



DISPOSAL OF PROPERTIES BY SUBSIDIARIES

1. INTRODUCTION

The Board of Directors (the “**Board**” or “**Directors**”) of Bonvests Holdings Limited (“the **Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that the Company’s wholly-owned Singapore subsidiaries, Bon-Food Pte Ltd and Goldvein Trading Pte. Ltd., (collectively, the “**Subsidiaries**”), have today entered into sale and purchase agreements (the “**S&P Agreements**”) with HSBC Institutional Trust Services (Singapore) Limited, in its capacity as trustee of Frasers Centrepoint Trust (the “**Buyer**”) to dispose their ground floor retail units (the “**Properties**”) at Yishun 10 Cinema Complex at 51 Yishun Central 1, Singapore 768794 (the “**Disposal**”).

2. INFORMATION ON THE SUBSIDIARIES AND THE PROPERTIES

The principal activities of the Subsidiaries are owning and letting of properties. The Properties are ground floor retail units of Yishun 10 Cinema Complex with an aggregate area of approximately 966 square meters. The tenure of the Properties is 99 years commencing 1 April 1990. The Properties are currently leased out.

3. RATIONALE FOR THE DISPOSAL AND INTENDED USE OF PROCEEDS

The Company considers it an opportune time to dispose the Properties to unlock value in the Group’s balance sheet. It intends to use the proceeds from the Disposal to fund its on-going projects.

4. CONSIDERATION

The aggregate consideration of the Disposal shall be for the sum of S\$37,750,000, exclusive of Goods and Services Tax (“GST”). The consideration was arrived at on a willing buyer-willing seller basis.

The aggregate consideration will be paid in cash to the Subsidiaries on completion of the Disposal, which is expected to be on 16 November 2016 (or such other date as may be mutually agreed between the Buyer and the Subsidiaries in writing).

The consideration represents an excess of S\$11,130,000 over the net asset value of the Properties as at 30 June 2016 and the gain as a result of the Disposal is estimated to be S\$10,888,000 after taking into account of the estimated associated cost of the Disposal.

5. RELATIVE FIGURES COMPUTED ON THE BASES SET OUT IN RULE 1006

The relative figures of the Disposal computed on the bases set out in Rule 1006 (a) to (d) of the Listing Manual (the “**Listing Manual**”) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) and based on the latest audited consolidated financial statements of the Group for the financial year ended 31 December 2015 are as follows:

| Rule 1006 | Bases | Size of Relative Figures (%) |
|------------------|--|-------------------------------------|
| (a) | The net asset value of the assets to be disposed of, compared with the Group’s net asset value | 3.02% |
| (b) | The net profits attributable to the assets acquired or disposed of, compared with the Group’s net profits | 4.32% |
| (c) | The aggregate value of the consideration given or received, compared with the Company’s market capitalisation (as at 3 November 2016) | 7.70% |
| (d) | The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue | Not applicable |

Based on the above relative figures, the Disposal constitutes a disclosable transaction but does not require the approval of shareholders for the purposes of Chapter 10 of the Listing Manual.

6. FINANCIAL EFFECTS OF THE DISPOSAL

6.1 Assumptions

For illustrative purposes only, the financial effects of the Disposal, based on the latest audited consolidated financial statements for the year ended 31 December 2015 are set out below.

6.2 Net Tangible Assets

Assuming the Disposal has been completed on 31 December 2015, the financial effect on the consolidated net tangible assets (“NTA”) per share of the Group is as follows:

| | Before the Disposal | After the Disposal |
|---------------------|----------------------------|---------------------------|
| NTA (S\$’000) | 872,478 | 883,366 |
| Number of Shares | 402,167,668 | 402,167,668 |
| NTA per share (S\$) | 2.169 | 2.197 |

6.3 Earnings

Assuming the Disposal has been completed on 1 January 2015, the financial effects on the earnings per share of the Group of FY2015 is as follows:

| | Before the Disposal | After the Disposal |
|---|----------------------------|---------------------------|
| Net profit attributable to shareholders after tax (S\$'000) | 48,843 | 59,731 |
| Number of Shares | 402,167,668 | 402,167,668 |
| Earnings per share (cents) | 12.144 | 14.852 |

7. INTERESTS OF THE DIRECTORS, SUBSTANTIAL AND CONTROLLING SHAREHOLDERS

Save for the shareholdings in the Company, none of the Directors or Controlling shareholders of the Company has any interest, direct or indirect, in the Disposal.

8. SERVICE CONTRACTS

No person is proposed to be appointed as a director of the Company in connection with the Disposal. Accordingly, no service contract in connection with the transaction.

9. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the S&P Agreements will be made available for inspection during normal business hours at the registered office of the Company for three (3) months from the date of this announcement.

By order of the Board
Ms Foo Soon Soo
Company Secretary

4 November 2016