

KORI HOLDINGS LIMITED
(Company Registration No. 201212407R)
(Incorporated in Singapore)

LOAN TO FUCHIANG CONSTRUCTION PTE. LTD.

The Board of Directors of Kori Holdings Limited (the "**Company**") is pleased to announce that the Company had on 18 December 2013 entered into a loan agreement (the "**Loan Agreement**") with Fuchiang Construction Pte. Ltd. ("**Fuchiang**"), pursuant to which the Company has agreed to provide a secured loan (the "**Loan**") in an amount of S\$1,000,000 to Fuchiang on the terms and subject to the conditions of the Loan Agreement.

Fuchiang is a limited exempt private company incorporated in Singapore on 24 March 2008 and has an issued share capital of S\$2,000,000 comprising 2,000,000 shares which are equally owned by two independent individuals, Hsu Pai-Ling and Chen Sheng-Tien. Fuchiang carries on the business of piling works and structural steelworks construction in Singapore and has been a sub-contractor of the Company since April 2013.

The term of the Loan is one year commencing from the drawdown date of the Loan. Fuchiang shall pay interest on the Loan at the rate of 6 per cent per annum. Interest shall accrue daily and shall be payable in arrears on the date falling one year from the drawdown date of the Loan.

The obligations of Fuchiang under the Loan Agreement are secured by way of a fixed charge over certain steel beams and steel decks owned by Fuchiang, on the terms and subject to the conditions of a Charge over Inventory deed entered into between the Company and Fuchiang on 18 December 2013. The proceeds from the Loan will be used by Fuchiang for the purchase of steel materials or such other purposes as the Company may agree in writing.

The Loan has been granted by the Company at the request of Fuchiang's shareholders and is intended to strengthen the cash position of Fuchiang. The Directors believe that the grant of the Loan is beneficial to the Company as it will generate interest income from the principal amount of the Loan.

In addition to the grant of the Loan the Company is also considering the acquisition of 51% of the ordinary shares in the issued and paid-up share capital of Fuchiang (the "**Proposed Acquisition**"). The promoters for the Proposed Acquisition are Hsu Pai-Ling and Chen Sheng-Tien.

The terms of the Proposed Acquisition are being negotiated and are subject to, *inter alia*, due diligence and the negotiation and execution of definitive agreements. Among other things, the Company will have the option of discharging the outstanding amounts under the Loan in return for the allotment and issue to the Company of such number of ordinary shares in Fuchiang (credited as fully paid) as may be agreed between the parties, subject to the execution and completion of a legally binding agreement for the Proposed Acquisition. In the event that no definitive agreements are entered into and completed, the Company will remain a secured creditor of Fuchiang.

The Company will make further announcements as and when definite agreements have been entered into for the Proposed Acquisition.

As at the date hereof, none of the Directors and to the best of the Directors' knowledge, none of the controlling shareholders of the Company or their respective associates has any interest, direct or indirect, in the Loan and the Proposed Acquisition, other than through their shareholdings in the Company.

Shareholders are advised to exercise caution in trading their shares as there is no certainty or assurance as at the date of this announcement that the definitive agreements will be entered into or the Proposed Acquisition will be undertaken at all.

Shareholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders should consult their stock brokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions that they should take.

By Order of the Board

Kori Holdings Limited

Hooi Yu Koh
CEO and Managing Director
18 December 2013

The Company was listed on Catalist of the Singapore Exchange Securities Trading Limited (SGX-ST) on 11 December 2012. The initial public offering of the Company was sponsored by PrimePartners Corporate Finance Pte. Ltd. (Sponsor).

This announcement has been prepared by the Company and its contents have been 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.
