



## OXLEY HOLDINGS LIMITED

(Incorporated in the Republic of Singapore under Registration No. 201005612G)

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### CONSTRUCTION, DEVELOPMENT, MANAGEMENT AND OPERATION OF DEVELOPMENT PROJECT IN BATAM, INDONESIA

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#### Introduction

The Board of Directors (the "**Board**") of Oxley Holdings Limited (the "**Company**", and together with its subsidiaries, the "**Group**") is pleased to announce that the Company has on 6 May 2015 entered into a building construction, management and operation agreement (the "**Agreement**") with PT Karya Indo Batam ("**KIB**") pursuant to which the Company and KIB agreed to create a joint operation in construction, development, management and operation of a multi storey mixed development (commercial and residential) (the "**Project**") on the land parcel located at Jalan Westren Arial, RT 08, RW 16, Sub-District Sungai Panas, District Batam City, Province Riau Islands, Indonesia (the "**Property**"), with estimated land area of 20,000 square metres, which is registered under the name of KIB.

#### Key Terms of the Agreement

Under the Agreement, KIB shall contribute the Property and the Company shall be responsible for funding the construction cost of the Project (the "**Construction Cost**"), which shall be up to SGD21.0 million, and the advance payment of SGD5.0 million (the "**Advance Payment**") which shall be paid by the Company to KIB as part of the agreed property cost of SGD26.0 million (the "**Property Cost**").

The Company shall also be responsible for construction, development, financial administration, management and operation of the Project, and shall ensure that the same is in conformity with the prescribed standards and the agreed plans, drawings and specifications. To secure the Company's punctual performance of its obligations under the Agreement, the Company shall arrange, at its cost, a corporate guarantee for SGD21.0 million in favour of KIB.

KIB shall prepare all documents relating to the Property and the Project, and obtain all certified maps, plans and records in order to obtain the required development licences. KIB shall also be responsible for the payment of all land rent fees, taxes and other obligations relating to the Property according to the government regulations up until financial year 2014.

The parties agree that the cash proceeds from the sale of units in the Project shall first be paid to KIB until KIB has received the full amount of the Property Cost less the Advance Payment, after which the proceeds shall be paid to the Company until the Company has received the full amount of the Construction Cost and the Advance Payment. Subsequently, the remaining sale proceeds shall be distributed equally to the parties. If the sale proceeds are not sufficient to pay the full amount of the Property Cost to KIB, the shortfall shall be borne equally by the parties.

KIB owns certain land parcels adjacent to the Property and has granted a first right of refusal to the Company to construct, develop, manage and operate such properties.

#### Financial Effect

The above transaction is not expected to have a material impact on the earnings per share or net tangible assets per share of the Company for the current financial year ending 30 June 2015.

Interests of Directors and Controlling Shareholders

None of the Directors or controlling shareholders of the Company has any interest, directly or indirectly, in the above transaction, save through his shareholding in the Company (if any).

By Order of the Board

Ching Chiat Kwong  
Executive Chairman and CEO  
6 May 2015