



**OXLEY HOLDINGS LIMITED**

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

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**PROPOSED DISPOSAL OF 80 PER CENT. OF THE ENTIRE ISSUED SHARE CAPITAL OF OXLEY BATAM PTE. LTD. AND NOVATION OF INTERCOMPANY LOAN**

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The Board of Directors (the "**Board**") of Oxley Holdings Limited (the "**Company**") wishes to announce that the Company's wholly-owned subsidiary, Oxley International Holdings Pte. Ltd. ("**Oxley International**"), has entered into a conditional sale and purchase agreement dated 16 March 2018 (the "**Agreement**") with Rich Batam Private Limited (the "**Purchaser**") and, the holding company of the Purchaser, Infinio Group Limited ("**Infinio**"), to among other things:

- (a) sell such number of shares (the "**Sale Shares**") representing 80 per cent. of the issued share capital of Oxley Batam Pte. Ltd. ("**Oxley Batam**") to the Purchaser (the "**Share Disposal**"); and
- (b) procure the novation of an inter-company loan of S\$10,393,466.98 (the "**Loan**") from the Company to the Purchaser (the "**Loan Novation**"). The Loan was provided by the Company to Oxley Batam.

As at the date of this Announcement, Oxley Batam owns 50 per cent. of all the issued and paid up shares in the capital of PT Oxley Karya Indo Batam ("**PT Oxley KIB**"), with PT Karya Indo Batam ("**PT KIB**") owning the other 50 per cent.. The principal activity of PT Oxley KIB is the business of construction, development, management and operation of properties. PT Oxley KIB and PT KIB, through a joint operation agreement dated 12 August 2016 (the "**Joint Operation Agreement**"), are collaborating in the construction, development, management and operation of the Oxley Convention City in Batam, Indonesia (the "**Oxley Convention City**").

Pursuant to the terms of the Agreement and in line with the Company's asset-light business strategy, the Company will remain responsible for project development management and sales and marketing of the Oxley Convention City project and will receive management fees in respect of such responsibilities. Moving forward, the Company will work closely with the Purchaser, who will be responsible for the overall construction of the Oxley Convention City. Based on information available to the Company, the Purchaser is a private company limited by shares incorporated in Singapore. The principal activities of the Purchaser are real estate development and real estate activities with owned or leased property. As at the date of this Announcement:

- (a) the Purchaser has an issued and paid-up share capital of S\$100 consisting of 100 ordinary shares;
- (b) the director of the Purchaser is Soong Kar Leong; and
- (c) Infinio is the sole shareholder of the Purchaser and is a company listed on the Catalist board of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**").

The Company's collaboration with the Purchaser and Infinio will greatly facilitate the construction, development, management and operation of the Oxley Convention City.

### **Principal Terms of the Agreement**

The aggregate consideration payable for the Share Disposal and the Loan Novation is S\$10,393,470.98 (the "**Consideration**"), which was arrived at on a willing-buyer and willing-seller basis, after negotiations which were conducted on an arm's length basis between the Purchaser, Infinio, Oxley International and the Company taking in to account several factors, including the value of the Loan. The Consideration comprises:

- (a) a sum of S\$4 representing the consideration for the Share Disposal (the "**Share Sale Consideration**"); and
- (b) a sum of S\$10,393,466.98 representing the consideration for the Loan Novation (the "**Loan Novation Consideration**").

Pursuant to the terms of the Agreement, the completion of the Share Disposal and the Loan Novation ("**Completion**") is conditional upon, *inter alia*, the satisfaction or waiver of the conditions set out in the **Schedule** to this Announcement.

On Completion, the Share Sale Consideration shall be paid in cash by the Purchaser to Oxley International and the Loan Novation Consideration shall be paid in cash by the Purchaser to the Company.

Following Completion, Oxley International will hold such number of shares representing 20 per cent. of the issued share capital of Oxley Batam, and Oxley Batam will cease to be a subsidiary of the Company.

### **Further Information**

Oxley Batam is a private company limited by shares incorporated in Singapore. The principal activities of Oxley Batam are real estate development and investment holding. As at the date of this Announcement:

- (a) Oxley Batam has an issued and paid-up share capital of S\$1 consisting of one ordinary share;
- (b) the directors of Oxley Batam are Ching Chiat Kwong and Low See Ching; and
- (c) Oxley International is the sole shareholder of Oxley Batam.

Based on the latest available audited financial statements of Oxley Batam for the financial year ended 30 June 2017, the book value and the net tangible liability value represented by the Sale Shares and the Loan are S\$51,254.

As the relative figures computed on the bases set out in Rule 1006 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "**Listing Manual**") in respect of the Share Disposal and the Loan Novation do not exceed five per cent., the Share Disposal and the Loan Novation constitutes a non-discloseable transaction under Chapter 10 of the Listing Manual, and this Announcement is being made pursuant to Rule 704(18) of the Listing Manual.

