



QIAN HU CORPORATION LIMITED
(Company Registration: 199806124N)

**EXECUTION OF SALE AND PURCHASE AGREEMENT FOR DISPOSAL OF
SHARES IN MALAYSIAN SUBSIDIARY, KIM KANG AQUACULTURE SDN BHD**

1. INTRODUCTION

The Board of Directors of Qian Hu Corporation Limited ("**our Company**" or "**we**") (together with our subsidiaries ("**our Group**")) refers to our announcements issued on 18 July 2012 and 28 September 2012 in relation to the memorandum of understanding (the "**MOU**") for the sale of our entire shareholding in Kim Kang Aquaculture Sdn Bhd ("**Kim Kang**") (the "**Disposal**"). Unless the context otherwise requires, terms defined in our 18 July 2012 announcement shall bear the same meanings in this Announcement.

Our Directors are pleased to announce that we have on 17 October 2012 entered into a conditional sale and purchase agreement (the "**Sale and Purchase Agreement**") with Mr Goh Siak Ngan, Mdm Koh Guat Lee and Mr Goh Sau Siang (collectively, the "**Purchasers**", and each, a "**Purchaser**") for the Disposal, pursuant to which our Company has agreed to sell and the Purchasers have agreed to purchase all of the 11,700,000 issued ordinary shares of par value RM1/- each in the capital of Kim Kang (the "**Sale Shares**") owned by our Company upon the terms and conditions of the SPA.

2. TERMS AND CONDITIONS OF SPA

The principle terms and conditions of the Sale and Purchase Agreement are as set out in the MOU as disclosed in our 18 July 2012 and 28 September 2012 announcements save that:

- (a) Upon further negotiations, and upon the requests of the Purchasers, the Purchasers are Mr Goh Siak Ngan; his wife, Mdm Koh Guat Lee; and their son, Mr Goh Sau Siang (instead of Mr Goh Siak Ngan and Mdm Koh Guat Lee).
- (b) The number of Sale Shares to be acquired by each Purchaser and the Consideration payable by each Purchaser is as set out below:

Purchaser	Number of Sale Shares	Consideration Payable (S\$)
Goh Siak Ngan	7,650,000	6,146,150
Koh Guat Lee	3,150,000	2,530,770
Goh Sau Siang	900,000	723,080
Total	11,700,000	9,400,000

- (c) Mr Goh Siak Ngan has undertaken to guarantee the payment obligations of Mdm Koh Guat Lee and Mr Goh Sau Siang under the Sale and Purchase Agreement on such terms and subject to such conditions as agreed to by the Vendor. The guarantee shall be delivered no later than 7 days from the date of the Sale and Purchase Agreement.

3. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Save for their holdings of shares in the capital of our Company (if any), none of the Directors or controlling shareholders of our Company has any interest, direct or indirect, in the Disposal.

4. CIRCULAR TO SHAREHOLDERS

Our Company will be seeking our Shareholders' approval for the Disposal at an extraordinary general meeting to be convened. We will despatch a circular to our Shareholders containing, amongst other things, further information on the Disposal and the recommendation of our Directors and the notice of the extraordinary general meeting in due course.

5. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection at our registered office at No. 71 Jalan Lekar, Singapore 698950, during normal business hours for a period of 3 months from the date of this announcement:

- (a) the Memorandum of Understanding;
- (b) the Sale and Purchase Agreement;
- (c) the Memorandum and Articles of Association of our Company; and
- (d) the annual report of our Group for the financial year ended 31 December 2011.

BY ORDER OF THE BOARD

Kenny Yap Kim Lee
Executive Chairman and Managing Director
17 October 2012