



OXLEY HOLDINGS LIMITED

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

PROPOSED ACQUISITION OF LAND IN PHNOM PENH, CAMBODIA

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 Group's 49%-owned associated company, Oxley-Worldbridge (Cambodia) Co., Ltd. ("**Oxley-Worldbridge**"), had entered into an amendment agreement dated 1 July 2013 in respect of a share sale and purchase agreement dated 22 May 2013 (collectively, the "**Agreement**") to acquire all the shares (the "**Purchase Shares**") in the capital of CityStar Phnom Penh Cottages Ltd ("**CPPC**"), from three unrelated third parties (the "**Sellers**"), for an aggregate purchase consideration of US\$11,262,500 (the "**Acquisition**").

CPPC is a company incorporated under the laws of the Kingdom of Cambodia with an issued capital of 4,000,000 KHR (approximately SGD1,246) comprising 1,000 shares. CPPC is the owner of two pieces of land on Street #84, Phum #13, Sangkat Srah Chork, Khan Daun Penh, Phnom Penh Capital, Kingdom of Cambodia (the "**Land**"). CPPC is to be acquired on the basis that its total cash assets and all credits and debits shall be nil at the time of the transfer of the Purchase Shares.

Pursuant to the Agreement:

- (a) the Purchase Shares shall be transferred to the shareholders of Oxley-Worldbridge, Oxley Holdings (Cambodia) Co., Ltd. and Worldbridge Land (Cambodia) Co., Ltd. (the "**Transferees**"), in the proportion of 75% and 25% respectively;
- (b) the Land shall be transferred from CPPC to Oxley-Worldbridge; and
- (c) CPPC shall change its name to "Oxley Ruby (Cambodia) Co., Ltd."

Description of Land

The Land has a freehold tenure and total area of approximately 6,625 square metres. It is zoned for commercial and residential development. Oxley-Worldbridge intends to redevelop the Land together with the adjoining land, the acquisition of which was announced on 14 June 2013, subject to obtaining all the necessary approvals from the relevant authorities.

Purchase Consideration of the Acquisition

The purchase consideration of US\$11,262,500 was arrived at on a willing buyer-willing seller basis after taking into account the value of the Land and the Group's assessment of the Land's development potential. Based on a valuation of the Land commissioned by Oxley-Worldbridge, the Land had a market value of US\$12,256,250 as at 12 June 2013.

A sum of US\$2,252,500 (the "**Deposit**") had been paid, giving Oxley-Worldbridge the exclusive right to purchase the Purchase Shares for a period of three months from the date of the share sale and purchase agreement. The Deposit shall be returned if the Sellers are unable to deliver to Oxley-Worldbridge (i) the original amended articles as filed and stamped at the Ministry of Commerce, together with the original Ministry of Commerce letter confirming the filing of the amended articles showing the Transferees as the owners of the Purchase Shares, and (ii) the original title deeds to the

Land amended to reflect Oxley-Worldbridge as the new owner of the Land. The Sellers shall also pay a penalty equal to the amount of the Deposit, unless the default of their obligations is due to any reason outside their control.

The balance of the purchase consideration shall be paid no later than three months from the date of the share sale and purchase agreement.

Funding of the Acquisition

The Group's portion of the Purchase Price will be funded by internal resources and bank borrowings.

Key Terms of the Acquisition

In addition to the terms set out above, the key terms of the Acquisition include the following:-

- (i) the Purchase Shares at the time of their transfer will be solely owned by the Sellers as the sole legal and beneficial owners with a good and marketable title thereto, free and clear of all mortgages, liens, charges, security interest, adverse claims, pledges, encumbrances, set-offs and demands of third parties of any kind or nature whatsoever; and
- (ii) pending the transfer of the Purchase Shares, the Sellers agree, *inter alia*, that no dividends will be paid or will accrue with respect to any share in CPPC, no issuance, granting of transfer of shares or share rights other than contemplated by the Agreement is permitted, no guarantees shall be issued by CPPC and no capital expenditure is permitted.

Financial Effects

The Group's proposed acquisition of CPPC is for the purpose of acquiring the Land. Hence, the acquisitions of CPPC and the Land are transactions carried out in the ordinary course of the Group's business. The total consideration of US\$11,262,500 (equivalent to approximately S\$14.5 million) is equivalent to 1.4% of the Company's market capitalisation as at 28 June 2013 of S\$1,047 million, based on a share capital of 2,948,219,971 shares and closing share price of S\$0.355 per share.

The Acquisition 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 2014.

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).

By Order of the Board

Ching Chiat Kwong
Executive Chairman and CEO
13 July 2013