
THE PROPOSED SALE OF 51@AMK

1. INTRODUCTION

The board of directors (the “Board”) of the Company (and together with its subsidiaries, the “Group”) wishes to announce that Top Global Properties Pte. Ltd. (“Top Global Properties”), a wholly-owned subsidiary of the Company, has on 5 October 2012 entered into an Option to Purchase (the “OTP”) with EX Nexus Services Pte. Ltd. and/or nominees (the “Purchaser”), for the sale (the “Sale”) of 51 Ang Mo Kio Avenue 3 #03-01 3rd Storey 51@AMK Singapore 569922 (the “Property”) at a consideration of S\$13,800,000 (the “Consideration”). The Purchaser has exercised the OTP on 19 October 2012.

INFORMATION RELATING TO THE SALE

1.1 Description of the Property

The Property is contained within a 3-storey Housing Development Board (“HDB”) block, situated within the Ang Mo Kio Town Centre, with a net lettable area of approximately of 1,420 square metres. It has a leasehold tenure of approximately 81 years with effect from 7 March 1995.

1.2 Principal Term of the Sale

In accordance with the terms of the Sale, a 5% deposit amounting to S\$690,000 has been paid by the Purchaser, in which S\$552,000 was held by Messrs Sankar Ow & Partners LLP (“Vendors’ Solicitors”), as stakeholders. The balance 95% of the Consideration would be paid on completion of the sale of the Property.

The Property is to be sold with existing tenancy and the Sale is expected to be completed within twelve (12) weeks from the date of exercise the OTP by the Purchaser or four (4) weeks after the date of receipt of consent from the relevant parties, whichever is later.

The Sale is subject to amongst others, the following terms and conditions:

- (a) the approval of the relevant parties including HDB to the Sale;
- (b) The Law Society of Singapore’s Conditions of Sale 1999; and
- (c) the discharge of the existing mortgage.

2. THE CONSIDERATION

The Consideration was arrived at arm’s length and commercial negotiations between the Purchaser and Top Global Properties on a willing-buyer willing-seller basis, after taking into consideration of the carrying value of the Property as at 30 September 2012 of S\$12,363,000.

3. FINANCIAL EFFECTS

The Sale is expected to result in a net gain of approximately S\$1,100,000 (the “Gain”) after taking into the account of divestment fee and other estimated related costs. The earnings and net tangible assets of the Company in the current financial year ending 31 December 2012 will be positively affected by the amount of the Gain.

4. RATIONALE FOR THE SALE

The Board believes that the Sale will maximise the interests of shareholders (“Shareholders”) as it will provide the Group with greater financial flexibility to pursue other possible acquisition opportunities. The Board, after careful consideration, is of the view that the Consideration is fair and reasonable and that the Sale is in the best interests of the Company and its Shareholders.

5. INTEREST OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Company’s directors or controlling shareholders has any interests, direct or indirect, in the Sale (other than by reason only of being a director of the Company or through their shareholding interests in the Company).

6. COMPLIANCE WITH RULE 703 OF THE CATALIST RULES

The Sale is within the ordinary course of the Company’s business and this announcement is made pursuant to and for the purpose of compliance with Rule 703 of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalist.

By Order of the Board

Hano Maeloa
Chief Executive Officer and Executive Director
19 October 2012

This announcement has been prepared by the Company and reviewed by the Company’s Sponsor, CNP Compliance Pte. Ltd. (“Sponsor”), for compliance with the Singapore Exchange Securities Trading Limited (“SGX-ST”) Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this announcement including the accuracy or completeness of any of the information disclosed or the correctness of any of the statements or opinions made or reports contained in this announcement. This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement including the correctness of any of the statements or opinions made in this announcement.

The contact person for the Sponsor is Mr Lance Tan at 36 Carpenter Street, Singapore 059915, telephone: (65-) 6323 8383; email: ltan@cnplaw.com