2.3 Status of Purchased Shares

Any Share which is purchased by the Company is deemed cancelled immediately on purchase or acquisition (and all rights and privileges attached to that Share will expire on cancellation) unless such Share is held by the Company as a treasury share. Accordingly, the total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company and which are not held as treasury shares. At the time of each purchase or acquisition of Shares by the Company, the Directors will decide whether the Shares purchased or acquired will be cancelled or kept as treasury shares, or partly cancelled and partly kept as treasury shares.

Under the Companies Act, Shares purchased or acquired by the Company may be held or dealt with as treasury shares. Some of the key provisions on treasury shares under the Companies Act are summarised below:

(a) *Maximum holdings*

The number of Shares held as treasury shares cannot at any time exceed 10% of the total number of issued Shares.

In the event that the number of treasury shares held by the Company exceeds 10% of the total number of Shares, the Company shall dispose of or cancel such excess treasury shares within six (6) months of the day on which such contravention occurs, or such further period as the Registrar may allow.

(b) *Voting and other rights*

The Company will not have the right to attend or vote at meetings and/or to receive any dividends in respect of treasury shares. However, the allotment of treasury shares as fully paid bonus shares is allowed. Also, a subdivision or consolidation of any treasury share into treasury shares of a greater or smaller amount is allowed so long as the total value of the treasury shares after the subdivision or consolidation is the same as the total value of the treasury share before the subdivision or consolidation, as the case may be.

(c) *Disposal and cancellation*

The Company may dispose of treasury shares at any time in the following ways:

(i) selling the treasury shares for cash;

(ii) transferring the treasury shares for the purposes of or pursuant to any share scheme, whether for its employees, directors or other persons;

(iii) transferring the treasury shares as consideration for the acquisition of shares in or assets of another company or assets of a person;

(iv) cancelling the treasury shares; or

(v) selling, transferring or otherwise using the treasury shares for such other purposes as may be prescribed by the Minister for Finance.

Pursuant to Rule 704(28) of the Listing Manual, the Company will immediately announce any sale, transfer, cancellation and/or use of treasury shares, stating the following:

(i) date of the sale, transfer, cancellation and/or use;

(ii) purpose of such sale, transfer, cancellation and/or use;

(iii) number of treasury shares sold, transferred, cancelled and/or used;

(iv) the number of treasury shares before and after such sale, transfer, cancellation and/or use;

(v) percentage of the number of treasury shares against the total number of shares outstanding in a class that is listed before and after such sale, transfer, cancellation and/or use; and

(vi) value of the treasury shares if they are used for a sale or transfer, or cancelled.

2.4 Source of Funds

The Companies Act permits the Company to make payment, pursuant to the purchase or acquisition of Shares, out of its capital and/or distributable profits, so long as the Company is solvent. The Companies Act provides that a Company is solvent if at the date of the relevant payment, the following conditions are satisfied:

(a) there is no ground on which the Company could be found to be unable to pay its debts;

(b) if:

(i) it is intended to commence winding up of the Company within the period of 12 months immediately after the date of the payment, the Company will be able to pay its debts in full within the period of 12 months after the date of commencement of the winding up; or

(ii) it is not intended so to commence winding up, the Company will be able to pay its debts as they fall due during the period of 12 months immediately after the date of the payment; and

(c) the value of the Company's assets is not less than the value of its liabilities (including contingent liabilities), and will not become less than the value of its liabilities (including contingent liabilities) after the purchase or acquisition of Shares.

The Company intends to use internal sources of funds, and/or external borrowings to finance its purchase(s) or acquisition(s) of Shares.

2.5 Financial Effects

It is not possible for the Company to realistically calculate or quantify the impact of purchases or acquisitions that may be made pursuant to the Share Purchase Mandate on the NTA and EPS of the Group, as the resultant effect will depend on, *inter alia*, the aggregate number of Shares purchased or acquired, the purchase or acquisition prices paid for such Shares, whether the purchase or acquisition is made out of capital or profits, whether the Shares purchased or acquired are held in treasury or cancelled, how the Shares held in treasury are subsequently dealt with by the Company, and the amounts (if any) borrowed by the Company to fund the purchases or acquisitions.

Where a purchase or an acquisition of Shares is made out of distributable profits, such purchase or acquisition (including costs incidental to the purchase or acquisition) will correspondingly reduce the amount available for the distribution of cash dividends by the Company. Where a purchase or acquisition of Shares is made out of capital, the amount available for the distribution of cash dividends by the Company will not be reduced.

