



KEONG HONG HOLDINGS LIMITED

(Company Registration Number: 200807303W)

AGREEMENTS TO LEASE IN GAAFU ALIFU ATOLL, THE REPUBLIC OF MALDIVES

The Board of Directors of Keong Hong Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) is pleased to announce that Keong Hong Construction Pte Ltd (“**KHC**”), a wholly-owned subsidiary of the Company has entered into three lease agreements (the “**Transactions**”) with the Government of the Republic of Maldives for the development and operation of (i) Kooddoo Domestic Airport; (ii) a tourist hotel; and (iii) a tourist resort (the “**Projects**”).

Details of the Transactions are as follow:

Projects	Descriptions	Lease Period	Lease Rental	Construction Period
Kooddoo Domestic Airport	Lease of a domestic airport in Kooddoo in Gaafu Alifu Atoll, Republic of Maldives for the expansion, development and operation of the airport	25 years	USD24,000 per annum	18 months
Tourist Hotel	Lease of a plot of land in Kooddoo in Gaafu Alifu Atoll, Republic of Maldives for the development and operation of a tourist hotel	50 years	USD250,000 per annum	5 years
Tourist Resort	Lease of the island of Maamutaa in Gaafu Alifu Atoll, Republic of Maldives for the development and operation of a tourist resort	50 years	USD1 million per annum	5 years

Pursuant to the terms of the Transactions, subject to the approval of the Government of the Republic of Maldives, the Company may, *inter-alia*, grant any right, interest or possession of the tourist hotel and tourist resort to any third party by way of sale, assignment, transfer, sublease or entry into any management contract. In addition, the Company may sublease or grant the management the Kooddoo domestic airport to any third party. In this respect, the Company intends to assign its rights to operate the Projects and any associated operational risks to third parties when their respective constructions are completed.

The Transactions are in line with the Company’s business strategy and business activities of building construction as well as property development and investment.



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The Projects will be funded by internal resources, bank borrowings and/or funds from potential investor(s) for co-developing the Projects. The Company will provide further details relating to the development and operation of the Projects and/or agreements with any potential investor(s) as and when appropriate.

The Transactions are not expected to have any material impact on the net tangible assets per share and earnings per share of the Group for the financial year ending 30 September 2013.

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the above Transactions other than through their shareholding interests in the Company.

BY ORDER OF THE BOARD

Lo Swee Oi
Company Secretary
Dated: 1 August 2013

The Company was listed on Catalist of the Singapore Exchange Securities Trading Limited (the "SGX-ST") on 16 December 2011. The initial public offering of the Company was sponsored by PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor").

This announcement has been prepared by the Company and reviewed by the Sponsor for compliance with the relevant rules of the SGX-ST. The Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr Mark Liew, Managing Director, Corporate Finance, at 20 Cecil Street, #21-02 Equity Plaza, Singapore 049705, telephone (65) 6229 8088.