



OXLEY HOLDINGS LIMITED

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

ACQUISITION OF PROPERTY

Oxley Holdings Limited (the "**Company**", and together with its subsidiaries, the "**Group**") is pleased to announce that the Company's wholly-owned subsidiary, Oxley Gem Pte. Ltd. (the "**Purchaser**"), had on 15 March 2013 been granted a conditional option (the "**Option**") to purchase the leasehold estate for a term of 103 years in the property known as 30 Stevens Road, Singapore (the "**Property**") by Eksklusiv Resorts Pte Ltd (the "**Vendor**") at a purchase price of S\$318,000,000 (the "**Acquisition**").

Description of Property

The leasehold estate in the Property shall commence on the day immediately after the date of the actual completion of the sale and purchase of the Property under the Option. The Property has a total land area of approximately 18,477 square metres. The Grant of Provisional Permission dated 27 February 2013 has been obtained for the proposed development on the Property of two blocks of eight-storey hotels, two blocks of two-storey commercial buildings and one block of four-storey clubhouse with basement (the "**Proposed Development**"). The Acquisition is in line with the growth of the Group's business.

Purchase Price

The purchase price of S\$318,000,000 was arrived at on a willing buyer-willing seller basis after taking into account current market prices of properties in the surrounding area and the Company's assessment of the Property's redevelopment potential. No full valuation has been carried out in respect of the Property.

A sum of S\$10,000,000 (the "**Option Fee**") had been paid upon the grant of the Option, and a further sum of S\$21,800,000 will be paid upon the exercise of the Option, which shall be no later than seven working days from the date the Company obtains the approval of the Board, the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and/or the Company's shareholders (if required) for the Acquisition and the Proposed Development (the "**Approvals**"). The balance of the purchase price shall be paid upon completion of the Acquisition which is scheduled to take place on 1 July 2013 or seven weeks from the date of the exercise of Option, whichever is later or such other extended time as the parties may mutually agree (the "**Completion Date**").

Funding of Acquisition

The Acquisition will be funded by internal resources, bank borrowings as well as bonds to be issued by the Purchaser to the Vendor.

The Purchaser shall issue to the Vendor S\$100,000,000 6 per cent. guaranteed bonds due 2015 (the "**Bonds**") (2015 being the second anniversary of the date of the issue of the Bonds). The Bonds shall be secured by a corporate guarantee given by the Company in favour of the Vendor.

Interest on the outstanding principal amount of the Bonds shall accrue from the date of the issue of the Bonds and be payable every six months from the date of issue thereof. The Purchaser shall redeem S\$50,000,000 of the Bonds at 100% of the principal amount of the Bonds and pay the principal amount, together with all accrued interest thereto, to the Vendor on the first anniversary of the date of the issue of the Bonds. Thereafter, the Purchaser shall redeem the remaining

S\$50,000,000 at 100% of the principal amount of the Bonds and pay the principal amount, together with all accrued interest thereto, on the maturity date.

Key Terms of the Acquisition

The key terms of the Acquisition include the following:

- (i) title to the Property shall be in order, properly deduced and free from encumbrances on completion;
- (ii) the Property is sold subject to all restrictive or other covenants and conditions affecting the Property; and
- (iii) subject as otherwise provided in the Option, the Purchaser is deemed to have inspected the Property on or before the date of the Option and the Purchaser shall buy with full notice in all respect of the actual state and condition of the Property as regards access, repair, light, air, drainage and in all other respects and shall take the Property as it is and shall not be entitled to make or raise any enquiry, requisition or objection whatsoever in respect thereof, provided that the Purchaser shall have the right to inspect the Property at reasonable times with prior notice before the Completion Date.

The Purchaser shall endeavour to procure the Approvals within four months from the date of the Option or such extended time as the parties may mutually agree (the "**Target Date**"). In the event that the Company is unable to obtain the Approvals by the Target Date not due to the Purchaser's or the Company's wilful action, wilful omission or wilful default, the Option shall be null and void and subject to the provisions of the Option, the Vendor shall forthwith refund the Option Fee without interest, compensation or deduction whatsoever to the Purchaser.

Shareholders' Approval

The relative figures computed on the bases set out in Rule 1006 of the SGX-ST Listing Manual in relation to the Acquisition are as follow:-

Net asset value of assets to be disposed of, compared with the Group's net asset value	Not applicable
Net profits attributable to the assets acquired or disposed of, compared with the Group's net profits	Not applicable
Aggregate value of the consideration given or received, compared with the Company's market capitalisation (as at 14 March 2013)	33.3% ⁽¹⁾
Number of equity securities issued by the Company as consideration for the acquisition, compared with the number of equity securities previously in issue	Not applicable

Note:-

- (1) Based on the purchase price of S\$318,000,000 and the Company's market capitalisation of S\$955.5 million, which is determined by multiplying the number of issued shares of 2,948,219,971 by the weighted average price of the Company's shares transacted on 14 March 2013, being the market day preceding the date of the Option, of S\$0.3241 per share.

The Proposed Development will include a hotel development. As the Group currently engages in the development of residential, industrial and commercial properties and has not previously undertaken any hotel development, the Company will convene an extraordinary general meeting to seek the approval of its shareholders for, *inter alia*, the Proposed Development. A circular will be despatched to shareholders in due course.

Financial Effects

Assuming that the Acquisition had been effected on 30 June 2012, there would be no change in the net tangible assets per share of the Company as at 30 June 2012.

Assuming that the Acquisition had been effected on 1 July 2011, there would be no change in the earnings per share of the Company for the financial year ended 30 June 2012.

Interests of Directors and Controlling Shareholders

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

Document for Inspection

A copy of the Option is available for inspection during normal business hours at the Company's registered office for a period of three months from the date of this announcement.

By Order of the Board

Ching Chiat Kwong
Executive Chairman and CEO
15 March 2013