Where a purchase or acquisition of Shares is financed by internal resources and/or external borrowings, there may be an increase in the Group's gearing ratio, and/or a decline in the Group's current ratio and Shareholders' funds. The actual impact on the Group's gearing and current ratios will depend on, *inter alia*, the number of Shares purchased or acquired and the prices at which the Shares are purchased or acquired.

The Directors do not propose to exercise the Share Purchase Mandate to such an extent that the Group's working capital requirements and ability to service its debts would be adversely affected. The purchase(s) or acquisition(s) of Shares will be effected taking into account, *inter alia*, the Group's working capital requirements, availability of financial resources, the Group's expansion and investment plans and prevailing market conditions.

For illustrative purposes only and assuming that:

(a) the Company purchased or acquired the maximum of 56,973,564 Shares (representing 10% of the issued Shares (excluding treasury shares and subsidiary holdings) as at the Latest Practicable Date);

(b) in the case of Market Purchases, the Company purchased or acquired Shares at the Maximum Price of S$0.648 for each Share (being 105% of the Average Closing Price as at the Latest Practicable Date), which required funds (excluding brokerage, stamp duties, commissions, applicable goods and services tax and other related expenses) amounting to approximately S$36,918,869.47;

(c) in the case of Off-Market Purchases, the Company purchased or acquired Shares at the Maximum Price of S$0.741 for each Share (being 120% of the Average Closing Price as at the Latest Practicable Date), which required funds (excluding brokerage, stamp duties, commissions, applicable goods and services tax and other related expenses) amounting to approximately S$42,217,410.92; and

(d) the purchase or acquisition of Shares by the Company was financed entirely using internal sources of funds, and the Company received dividends from its subsidiaries to finance the acquisition,

the financial effects of purchases and acquisitions of Shares by the Company pursuant to the Share Purchase Mandate on the audited financial statements of the Group for FY2018 are set out on the following pages.

The financial effects set out below are for illustrative purposes only. The illustrations are based on historical numbers for FY2018 and are in no way indicative of the Company's future financial performance or a forecast of the Company's financial position.

Although the Share Purchase Mandate would authorise the Company to purchase or acquire up to 10% of the issued Shares (excluding treasury shares and subsidiary holdings), the Company may not necessarily purchase or acquire part of or the entire 10% of the issued Shares (excluding treasury shares and subsidiary holdings).

Market Purchases

Scenario 1A

Market Purchases of 56,973,564 Shares out of profits, and the maximum number of Shares permitted under the Companies Act to be held in treasury are held in treasury and the balance are cancelled

	Group		Company	
	Before the Share Purchase	**After the Share Purchase**	**Before the Share Purchase**	**After the Share Purchase**
Shareholders' Funds (S$'000)	338,757	301,838	74,258	37,339
NTA (S$'000)	338,757	301,838	74,258	37,339
Current Assets (S$'000)	161,163	124,244	16,881	16,881
Current Liabilities (S$'000)	138,236	138,236	12,683	12,683
Total Borrowings (S$'000)	122,889	122,889	59,885	96,804
Number of treasury shares	–	56,973,564	–	56,973,564
Number of Shares (excluding treasury shares)	569,735,645	512,762,081	569,735,645	512,762,081
Financial Ratios				
NTA per Share (cents)	59.46	58.87	13.03	7.28
EPS (cents)	5.17	5.75	4.22	4.69
Gearing (%)	36.28	40.71	80.64	259.26
Current Ratio (times)	1.17	0.90	1.33	1.33

Scenario 1B

Market Purchases of 56,973,564 Shares out of profits and cancelled

	Group		Company	
	Before the Share Purchase	**After the Share Purchase**	**Before the Share Purchase**	**After the Share Purchase**
Shareholders' Funds (S$'000)	338,757	301,838	74,258	37,339
NTA (S$'000)	338,757	301,838	74,258	37,339
Current Assets (S$'000)	161,163	124,244	16,881	16,881
Current Liabilities (S$'000)	138,236	138,236	12,683	12,683
Total Borrowings (S$'000)	122,889	122,889	59,885	96,804
Number of treasury shares	–	–	–	–
Number of Shares (excluding treasury shares)	569,735,645	512,762,081	569,735,645	512,762,081

