



PROPOSED DISPOSAL BY SHENTONCIL PTE. LTD. OF 60% OF THE SHARES IN ECECIL PTE. LTD. – SIGNING OF SPA

1. INTRODUCTION

The Board of Directors of Vibrant Group Limited (the "**Company**") and together with its subsidiaries, the "**Group**") refers to the announcement made by the Company on 29 June 2016 (the "**First Announcement**") and on 22 July 2016 (the "**Second Announcement**"). Unless otherwise defined, all capitalised terms used herein shall have the same meaning as in the First Announcement.

Further to the First Announcement and Second Announcement, the Board of Directors of the Company wishes to announce that Shentoncil has entered into the Sale and Purchase Agreement ("**SPA**") with Ze Qi and Heng Bo International Investment Pte. Ltd. ("**Heng Bo**") (collectively, the "**Purchasers**") on 29 July 2016 in respect of the sale of one hundred and twenty (120) ordinary shares (the "**Sale Shares**"), representing 60% of the issued and paid up share capital of Ececil Pte. Ltd. ("**Ececil**") (the "**Proposed Disposal**").

The Company owns 51% shareholding interest in Shentoncil through its wholly-owned subsidiary, Singapore Enterprises Private Limited. Ececil owns a property, Cecil House at 139 Cecil Street Singapore 069539 (the "**Property**").

Upon completion of the Proposed Disposal, Ececil shall cease to be a subsidiary of the Company and a wholly-owned subsidiary of Shentoncil.

2. INFORMATION ON PURCHASERS

Ze Qi is a company incorporated under the laws of Singapore on 27 June 2016. Heng Bo is a company incorporated under the laws of Singapore on 27 January 2016.

3. THE PROPOSED DISPOSAL

The Purchasers are desirous of purchasing from Shentoncil the Sale Shares in the following proportion:

Purchaser	Number of Shares	Percentage shareholding in Ececil
Ze Qi	110	55%
Heng Bo	10	5%

4. PURCHASE CONSIDERATION

The Purchase Consideration for the Proposed Disposal is S\$75,000,000 (the "**Purchase Consideration**"), which is arrived on a willing buyer willing seller basis

and after taking into account unaudited net asset value of Ececil of S\$44,692,745 as at 30 April 2016.

The Purchase Consideration includes a sum of S\$1,500,000 which was paid by Ze Qi upon the signing of the Term Sheet (the "**First Tranche Earnest Money**", together with the Second Tranche Earnest Money (as defined below), the "**Earnest Money**"). The Earnest Money is refundable to the Purchasers in the event completion under the SPA fails to take place due to the default of the Vendor.

The balance of the Purchase Consideration after deducting the First Tranche Earnest Money, shall be payable in the following manner:

- (i) S\$1,500,000 in cash, within 3 business days of signing of the SPA ("**Second Tranche Earnest Money**"); and
- (ii) on completion of the Proposed Disposal,
 - (a) S\$22,500,000 in cash; and
 - (b) S\$49,500,000 to be satisfied by providing guarantees satisfactory to United Overseas Bank Limited ("**UOB**") for the same amount under a revised facility agreement to be entered into between the Ececil and UOB.

5. RATIONALE FOR THE PROPOSED DISPOSAL

The Proposed Disposal will enable the Group to realise the fair value of its investment. The Group intends to hold the balance of shares in Ececil as investment.

As the Proposed Disposal is in line with the Group's ordinary course of business and is of a revenue nature, Chapter 10 of the Singapore Exchange Securities Trading Limited's Listing Manual, in particular, seeking shareholders' approval under Rule 1014, where the relative figures as computed on the bases set out in Rule 1006 exceeds 20%, does not apply to the Proposed Disposal.

6. INTENDED USE OF SALE PROCEEDS

The proceeds arising from the Proposed Disposal will be used for the Group's general working capital and reduction in the Group's bank borrowings.

7. FINANCIAL EFFECTS

The Proposed Disposal is not expected to have any material impact on the earnings and net tangible assets per share of the Group, for the current financial year.

8. INTEREST OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Proposed Disposal.

9. FURTHER ANNOUNCEMENT

The Company will make a further announcement upon completion of the Proposed Disposal under the SPA. Completion of the Proposed Disposal under the SPA shall take place by 31 August 2016 or such other date as the parties may agree.

By Order of the Board
Vibrant Group Limited

Eric Khua Kian Keong
Executive Director & CEO
29 July 2016