

CORPORATE PRESENTATION

MAY 2015



KEONG HONG HOLDINGS LIMITED

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1. Group Overview

Twin Waterfalls



About Keong Hong

- Keong Hong Holdings Limited (the "**Company**") is engaged in 3 core businesses
 - Building Construction Services (in Singapore and the Maldives);
 - Property Development (in Singapore); and
 - Hotel and Resort Development (in Singapore and the Maldives)
- With a track record of over 30 years, the Company is well regarded within the industry and customers include well-established property developers and owners, such as Keppel Land group, Frasers Centrepoint Limited, MCL Land etc.
- Awarded BCA A1 grading under the category CW01 for general building, able to tender for public sector construction projects of unlimited value with no restrictions for private sector construction projects.
- Listed on the Catalist Board of the Singapore Exchange with market capitalisation of about S\$105 million, as of 27 April 2015.

Recent Developments

- Acquired 15.12% of Kori Holdings Limited in March 2015. If the Company converts its existing S\$5 million convertible bond into shares of Kori, the Company will own 24.2% of Kori and will become its second largest shareholder.
- Establishment of S\$150 million multicurrency medium term note programme in April 2015.



Financial Summary

S\$ '000	FY2012	FY2013	FY2014	1H FY2014	1H FY2015
Revenue	167,360	146,623	272,881	118,030	141,386
EBITDA	26,886	27,809	26,194	11,733	13,239
EBITDA Margin (%)	16.06%	19.09%	9.60%	9.94%	9.36%
Finance Costs	63,403	61,893	319,814	106,197	249,382
Total Assets	125,988	132,346	222,099	175,513	244,983
Total Liabilities	74,635	67,138	141,962	104,219	158,414
Debt (Borrowings only)	n.a.	3,005	21,413	12,533	19,684
Tangible Net Worth	51,111	64,972	79,894	71,053	86,335
Debt / Tangible Net Worth	n.a.	0.05	0.27	0.18	0.23
Debt / Total Assets	n.a.	0.02	0.10	0.07	0.08
EBITDA / Finance Costs	424.05	452.21	81.90	110.48	53.09