None of the Directors and the controlling shareholders of the Company have any interest, direct or indirect, in the Share Disposal and the Loan Novation, save through his or her shareholding in the Company (if any).

The Share Disposal and the Loan Novation are not expected to have any material impact on the NTA per share or earnings per share of the Company for the current financial year ending 30 June 2018.

A copy of the Agreement is available for inspection during normal business hours at the registered office of the Company at 138 Robinson Road, #30-01 Oxley Tower, Singapore 068906.

By Order of the Board

Ching Chiat Kwong  
Executive Chairman and CEO  
18 March 2018

## **Schedule Conditions**

### **1. Conditions to be satisfied by Oxley International:**

- (a) The completion of the allotment and issuance of four new shares in the issued share capital of Oxley Batam to Oxley International for no consideration or such other corporate exercise by Oxley Batam to procure that Oxley International is the legal and beneficial owner of five shares in the issued share capital of Oxley Batam immediately prior to the date of Completion (the "**Completion Date**");
- (b) the obtaining of and material compliance with all authorisations that are required under any applicable law to enable the Purchaser to be registered as the holder of the Sale Shares and to give effect to, inter alia, the Share Disposal and the Loan Novation and such authorisations remaining valid and in full force and effect;
- (c) if any issue or irregularity (a "**Material Issue**") is uncovered by the Purchaser and its representatives pursuant to the due diligence exercise on the Target Group (the "**Due Diligence Investigations**") and such Material Issue results in or is likely to result in a material adverse effect on Oxley Batam and its subsidiaries (the "**Target Group**"), either (and not both) of the following, in respect of each Material Issue:
  - (i) the rectification, or the procurement of such rectification, to the reasonable satisfaction of the Purchaser, by Oxley International, of such Material Issue; or
  - (ii) the provision of such representation, warranty or indemnity by Oxley International, acting reasonably, to the Purchaser to address such Material Issue, to the satisfaction of the Purchaser, acting reasonably; and
- (d) the obtaining of all necessary approvals, waivers and consents from third parties, in respect of agreements between the Target Group and such third parties which are material to the business of Oxley Batam or its subsidiaries, in connection with the Share Disposal, and such approvals, waivers and consents remaining valid and in full force and effect.

### **2. Condition to be satisfied by the Purchaser:**

The passing of resolutions at a general meeting or separate general meetings of Infinio approving the proposed diversification of the business of Infinio into the construction, property development and management business and to the extent required by the applicable listing rules of the Catalist Board of the SGX-ST, the acquisition of the Sale Shares by the Purchaser and such approval(s) remaining in full force and effect.

### **3. Conditions to be satisfied by Oxley International and the Purchaser:**

- (a) The results of the Due Diligence Investigations not uncovering any Material Issue which has not been rectified in accordance with paragraph 1(c)(i) above or in respect of which Oxley International has not provided a representation, warranty or indemnity to the Purchaser in accordance with paragraph 1(c)(ii) above;

- (b) the execution of a management fee agreement or deed between the Company and Oxley Batam in relation to the payment of the management fee in respect of the Project (as defined in the Joint Operation Agreement) by Oxley Batam to the Company; and
- (c) the execution of a shareholders' agreement between Oxley International, the Purchaser and Oxley Batam in respect of Oxley Batam to be effective as at the date of Completion.

**4. Further Conditions to be satisfied:**

- (a) There not having occurred any matter, fact or circumstance which results in, or is likely to result in a material adverse effect in respect of the Target Group;
- (b) no governmental agencies taking, instituting or implementing any action, proceeding, suit, investigation, inquiry or reference, or having made or enacted any statute, regulation, decision, ruling, statement or order, and there not continuing to be in effect or outstanding any statute, regulation, decision, ruling, statement or order which makes or would make any of, *inter alia*, the Share Disposal or the Loan Novation void, illegal and/or unenforceable or otherwise prohibit or frustrate the same, beyond the longstop date for the transaction (the "**Longstop Date**");
- (c) there not having occurred any event between the date of the Agreement and the date of Completion which would constitute a breach of any warranty provided by Oxley International if such warranty were to be repeated at Completion and which breach has not been remedied by Oxley International and results in, or is likely to result in, a material adverse effect in respect of the Target Group;
- (d) no company in the Target Group or company in the Infinio group of companies having received notice of any claim, action, injunction or order prohibiting the entering into or the consummation of any of, *inter alia*, the Share Disposal or the Loan Novation, which cannot be resolved prior to the Longstop Date; and
- (e) the results of a valuation of the Phase 1 Property, Phase 2 Property and Buffer Land (each as defined under the Joint Operation Agreement) by an independent international valuer being no less than the Consideration.