	Group		Company	
	Before the Share Purchase	After the Share Purchase	Before the Share Purchase	After the Share Purchase
Financial Ratios				
NTA per Share (cents)	59.46	58.87	13.03	7.28
EPS (cents)	5.17	5.75	4.22	4.69
Gearing (%)	36.28	40.71	80.64	259.26
Current Ratio (times)	1.17	0.90	1.33	1.33

Off-Market Purchases

Scenario 2A

Off-Market Purchases of 56,973,564 Shares out of profits, and the maximum number of Shares permitted under the Companies Act to be held in treasury are held in treasury and the balance are cancelled

	Group		Company	
	Before the Share Purchase	After the Share Purchase	Before the Share Purchase	After the Share Purchase
Shareholders' Funds (S$'000)	338,757	296,540	74,258	32,041
NTA (S$'000)	338,757	296,540	74,258	32,041
Current Assets (S$'000)	161,163	118,946	16,881	16,881
Current Liabilities (S$'000)	138,236	138,236	12,683	12,683
Total Borrowings (S$'000)	122,889	122,889	59,885	102,102
Number of treasury shares	–	56,973,564	–	56,973,564
Number of Shares (excluding treasury shares)	569,735,645	512,762,081	569,735,645	512,762,081
Financial Ratios				
NTA per Share (cents)	59.46	57.83	13.03	6.25
EPS (cents)	5.17	5.75	4.22	4.69
Gearing (%)	36.28	41.44	80.64	318.67
Current Ratio (times)	1.17	0.86	1.33	1.33

Scenario 2B

Off-Market Purchases of 56,973,564 Shares out of profits and cancelled

	Group		Company	
	Before the Share Purchase	**After the Share Purchase**	**Before the Share Purchase**	**After the Share Purchase**
Shareholders' Funds (S$'000)	338,757	296,540	74,258	32,041
NTA (S$'000)	338,757	296,540	74,258	32,041
Current Assets (S$'000)	161,163	118,946	16,881	16,881
Current Liabilities (S$'000)	138,236	138,236	12,683	12,683
Total Borrowings (S$'000)	122,889	122,889	59,885	102,102
Number of treasury shares	–	–	–	–
Number of Shares (excluding treasury shares)	569,735,645	512,762,081	569,735,645	512,762,081
Financial Ratios				
NTA per Share (cents)	59.46	57.83	13.03	6.25
EPS (cents)	5.17	5.75	4.22	4.69
Gearing (%)	36.28	41.44	80.64	318.67
Current Ratio (times)	1.17	0.86	1.33	1.33

Shareholders who are in doubt as to their respective tax positions or any tax implications arising from the Share Purchase Mandate, or who may be subject to tax whether in or outside Singapore, should consult their own professional advisers.

2.6 Requirements under the Listing Manual

2.6.1 Maximum price

Under Rule 884 of the Listing Manual, a listed company may purchase shares by way of Market Purchases at a price per share which is not more than 5% above the average of the closing market prices of the shares over the last five (5) Market Days on which transactions in the shares were recorded, before the day on which the purchases or acquisitions were made and deemed to be adjusted for any corporate action that occurs after the relevant five-day period. The Maximum Price for a Share in relation to Market Purchases by the Company, as set out in Section 2.2.4, conforms to this restriction.

2.6.2 Reporting requirements

Rule 886 of the Listing Manual requires a listed company to notify the SGX-ST of any purchase or acquisition of its shares (i) in the case of a Market Purchase, by 9.00 a.m. on the Market Day following the day on which it purchased or acquired shares; and (ii) in the case of an Off-Market Purchase under an equal access scheme, by 9.00 a.m. on the second Market Day after the close of acceptances of the offer. Such notification shall be in such form and include such details as may be prescribed by the Listing Manual.

2.6.3 No purchases after occurrences of price-sensitive developments

While the Listing Manual does not expressly prohibit any purchase or acquisition of shares by a listed company during any particular time(s), because the listed company would be regarded as an "insider" in relation to any proposed purchase or acquisition of its issued shares, the Company will not undertake any purchase or acquisition of Shares pursuant to the Share Purchase Mandate at any time after a price-sensitive development has occurred or has been the subject of a decision until the price-sensitive information has been publicly announced. In particular, the Company will not purchase or acquire any Shares during the period commencing (i) two (2) weeks before the announcement of the Company's financial statements for each of the first three (3) quarters of its financial year, and (ii) one (1) month before the announcement of the Company's full-year financial statements.