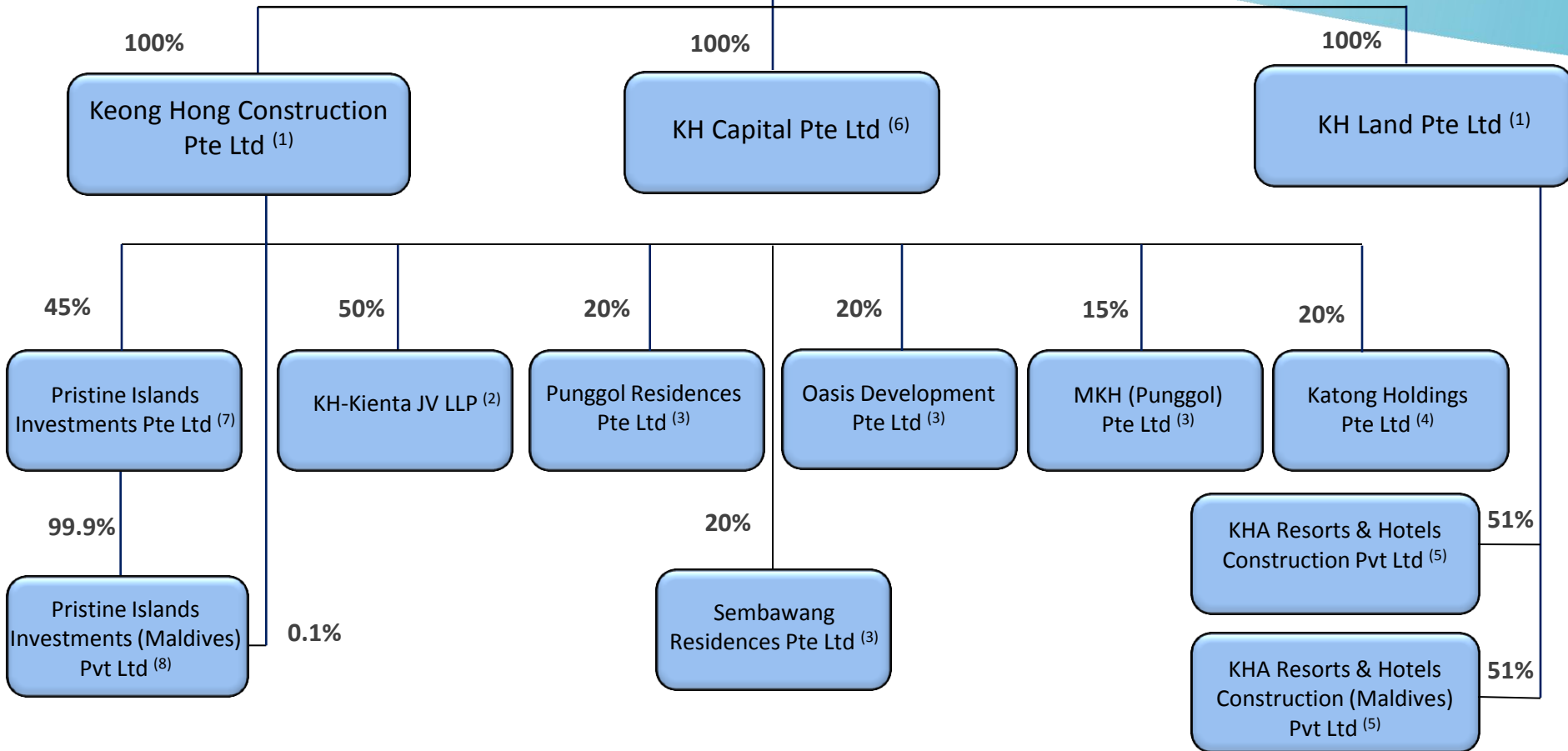


Group Structure

Principal activities:

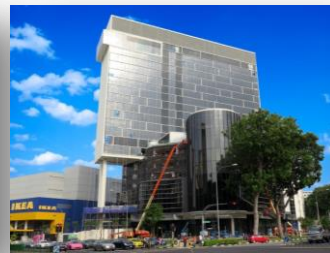
- (1) General and building contractors
- (2) Mixed construction activities
- (3) Real estate developer
- (4) Hotel developer of 86 East Coast Road
- (5) Resorts and hotels building contractor
- (6) Investment holding and trading
- (7) Investment holding
- (8) Own, operate and manage airport, hotel and resort

Keong Hong Holdings Limited



Building Construction Services Business

- The Group's construction projects covers new construction, A&A works of existing buildings, refurbishment and upgrading of existing buildings.
- The Group provides a broad range of building construction services for residential, commercial, industrial, infrastructural and institutional projects in the private and public sectors.



Residential	Commercial	Industrial	Institutional	Infrastructural
condominiums, apartment buildings, landed and public housing	office buildings, hotels, resorts and shopping mall	factories and warehouses	schools, tertiary institutions and nursing home	domestic airport
Martin Place Residences, The Parvis, 8@Woodleigh, Terrace, Paterson Collection, J Gateway	Sime Darby Performance Centre, IBIS Hotel, Alexandra Central	Vicplas, AvaPlas, Makino	SIM, Mount Alvernia Hospital Sisters' Accommodation, Toa Payoh Nursing Home	Kooddo Airport in the Maldives



Property Development Business

- Leveraging on our experience and expertise in the building construction sector, the Group has expanded into property development in 2012.
- Our strategy to partner reputable property developers and owners to jointly undertake residential development projects enables the Group to share resources with business partners and manage any business risks associated with the property development projects.
- We will continue to explore new business opportunities in property development in Singapore and other countries in the Asia Pacific region, such as Australia and Japan.
- The Group has been appointed the main contractor for all its joint venture residential developments:

