



OXLEY HOLDINGS LIMITED

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

RESPONSE TO QUERIES FROM SGX-ST

The Board of Directors of Oxley Holdings Limited (the "**Company**") refers to the following queries raised by the Singapore Exchange Securities Trading Limited ("**SGX-ST**") on the Company's announcement on 25 June 2019 (the "**Announcement**") in relation to the investment in Aspen Vision Homes Sdn. Bhd., and wishes to provide further information below.

All capitalised terms used herein shall, unless otherwise defined herein, bear the meanings ascribed thereto in the Announcement.

- (a) We refer to the announcement issued by the Company on 25 June 2019 entitled "Investment in Aspen Vision Homes Sdn. Bhd.". Please disclose the information required under Listing Rules 1010(3) and 1010(5), namely (a) the factors taken into account in arriving at the consideration and how it will be satisfied, including the terms of the payment; and (b) the book value and the latest available open market value of the assets being acquired, and in respect of the latest available valuation, the value placed on the assets, the party who commissioned the valuation and the basis and date of such valuation.

Response: As stated in the Announcement, AV Homes was a dormant entity prior to the Investment by the Group.

The Investment of RM20 million was based on the issue price of RM1 for each of the 4,000,000 ordinary shares and 16,000,000 redeemable convertible preference shares subscribed. The said shares were fully paid upon subscription.

No valuation of AV Homes had been conducted. The Announcement had stated that AV Homes had a net tangible asset value of RM6 million as at 20 June 2019. The Company wishes to clarify that based on its management accounts as at 31 May 2019, AV Homes had instead a net tangible liability value of approximately RM20,000, and a paid-up capital of RM10 before the Investment by the Group.

- (b) What are the conversion terms and redemption terms of the redeemable convertible preference shares? Does the 40% equity interest in Aspen Vision Homes Sdn. Bhd. include the conversion of the preference shares?

Response: The redeemable convertible preference shares ("**RCPS**") may be converted, at the option of AV Homes, into equivalent number of ordinary shares of AV Homes and conversion is only allowed if the conversion does not result in a change in the equity structure of the ordinary shares or upon written approval of all shareholders of AV Homes.

The redemption of RCPS shall be determined at such time and place and in such manner as the directors of AV Homes may determine. The RCPS shall be redeemed out of profit which would otherwise be available for dividend or moneys of AV Homes which may be lawfully applied for such purpose at the issue price of RM1 each. The board of directors of AV Homes comprises two representatives of AGH. The Company will appoint a representative to the board of AV Homes in due course.

The 40% equity interest in AV Homes comprises the 4,000,000 ordinary shares and 16,000,000 redeemable convertible preference shares subscribed. If all or part of the RCPS are converted to ordinary shares, the Group will continue to own 40% equity interest in AV Homes as the conversion will not change the equity structure of the ordinary shares unless with the approval of all shareholders.

By order of the Board

Ching Chiat Kwong
Executive Chairman and CEO
24 July 2019