



Second Chance Properties Ltd
(Company Registration No.198103193M)

PROPOSED SALE AND LEASEBACK OF PROPERTIES – SECOND SUPPLEMENTAL LETTER

The Board of Directors (the “**Board**”) of Second Chance Properties Ltd (the “**Company**”) and together with its subsidiaries the “**Group**”) refers to the announcement dated 6 February 2014, 7 August 2014 and the circular to shareholders dated 2 June 2014 in respect of the Proposed Sale and Leaseback of the Properties (“**Circular**”). All capitalised terms used and not defined herein shall have the same meanings given to them in the Circular.

As announced on 7 August 2014, Celestine REIT has offered to purchase 13 Properties instead of the original 45 Properties at an aggregate Purchase Consideration of S\$55,086,774.00 to which the Company has agreed to. The Board hereby wishes to announce that the Group’s wholly-owned subsidiaries namely Double Chance Properties Pte. Ltd., New Chance Properties Pte. Ltd., Good Chance Properties Pte. Ltd., Equal Chance Properties Pte. Ltd., Top Chance Properties Pte. Ltd., Best Chance Properties Pte. Ltd., Winning Chance Investments Pte. Ltd., Classic Chance Properties Pte. Ltd. and Prime Chance Properties Pte. Ltd. have on 28 August 2014 executed a second supplemental letter to each of the Option Agreements with Celestine Management Private Limited (“**Second Supplemental Letter**”) to vary the terms to the Proposed Sale and Leaseback in respect of the said 13 Properties.

Pursuant to the Second Supplemental Letter, the terms of the Proposed Sale and Leaseback have been amended such that *amongst others*:

- (a) the Target Date shall be extended from 29 August 2014 to 30 December 2014; and
- (b) the Rent payable by the Company to the Purchaser shall be as follows:-
 - (i) 4.20% of the aggregate Purchase Price for the first year following the Term Commencement Date which is approximately S\$2.31 million;
 - (ii) 4.51% of the aggregate Purchase Price for the second year of the Term which is approximately S\$2.48 million;
 - (iii) 5.06% of the aggregate Purchase Price for the third year of the Term which is approximately S\$2.79 million; and
 - (iv) 5.62% of the aggregate Purchase Price for the fourth year of the Term which is approximately S\$3.09 million,

The Purchase Consideration for each of the said 13 Properties under each of the Option Agreements remains the same and the Rent payable under the Proposed Leaseback is not less favourable than it was disclosed in the Circular.

Shareholders are advised to exercise caution in trading their shares. There is no certainty or assurance as at the date of this announcement that the Proposed Sale and Leaseback will be completed or that no changes will be made to the terms thereof. The Company will make the necessary announcements when there are further developments on the Proposed Sale and Leaseback and other matters contemplated by this announcement. Shareholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders should consult their stock brokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

Copies of the Second Supplemental Letter will be made available for inspection at the registered office of the Company at 845 Geylang Road, #04-22 Tanjong Katong Complex, Singapore 400845 during normal business hours for a period of three (3) months from the date of this announcement.

BY ORDER OF THE BOARD

Mohamed Salleh s/o Kadir Mohideen Saibu Maricar

Founder & CEO

28 August 2014