	Twin Waterfalls	SkyPark Residences	The Amore	Parc Life
Joint venture partners	FCL Tampines Court Pte Ltd (a subsidiary of Frasers Centrepoint Limited)	JBE Holdings Pte Ltd	Master Contract Services Pte Ltd, JBE Holdings Pte Ltd	FCL Tampines Court Pte Ltd (a subsidiary of Frasers Centrepoint Limited)
Group's Stake	20%	20%	15%	20%
Approximate contract sum	S\$162.3 million	S\$149.9 million	S\$118.0 million	Not available



Hotel and Resort Development Business

- As global tourism is projected to increase over the next ten years, the Group's expansion into hotel and resort development will provide the Group with recurring income and an added engine of growth
- The Group intends to achieve such expansion through suitable acquisitions, investments, strategic alliances and/or joint ventures, which will give us access to new markets and prospective customers.
- We have four hotel and resort developments in Singapore and the Maldives:

	Singapore	The Maldives
Development	<ul style="list-style-type: none"> • Hotel Indigo Singapore Katong • Holiday Inn Express Singapore Katong • F&B outlets and retail shops 	<ul style="list-style-type: none"> • Mercure Maldives Kooddoo Resort • Pullman Maldives Maamutaa Resort
Joint venture partners	Master Contract Services Pte Ltd, Asia Development Pte Ltd	Sansui Holding Pte Ltd, BRC Asia Limited, L3 Development Pte Ltd, Hotels & Resort Construction Pvt Ltd
Hotel manager	InterContinental Hotels Group (IHG)	Accor
Group Stake	20%	45%



2. Singapore Business

SkyPark Residences



Building Construction Pipeline

Twin Waterfalls
(expected TOP 2H 2015)

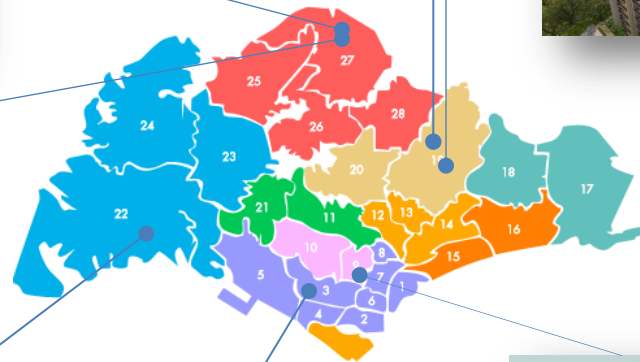


SkyPark Residences
(expected TOP 2016)



The Amore
(expected TOP 2017)

Parc Life EC
(launching in 1Q 2016)
(expected TOP 2018)



J Gateway
(expected TOP 2017)



Alexandra Central
(Retail - TOP Dec 2014
Hotel - TOP April 2015)



Paterson Collection
(expected TOP July 2015)



Property Development Projects

Twin Waterfalls



Type Executive Condominium

Total Units	728
Launch Date	February 2012
Sales Status	100%
Average Selling Price	S\$698 psf
Group's Stake	20%
Expected TOP	2H 2015

SkyPark Residences



Type Executive Condominium

Total Units	506
Launch Date	November 2013
Sales Status	73%
Average Selling Price	S\$793 psf
Group's Stake	20%
Expected TOP	2016



