



KEONG HONG HOLDINGS LIMITED
(Company Registration Number: 200807303W)

SETTING UP OF A JOINT VENTURE FOR THE VIETNAM PROJECT

The Board of Directors of Keong Hong Holdings Limited (“**Keong Hong**” or the “**Company**” and together with its subsidiaries, the “**Group**”) is pleased to announce that KH Capital Pte. Ltd. (“**KH**”), a wholly-owned subsidiary of the Company, had entered into a Shareholders’ Agreement (the “**Shareholders’ Agreement**”) dated 22 October 2015 with LGB (Vietnam) Pte. Ltd. (“**LGB**”), CES-Vietnam Holdings Pte. Ltd. (“**CES**”), Goldprime Development Pte. Ltd. (“**LB**”), KSH Vietnam Investment Pte. Ltd. (“**KSH**”) and Seacare Properties (Vietnam) Pte. Ltd. (“**SC**”) (collectively, the “**Joint Venture Partners**”) in relation to a joint venture in a Singapore-incorporated company named LGB-NB Pte. Ltd. (“**LGB-NB**”).

LGB-NB

LGB-NB has been incorporated for the purposes of, through a subsidiary of LGB-NB to be incorporated in Vietnam, (a) acquiring a plot of land located at Nha Be, Ho Chi Minh City, Vietnam which has a land size of approximately 11,799.8 square meters (the “**Land**”), and (b) undertaking residential development on the Land (the “**Project**”).

As at the date of this announcement, LGB-NB has an issued and paid-up share capital of US\$1,000 comprising 1,000 ordinary shares, held by the Joint Venture Partners as follows:-

<u>Name of Joint Venture Partners</u>	<u>Shareholding</u>		
	<u>%</u>	<u>No. of LGB-NB's shares</u>	<u>Total Subscription Price</u>
LGB	25	250	US\$250
CES	20	200	US\$200
KH	15	150	US\$150
Goldprime	15	150	US\$150
KSH	15	150	US\$150
SC	10	100	US\$100
	<u>100</u>	<u>1,000</u>	<u>US\$1,000</u>

The Shareholders' Agreement provides for additional contribution by each Joint Venture Partner to LGB-NB in proportion to their respective shareholding percentages in LGB-NB, by way of debt or equity injection.

The Board of LGB-NB shall comprise six (6) directors elected from each of the Joint Venture Partners respectively.

Funding and Financial Effects

The initial subscription of the shares in LGB-NB by KH and any additional contribution in proportion to KH's shareholding in LGB-NB as may be requested by LGB-NB from time to time, will be funded through the Group's internal resources and/or bank financing, and are 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 current financial year ending 30 September 2016.

Interests of Directors and Controlling Shareholders

None of the Directors or controlling shareholders of the Company, as well as their respective associates, has any interest, direct or indirect, in the Shareholders' Agreement, other than through their respective shareholding interests in the Company.

None of the Directors or substantial shareholders of the Company and their respective associates are related to CES, LGB, LB, KSH and SC.

BY ORDER OF THE BOARD

Lo Swee Oi
Company Secretary

Dated: 22 October 2015

*This announcement has been prepared by Keong Hong Holdings Limited (the "**Company**") and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**") for compliance with the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this announcement.*

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

The contact person for the Sponsor is Ms Keng Yeng Pheng, Associate Director, Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone (65) 6229 8088.