2.7 Listing Status of the Shares

Under Rule 723 of the Listing Manual, the Company must ensure that at least 10% of its issued Shares (excluding treasury shares) is at all times held by the public.

As at the Latest Practicable Date:

(a) 198,621,129 Shares, representing approximately 34.86% of the total number of issued Shares, are held by the public; and

(b) the Company does not hold any treasury shares.

If the Company had purchased or acquired Shares from the public up to the full 10% limit pursuant to the Share Purchase Mandate on the Latest Practicable Date, the number of Shares held by the public would be approximately 141,647,565 Shares, representing approximately 27.62% of the total number of issued Shares.

The Company is of the view that there is a sufficient number of Shares held by public Shareholders which would permit the Company to undertake purchases or acquisitions of its Shares up to the full 10% limit pursuant to the Share Purchase Mandate without affecting the listing status of the Shares on the SGX-ST, causing market illiquidity or affecting orderly trading of the Shares.

2.8 Obligations to Make a Take-over Offer

If as a result of any purchase or acquisition of Shares by the Company, the percentage of the Company's voting rights held by a Shareholder and persons acting in concert with him increases, such increase will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code. Consequently, a Shareholder or a group of Shareholders acting in concert could obtain or consolidate effective control of the Company and become obliged to make an offer under Rule 14 of the Take-over Code.

The circumstances under which Shareholders, including Directors, and persons acting in concert with them will incur an obligation to make a take-over offer under Rule 14 of the Take-over Code after a purchase or acquisition of Shares by the Company are set out in Appendix 2 to the Take-over Code.

In general terms, the effect of Rule 14 and Appendix 2 to the Take-over Code is that, unless exempted, Directors and persons acting in concert with them will incur an obligation to make a take-over offer for the Company under Rule 14 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Directors and their concert

parties would increase to 30% or more, or if the voting rights of such Directors and their concert parties fall between 30% and 50% of the Company's voting rights, the voting rights of such Directors and their concert parties would increase by more than 1% in any period of six (6) months. The Directors and their concert parties will be exempted from the requirement to make a take-over offer subject to certain conditions, including the submission by such Directors of an executed form prescribed by the Securities Industry Council of Singapore within seven (7) days of the passing of the resolution to authorise the proposed renewal of the Share Purchase Mandate.

Under Appendix 2 to the Take-over Code, a Shareholder not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 of the Take-over Code, if as a result of the Company purchasing or acquiring its Shares, (i) the voting rights of such Shareholder would increase to 30% or more; or (ii) in the event that such Shareholder holds between 30% and 50% of the Company's voting rights, the voting rights of such Shareholder would increase by more than 1% in any period of six (6) months. Such Shareholder need not abstain from voting on the resolution authorising the proposed renewal of the Share Purchase Mandate.

2.8.1 Persons Acting in Concert

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal) co-operate, through the acquisition by any of them of shares in a company, to obtain or consolidate effective control of that company. Unless the contrary is established, the following persons, *inter alia,* will be presumed to be acting in concert: (i) a company with any of its directors, together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts; and (ii) a company, its parent company, subsidiaries and fellow subsidiaries, and their associated companies, and companies whose associated companies include any of the foregoing. Under the Take-over Code, a company is an associated company of another company if the second company owns or controls at least 20% but not more than 50% of the voting rights of the first-mentioned company.

Based on the interests of the Directors and the substantial shareholders as recorded in the Company's Register of Directors' Shareholdings and Register of Substantial Shareholders, and as set out in Section 3, none of the substantial shareholders would become obliged to make a take-over offer under Rule 14 of the Take-over Code as a result of the purchase or acquisition of Shares by the Company up to the maximum limit of 10% pursuant to the Share Purchase Mandate.

The Directors are not aware of any facts or factors which suggest or imply that any particular person(s) and/or Shareholder(s) are, or may be regarded as, persons acting in concert such that their respective shareholding interest in the Company should or ought to be consolidated, and consequences under the Take-over Code would ensue as a result of a purchase or an acquisition of Shares by the Company pursuant to the Share Purchase Mandate.

The statements set out above do not purport to be a comprehensive or exhaustive description of all implications that may arise under the Take-over Code. Shareholders who are in doubt as to whether they would incur any obligation to make a take-over offer as a result of any purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate are advised to consult their professional advisers and/or the Securities Industry Council of Singapore and/or other relevant authorities at the earliest opportunity.