Property Development Projects

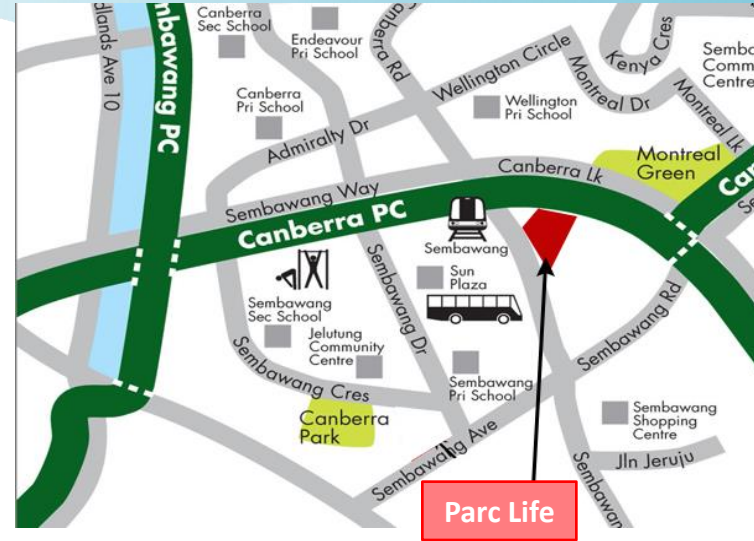
The Amore



Type Executive Condominium

Total Units	378
Launch Date	January 2015
Sales Status	25%
Average Selling Price	S\$795 psf
Group's Stake	15%
Expected TOP	2017

Parc Life



Type Executive Condominium

Total Units	660
Launch Date	1Q 2016
Sales Status	n.a.
Average Selling Price	n.a.
Group's Stake	20%
Expected TOP	2018



Hotel Development Projects



131-room Hotel Indigo Singapore Katong

451-room Holiday Inn Express Singapore Katong

Food and beverage outlets and retail shops

The hotels will be managed by InterContinental Hotels Group, to be opened in 2016

Group holds 20% interest in this joint development



3. Overseas Business – The Maldives

Pullman Maldives Maamutaa Resort



Resort Development Projects



Kooddoo Island

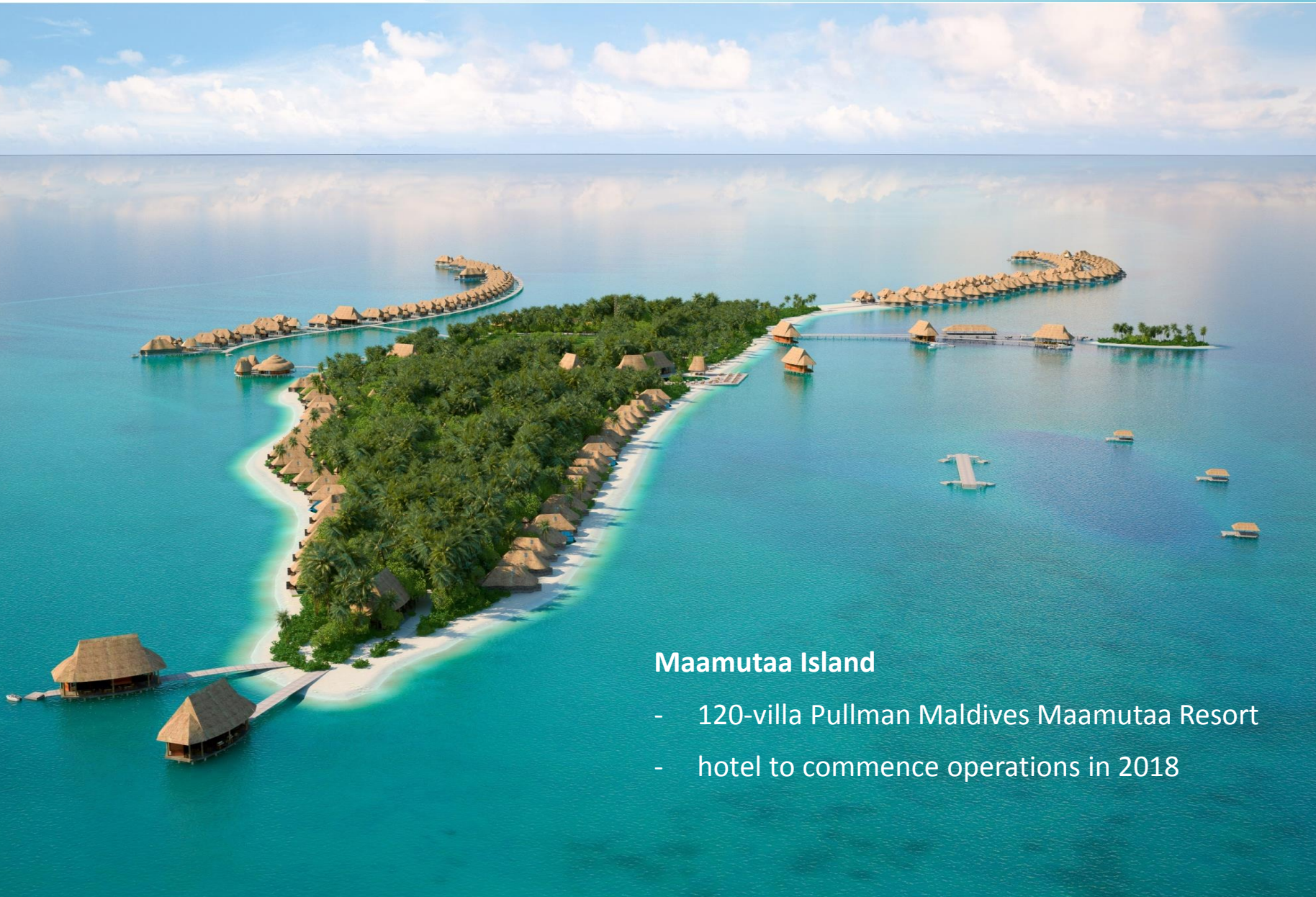
- 68-villa Mercure Maldives Kooddoo Resort
- hotel to commence operations in 2016

