



KSH Holdings Limited

(Company Registration Number: 200603337G)
(Incorporated in the Republic of Singapore on 9 March 2006)

PROPOSED DISPOSAL OF INDIRECT ASSOCIATED COMPANIES

The Board of Directors of KSH Holdings Limited (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that its 28%-owned associated company, Epic Land Pte. Ltd. ("**Vendor**" or "**Epic**") has executed a sale and purchase agreement (the "**SPA**") to dispose of the entire issued and paid-up share capital of its 6 wholly-owned subsidiaries, Epic Land (17-1) Pte. Ltd., Epic Land (17-2) Pte. Ltd., Epic Land (18-1) Pte. Ltd., Epic Land (21) Pte. Ltd., Epic Land (22) Pte. Ltd. and Epic Land (28) Pte. Ltd. (collectively, the "**Sale Companies**"), holding in aggregate a total of 7 strata office units in Prudential Tower (the "**Properties**") to an unrelated third party (the "**Purchaser**") for an aggregate consideration to be determined based on the net asset value of the Sale Companies as at the completion date ("**Sale Consideration**") (the "**Proposed Disposal**"). The Sale Consideration will be computed on the basis that the value of the Properties is equivalent to S\$130,068,000. The outstanding shareholder's loan owing by the Sale Companies to the Vendor will be determined and fully settled upon completion of the Proposed Disposal ("**Completion**").

The Sale Consideration was arrived at on a willing-buyer-willing-seller basis, after taking into account, *inter alia*, the shareholder's loan due to the Vendor, the cost of the Properties and prevailing market conditions. The Sale Consideration will be satisfied in cash by the Purchaser and the Purchaser will pay a deposit of S\$13,006,800 following the signing of the SPA.

No valuation was commissioned in respect of the Sale Companies. The aggregate unaudited net liability value of the Sale Companies as at 31 May 2018 was approximately S\$3,988,000 after deducting the outstanding shareholder's loan owing by the Sale Companies to the Vendor.

The Completion is expected to be on or before 20 September 2018 (or such other later date as may be mutually agreed between the Vendor and Purchaser or extended in accordance with this SPA). Upon Completion, the Sale Companies will cease to be associated companies of the Company.

The Proposed Disposal is in line with one of the Group's core business activities in property development and investments. As the Proposed Disposal is in line with the Group's ordinary course of business, Chapter 10 of the Singapore Exchange Securities Trading Limited's Listing Manual, in particular, the requirement to seek Shareholders' approval under Rule 1014 where the relative figures as computed on the bases set out in Rule 1006 exceeds 20%, does not apply to the Proposed Disposal.

The Completion, if materialised, is expected to have positive impact on the net earnings per share or the net tangible assets per share of the Group for the current financial year ending 31 March 2019.

Mr Ko Chuan Aun, an Independent Director of the Company, is also an Independent Director and shareholder of Lian Beng Group Ltd, holding company of one of the shareholders of the Vendor.

Save as disclosed above, none of the Directors, controlling shareholders or substantial shareholders of the Company has any interest, directly or indirectly, in the Proposed Disposal, save for their shareholdings in the Company.

BY ORDER OF THE BOARD

CHOO CHEE ONN
Executive Chairman and Managing Director
25 July 2018