2.9 Reporting Requirements

Within 30 days of approval by Shareholders of the proposed renewal of the Share Purchase Mandate, the Company shall lodge a copy of the relevant Shareholders' resolution with the Registrar.

The Company shall notify the Registrar within 30 days of a purchase or acquisition of Shares by the Company. Such notification shall include the date of the purchase or acquisition, the number of Shares purchased or acquired by the Company, the number of Shares cancelled, the number of Shares held as treasury shares, the Company's issued share capital before and after the purchase or acquisition, the amount of consideration paid by the Company for the purchase or acquisition, whether the Shares were purchased or acquired out of the profits or capital of the Company, and such other particulars as may be required in the prescribed form.

Within 30 days of the cancellation or disposal of treasury shares in accordance with the provisions of the Companies Act, the Company shall lodge with the Registrar the notice of cancellation or disposal of treasury shares in the prescribed form.

2.10 Share Purchases in the previous 12 months

The Company did not purchase or acquire any Shares in the 12 months preceding the Latest Practicable Date pursuant to the 2017 Mandate.

3. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, the interests of the Directors in the Shares, as extracted from the Company's Register of Directors' Shareholdings, and the interests of substantial shareholders of the Company, as extracted from the Company's Register of Substantial Shareholders, are as follows:

	Number of Shares			
Name	**Direct Interest**	**%[1]**	**Deemed Interest**	**%[1]**
Directors				
Choo Chee Onn	108,843,298	19.10	–	–
Tok Cheng Hoe	81,255,273	14.26	–	–
Kwok Ngat Khow	81,255,273	14.26	–	–
Lim Kee Seng	68,237,360	11.98	–	–
Lim Yeow Hua @ Lim You Qin	302,500	0.05	–	–
Khua Kian Kheng Ivan	302,500	0.05	–	–
Ko Chuan Aun	–	–	–	–

	Number of Shares			
Name	**Direct Interest**	**%(1)**	**Deemed Interest**	**%(1)**
Substantial Shareholders				
Choo Chee Onn	108,843,298	19.10	–	–
Tok Cheng Hoe	81,255,273	14.26	–	–
Kwok Ngat Khow	81,255,273	14.26	–	–
Lim Kee Seng	68,237,360	11.98	–	–
Yip Sau Leung(2)	29,118,287	5.11	1,800,025	0.32

Notes:

(1) Based on 569,735,645 issued Shares (excluding treasury shares) as at the Latest Practicable Date.

(2) Yip Sau Leung's shareholding interest of 29,118,287 Shares in the Company comprises 28,722,787 Shares held in his name and 395,500 Shares held through a nominee. Yip Sau Leung is deemed interested in the 1,800,025 Shares held by his spouse.

4. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the 2018 AGM and who wish to appoint a proxy or proxies to attend and vote on their behalf should complete, sign and return the proxy form attached to the Notice of AGM in accordance with the instructions printed therein as soon as possible and, in any event, so as to arrive at the registered office of the Company at 36 Senoko Road, Singapore 758108, not later than 48 hours before the time fixed for the 2018 AGM. The appointment of a proxy by a Shareholder does not preclude him from attending and voting in person at the 2018 AGM if he so wishes in place of the proxy if he finds that he is able to do so.

A Depositor shall not be regarded as a member of the Company entitled to attend the 2018 AGM and to speak and vote thereat unless his name appears on the Depository Register at least 72 hours before the 2018 AGM pursuant to Part IIIAA of the Securities and Futures Act.

5. DIRECTORS' RECOMMENDATIONS

The Directors are of the opinion that the proposed renewal of the Share Purchase Mandate is in the best interests of the Company. Accordingly, the Directors recommend that Shareholders vote in favour of the Ordinary Resolution relating to the proposed renewal of the Share Purchase Mandate set out in the Notice of AGM.

6. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Appendix and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this Appendix constitutes full and true disclosure of all material facts about the proposed renewal of the Share Purchase Mandate, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Appendix misleading. Where information in this Appendix has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Appendix in its proper form and context.

7. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at 36 Senoko Road, Singapore 758108, during normal business hours from the date of this Appendix up to and including the date of the 2018 AGM:

(a) the Constitution of the Company; and

(b) the Annual Report 2018.

Yours faithfully
For and on behalf of the Board of Directors of
KSH Holdings Limited

Choo Chee Onn
Executive Chairman and Managing Director