Mercure Maldives Kooddoo Resort

- Located in the south of the Maldives, Kooddoo Island is just a short 55 minutes flight from Male
- Mercure Kooddoo will be the only Maldivian beach resort directly accessible by domestic plane



Resort Development Projects



Maamutaa Island

- 120-villa Pullman Maldives Maamutaa Resort
- hotel to commence operations in 2018

4. Financial Highlights

Pullman Maldives Maamutaa Resort



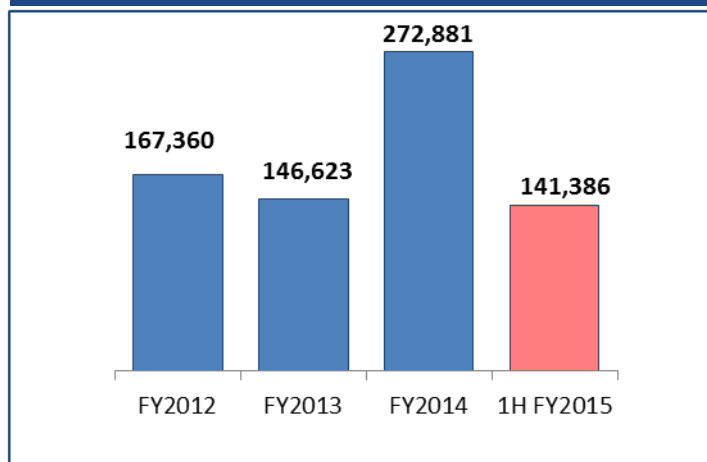
Key Financials

S\$ 'million	FY2014	1H FY2014	1H FY2015	Change	Remarks
Revenue	272,881	118,030	141,386	19.8%	<ul style="list-style-type: none"> • Growth in revenue due mainly to higher revenue recognition from ongoing projects
Gross profit	30,331	13,740	14,104	2.6%	<ul style="list-style-type: none"> • Higher operating cost as a result of higher wages, labour levies, safety compliance, staff training and development
Gross profit margin (%)	11.1	11.6%	10.0%	(1.6ppt)	<ul style="list-style-type: none"> • Decline in gross profit margin was also partly due to lower margin from projects in their early stage of construction
Net profit after tax	19,397	9,253	9,167	(0.9%)	<ul style="list-style-type: none"> • Lower net profit as a result of higher administrative expenses and tax provisions.
Basic EPS (cents)	11.1	4.05	3.97	(1.9%)	
Net gearing ratio (x)	0.27x	0.18x	0.21x		<ul style="list-style-type: none"> • Increase in bank borrowings for working capital and development of Sungei Kadut head office and light industry factory

