



**SINGHAIYI GROUP LTD**

(Incorporated in the Republic of Singapore)  
(Company Registration No. 198801364K)  
(the “**Company**”)

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**PROPOSED DISPOSAL OF SHARES IN THE COMPANY’S MAJORITY-OWNED SUBSIDIARY**

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**1. Introduction**

The Board of Directors (the “**Board**”) of the Company and together with its subsidiaries (the “**Group**”) wishes to announce that the Company has on 31 March 2015 entered into a binding Memorandum of Understanding (the “**MOU**”) with Ang Cheng Guan Construction Pte Ltd (Company Registration No. 199503324D) of 10 Kian Teck Crescent Singapore 628876 (“**ACG Construction**”) for the proposed disposal of shares held in its 90% majority owned subsidiary Corporate Residence Pte Ltd (“**CRPL**”) to a nominee of, or special purpose vehicle related to ACG Construction (the “**Purchaser**”). The remaining 10% of shares in CRPL are held by Corporate Space Pte Ltd (“**CSPL**”) (the Company and CSPL are collectively referred to as the “**Vendors**”).

**2. Rationale of the Disposal**

Corporate Residence Pte Ltd is the developer for City Suites, a private freehold residential project located at 235 Balestier Road. The development has 56 units and the sale progress has been slow at approximately 10% since it was launched in May 2013. In view of the possible levy as a result of the Qualifying Certificate (QC) on unsold units, it is in the interest of the Company to sell CRPL. At the same time, ACG Construction is the Main Contractor of the City Suites has expressed an interest to buy CRPL. ACG Construction is an unrelated and independent third party.

**3. Purchase Consideration**

The MOU contemplates the sale and purchase of 100% of the issued and paid up share capital of CRPL (the “**Proposed Disposal**”) by the Vendors to the Purchaser for an aggregate cash consideration of S\$16,380,000 (Singapore Dollars Sixteen Million Three Hundred Eighty Thousand) (the “**Disposal Price**”).

The Disposal Price was arrived at on willing-seller willing-buyer basis after arm’s-length negotiations, and taking into consideration to recover the shareholders loans extended by the Company to CRPL after an agreed discount. The net tangible liabilities of CRPL is S\$11,313,506 as at 28 February 2015.

Upon completion of the Proposed Disposal, CRPL would cease to be a subsidiary of the Company.

Proceeds from the Proposed Disposal will be applied towards Group’s working capital purposes. The Proposed Disposal is not expected to have any material effect on the consolidated net tangible assets per share or the consolidated earnings per share of the Company for the financial year ending 31 March 2015. None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Disposal.



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**4. Proposed Disposal of Shares in Corporate Residence Pte Ltd**

Upon the execution of the MOU, the Purchaser would be permitted to conduct due diligence on the CRPL, and the Company and the Purchaser would endeavor to work towards the execution of a definitive share purchase agreement (“SPA”) on the date falling one (1) month from the date of the MOU, or such other date as they may otherwise agree in writing.

The Proposed Disposal is subject to the terms and conditions of the MOU, and conditional upon the execution of the SPA by the Vendors and the Purchaser (and therefore subject to the terms and conditions of the SPA, and the Company procuring CSPL’s consent and agreement to participate in the Proposed Disposal on the terms of the SPA). In connection thereto, the Company intends to enter into a side agreement with CSPL (“the “**MI Side Agreement**”) to procure CSPL’s consent and agreement to participate in the Proposed Disposal on the terms of the SPA as negotiated and finalized by the Company, and to set out the agreed amount of CSPL’s entitlement to the sale proceeds from the Proposed Disposal.

**5. Document for Inspection**

A copy of the MOU will be available for inspection during normal business hours at the Company’s registered office at 81 Ubi Avenue 4 #02-20 UB.One Singapore 408830 for a period of three (3) months from the date of this announcement.

**BY ORDER OF THE BOARD**

Chen Huaidan @ Celine Tang  
Group Managing Director

1 April 2015

*This announcement has been prepared by the Company and its contents have been reviewed by the Company’s Sponsor, SAC Capital Private Limited, for compliance with the relevant rules of the Singapore Securities Trading Limited (the “Exchange”). The Company’s Sponsor has not independently verified the contents of this announcement.*

*This announcement has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

*The contact person for the Sponsor is Mr. Ong Hwee Li (Telephone: 65-6532 3829) at 1 Robinson Road, #21-02 AIA Tower, Singapore 048542.*