



**SINGHAIYI GROUP LTD.**  
(Company Registration No. 198803164K)  
(Incorporated in the Republic of Singapore)

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## TENDER FOR SUN ROSIER AT 5A HOW SUN DRIVE

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### 1. INTRODUCTION

The Board of Directors (the “**Board**”) of SingHaiyi Group Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) is pleased to announce that the tender submitted by SingHaiyi Properties Pte. Ltd. (“**SPPL**”), a wholly-owned subsidiary of the Company on a 50:50 ownership basis, together with Huajiang International Corporation Pte. Ltd. (“**HICPL**”), an entity controlled by Mr Gordon Tang and Mrs Serena Tang, the controlling shareholder of the Company (the “**Joint Venture**”), for the collective purchase (the “**Acquisition**”) of the property known as Sun Rosier at 5A How Sun Drive, Singapore 538528 (the “**Property**”) at the purchase price of S\$271,000,000 (the “**Purchase Price**”) had been duly accepted by the owners of the Property (the “**Owners**”) on 21 September 2017 (the “**Acceptance Date**”).

The Acquisition is in the ordinary course of business of the Group.

### 2. DESCRIPTION OF THE PROPERTY

The Property is freehold with a site area of approximately 13,568.10 square metres. No development charge and differential premium is payable for the redevelopment of the site to a gross plot ratio of 1.4.

### 3. TERMS OF PAYMENT

A tender fee of S\$500,000 had been paid upon the submission of the tender offer by the Joint Venture. The Joint Venture shall make a payment of 5% of the Purchase Price (less the tender fee) within 5 business days after the Acceptance Date.

A further 5% of the Purchase Price shall be paid within 5 business days:

- (i) after the date of receipt of written notice from the Vendors’ Solicitors that the Consent or the Sale Order has been obtained from the Strata Title Board; or
- (ii) after the date of receipt of written notice from the Vendors’ Solicitors that the Consent or the Sale Order has been obtained from the High Court

whichever is the earlier.

The sale and purchase of the Property shall be completed and the balance 90% of the Purchase Price shall be paid on the date falling 3 months:

- (i) after the Vendors’ or the Vendors’ Solicitors’ written notice to the Purchaser or the Purchaser’s solicitors that the Sale Order has been obtained from the Strata Title Board or the High Court, such notice to be accompanied by a copy of the Sale Order; or

- (ii) after the Vendors' or the Vendors' Solicitors' written notice to the Purchaser or the Purchaser's solicitors that the Consent has been obtained,

whichever is the earlier (the "**Completion Date**"). PROVIDED ALWAYS that if an appeal in respect of the application for the Sale Order is filed at the Court of Appeal either by the Vendors or any objector, the date for completion shall be postponed to a date falling 3 months after the Court of Appeal has given its decision upholding the Sale Order or otherwise ordering the sale of the Project.

#### **4. FUNDING OF THE ACQUISITION**

The Acquisition will be funded by internal resources and bank borrowings.

#### **5. KEY TERMS OF THE ACQUISITION**

In addition to the key terms of the Acquisition mentioned above, other key terms include the following:

- (i) the Property is sold with vacant possession to be delivered within 6 months after the Completion Date;
- (ii) the Property is sold free from encumbrances and the title to the Development shall be properly deduced;
- (iii) the Property is sold in the present state and condition and on an "as is where is" basis as at the Acceptance Date and as at the Completion Date; and
- (iv) the sale of the Property is subject to the Purchaser obtaining the approval of the Land Dealings (Approval) Unit or such other relevant authorities pursuant to the Residential Property Act for the purchase of the Property on or before the Completion Date.

#### **6. RATIONALE FOR THE JOINT VENTURE**

The Company believes that the Joint Venture is beneficial as:

- (i) it provides the Company with the opportunity to acquire a land site within an established residential area; and
- (i) it will allow the Company to expand its development portfolio in Singapore.

#### **7. INTERESTED PERSON TRANSACTION**

7.1 **Interested Person.** HICPL is an entity controlled by Mr Gordon Tang and Mrs Celine Tang. Mr Gordon Tang is a non-executive director of the Company and Mrs Celine Tang is the Group Managing Director of the Company and hence both Mr Gordon Tang and Mrs Celine Tang are each considered an "interested person" for the purpose of Chapter 9 of the Listing Manual. Accordingly, the Joint Venture is an interested person transaction.

7.2 **Rule 916(2) of the Listing Manual.** Having considered the Joint Venture, the Audit Committee of the Company is of the opinion that:

- (i) the risks and rewards of the Joint Venture are in proportion to the equity of each joint venture partner; and
- (ii) the terms of the Joint Venture are not prejudicial to the interests of the Company and its minority shareholders.

Accordingly, as the risks and rewards of the Joint Venture are in proportion to the equity of each joint venture partner and the interested persons do not have an interest in the Joint Venture prior to the participation of the Company, the transaction falls within the scope of Rule 916(2) of the Listing Manual and the approval from shareholder is not required.

- 7.3 **Value of Interested Person Transactions.** For the current financial year commencing 1 April 2017: (i) save for the above Acquisition by the Joint Venture amounting to S\$271,000,000, (ii) the interested person transactions with American Pacific International Capital Inc amounting to S\$687,000 and (iii) the interested person transactions with OKH Holdings Pte Ltd amounting to S\$8,800,000, there are no other interested person transactions.

## 8. FURTHER INFORMATION

- 8.1 **Financial Effects.** The Acquisition is not expected to have a material impact on the consolidated net tangible assets per share and consolidated earnings per share of the Group for the financial year ending 31 March 2018.
- 8.2 **Interests of Directors and Controlling Shareholders of the Company.** Save as disclosed in this Announcement and save for their shareholdings in the Company, none of the Directors or controlling shareholders of the Company is deemed to have any interest, direct or indirect, in the Property and Joint Venture.

### BY ORDER OF THE BOARD

Celine Tang  
Group Managing Director

21 September 2017