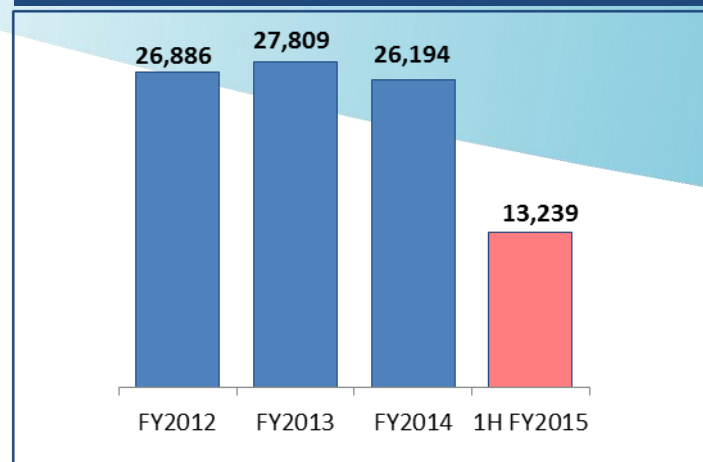


Financial Summary – Income Statement

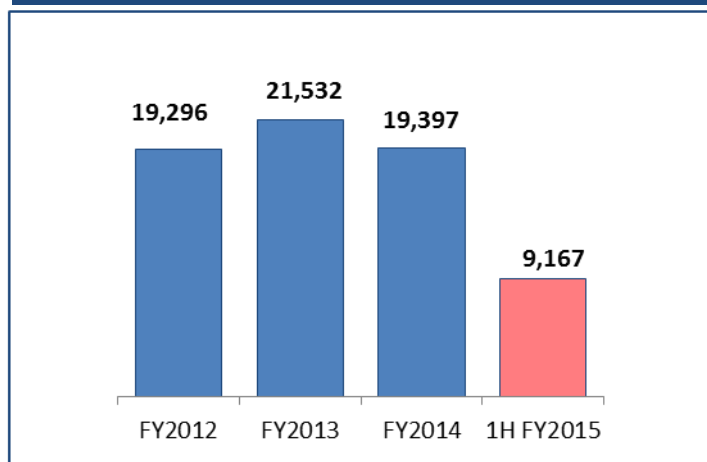
Revenue (S\$'000)



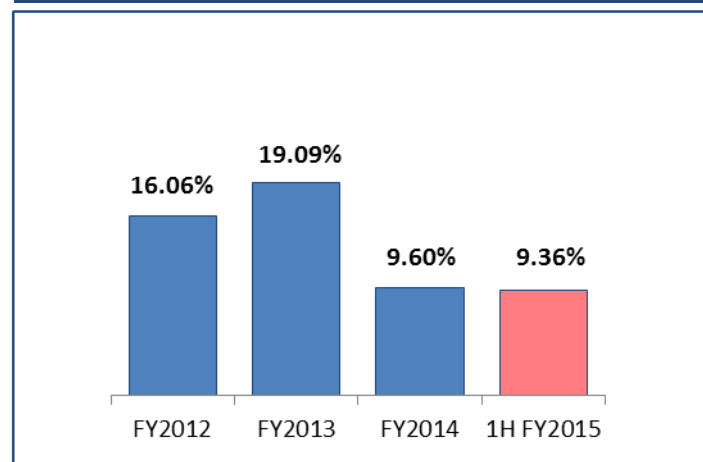
EBITDA (S\$'000)



NPAT (S\$'000)

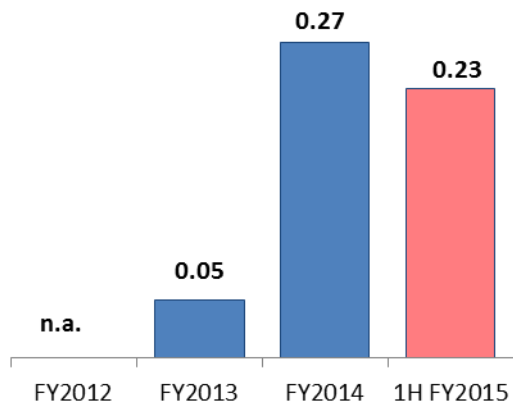


EBITDA Margin (%)

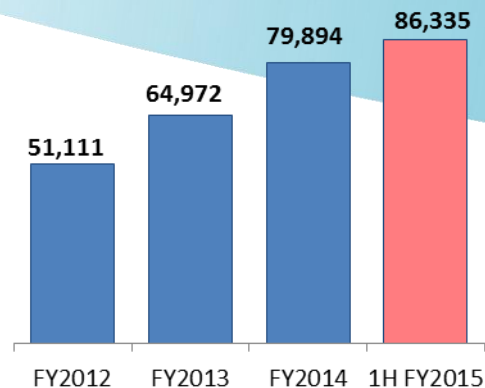


Financial Summary – Key Financial Ratios

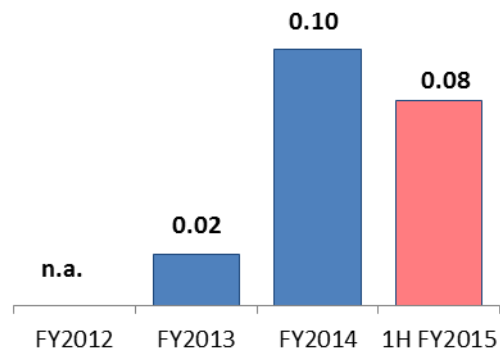
Debt to Tangible Net Worth



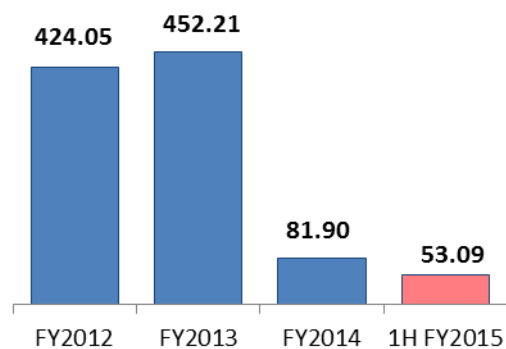
Tangible Net Worth



Debt to Asset



EBITDA Coverage



5. Outlook and Strategies

The Amore



Outlook

Singapore Construction Industry

2015 - 2016

- BCA projects the average construction demand in 2015 and 2016 to moderate to between S\$25 and S\$34 billion
- Private residential construction demand is expected to continue to soften following the implementation of various property cooling measures as well as the significant supply of completed housing units over the next few years and the scaling back of new Government land sales in the first half of 2015
- Industry is facing challenges such as rising business costs and foreign worker levies, shortages of experienced and skilled manpower
- As at 31 March 2015, Group's order book stood at S\$322* million, with some projects' completion stretching up to 2017

** Not including Parc Life*



Outlook

The Maldives Tourism Industry ⁽¹⁾

- ***Strong demand for new resort construction as well as airport infrastructure to support the growing tourism industry***
- ***Traditional honeymoon and high-end tourists for luxury resorts will continue to grow. Recent years there has also been a steady rise in niche markets, such as family holidays, diving tours and conservation trips***
- ***Leading destination for luxury vacations, with one of the highest concentrations of high-end resorts in the world. Around a third of visitors spend more than USD5,000 in a single trip***
- Tourist arrivals to the Maldives reached a million for the first time in 2013, registering a healthy growth of 17.4% compared with 2012. The uptrend in tourist arrivals has been steady and this year, the country expects to receive 1.4 million visitors.
- Asia Pacific currently accounts for around 44% of visitor arrivals (with China the number one source country) and Europe accounting for 49% of visitor arrivals.
- The top ten tourists generating markets in 2013 were China, Germany, United Kingdom, Russia, Italy, France, Japan, Switzerland, India and Korea.

(1) <http://tourism.gov.mv/>

Strategies

Focus on projects with higher complexity and value-add for its building construction business

Generate higher profits and further raise business profile

Explore new business opportunities in property development in Singapore and other countries in the Asia Pacific region

Partner with well-established players to jointly undertake property development projects

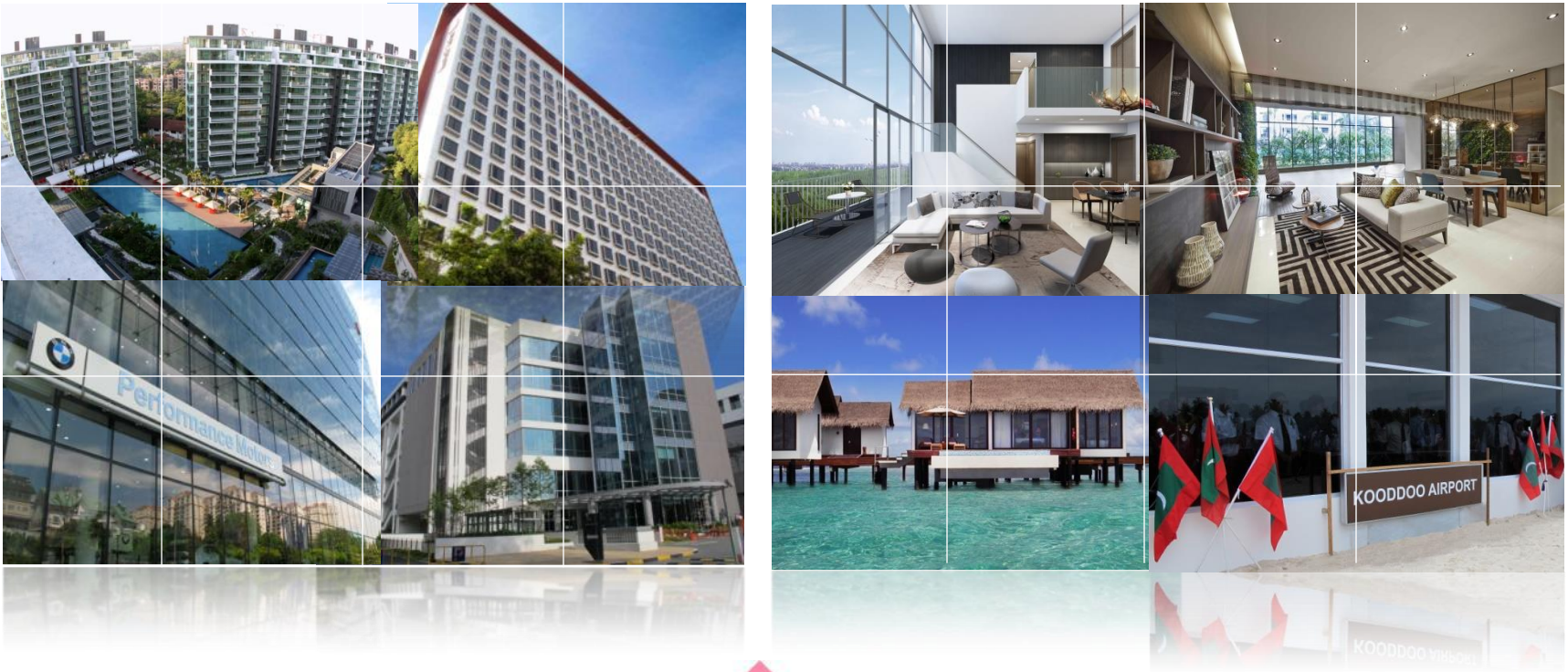
Undertake hotel and resort development projects in Singapore, the Maldives and other countries

Provide more stable sources of cash flows and recurring income for future growth

Growth and expansion through joint ventures and acquisitions

Investment in businesses which are complementary to the Group, such as infrastructural works for the MRT





BUILDING A SUSTAINABLE FUTURE