

ONEAPEX LIMITED

(Company Registration No: 201020806C)
(Incorporated in the Republic of Singapore)

PROPOSED DISPOSAL OF ASSOCIATED COMPANY

Unless otherwise defined, capitalised terms used herein shall have the definitions ascribed to them in the Previous Announcements (as defined herein).

1. INTRODUCTION

The board of directors (the "**Board**" or the "**Directors**") of OneApex Limited (the "**Company**" and together with its subsidiaries, the "**Group**") refers to the announcements made by the Company on 1 June 2021, 24 November 2021 and 30 December 2021 in relation to, among others, the Joint Investment and completion of the Acquisition (collectively, the "**Previous Announcements**"). Further to the Previous Announcements, the Board is pleased to announce that on 25 January 2022, OneApex Development Pte. Ltd. ("**OAD**"), a wholly-owned subsidiary of the Company, together with A38 Holdings Pte. Ltd. ("**A38**") (collectively the "**Vendors**"), entered into a sale and purchase agreement with ACKC Hesed Pte. Ltd. and Mulberry Land Pte. Ltd. (collectively the "**Purchasers**") (the "**SPA**") for the proposed disposal of the entire issued and paid-up share capital of Ember Properties Pte. Ltd. ("**Ember Properties**") (the "**Proposed Disposal**").

As the Group's property business includes property investments business, which comprises the Group's investments into various properties for rental income and/or capital growth, the Proposed Disposal is made in the ordinary course of business of the Group.

2. THE PROPOSED DISPOSAL

2.1. Information on Ember Properties

Ember Properties is a joint investment between OAD and A38, holding 20% and 80% of the total issued and paid-up share capital of Ember Properties respectively. On 30 December 2021, the Company announced the completion of the acquisition of 7 Kim Chuan Lane, Singapore 537071 (the "**Property**") by Ember Properties, an indirect associated company of the Company. Please refer to the Previous Announcements for more details.

2.2. Consideration

The total consideration for the Proposed Disposal ("**Total Consideration**") comprises (i) the consideration for the entire issued and paid-up share capital of Ember Properties ("**Share Sale Consideration**"); and (ii) the assignment and transfer of the shareholders' loans extended by the Vendors to Ember Properties ("**Shareholders' Loans**"). The Company expects the Total Consideration to be approximately S\$27.95 million.

The Share Sale Consideration is arrived at after arm's length negotiations, on a willing-buyer, willing-seller basis, between the Vendors and the Purchasers, and to be calculated based on the

taxes, land premiums, outgoings and expenses incurred by Ember Properties in relation to the Property and the Vendors' portion of rental proceeds arising from the Property, as at Completion Date (as defined in paragraph 2.4 of this announcement).

The Purchasers are unrelated third parties and are not "interested persons" of the Company for the purposes of Chapter 9 of the Catalist Rules.

In arriving at the Total Consideration, the Vendors considered, *inter alia*, the current transacted and asking sale prices of the commercial properties in the immediate area and other comparable areas, the external bank borrowings and the Shareholders' Loans granted to Ember Properties for the acquisition of the Property.

As at the date of this announcement, the Purchasers have paid to the Vendors a deposit of S\$1,164,400 ("**Deposit**"). Upon completion of the Proposed Disposal, the Purchasers shall (i) pay to the Vendors the Shareholders' Loans (including outstanding principal and accrued interest as at the Completion Date); and (ii) pay to the Vendors the Share Sale Consideration less the Deposit, in proportion to the Vendors' respective shareholding interests in Ember Properties. The Vendors shall, upon completion of the Proposed Disposal, procure Ember Properties to make payment of the external bank borrowings taken up by Ember Properties.

2.3. Conditions Precedent

The Proposed Disposal is subject to the relevant letter of offer from the Singapore Land Authority not being revoked as at the completion of the Proposed Disposal, and the Vendors having procured the complete and unconditional discharge of all outstanding liabilities including any outstanding loans.

2.4. Completion

The Proposed Disposal is expected to complete on 31 March 2022, or such other date as the parties may mutually agree in writing ("**Completion Date**").

3. USE OF PROCEEDS

The aggregate net proceeds from the Proposed Disposal, after deducting the Shareholders' Loans, payment of Ember Properties' external bank borrowings (as described in paragraph 2.2 above) and related expenses incurred in connection with the Proposed Disposal, is expected to be approximately S\$5.44 million. Accordingly, OAD's share of the net proceeds from the Proposed Disposal (in proportion to its shareholding interest in Ember Properties) shall amount to approximately S\$1.09 million.

The Company intends to utilise the net proceeds for the general working capital requirements of the Group.

4. FINANCIAL EFFECTS

The financial effects of the Proposed Disposal set out below are purely for illustrative purposes only and do not reflect the actual future financial position of the Company or the Group after completion of the Proposed Disposal.

The financial effects of the Proposed Disposal were calculated based on the audited consolidated financial statements of the Group for the financial year ended 30 September 2021 ("**FY2021**"), being the most recently completed financial year for which financial statements are publicly available on the SGXNet and the Company's website, as at the date of this announcement.

4.1. Net tangible assets ("NTA")

The effect of the Proposed Disposal on the NTA per share of the Group for FY2021, assuming that the Proposed Disposal had been effected as at 30 September 2021 is as follows:

As at 30 September 2021	Before the Proposed Disposal	After the Proposed Disposal
NTA (S\$'000)	13,502	14,590
Number of issued shares ('000)	84,498	84,498
NTA per Share (cents)	15.98	17.27

4.2. Earnings per share ("EPS")

The effect of the Proposed Disposal on the EPS of the Group for FY2021, assuming that the Proposed Disposal had been effected on 1 October 2020 is as follows:

FY2021	Before the Proposed Disposal	After the Proposed Disposal
Earnings attributable to Shareholders (S\$'000)	(899)	189
Number of issued shares ('000)	84,498	84,498
EPS (cents)	(1.06)	0.22

5. RATIONALE FOR THE PROPOSED DISPOSAL

The Proposed Disposal is in line with the rationale for the acquisition of the Property, as set out in the Company's announcement dated 1 June 2021. The Proposed Disposal will generate capital gains for the Group, thereby improving the liquidity of the Group. The Proposed Disposal will also allow the Group to have ready capital to explore new opportunities for future property acquisitions and/or investments.

6. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

As at date of this announcement, A38 is the 80% shareholder of Ember Properties. The ultimate shareholders of A38 are Mr. Tan Koo Chuan ("**Mr. Tan**") and his spouse, who are in turn the parents of Mr. Tan Pei Hong, Alex (Chen Peifeng) ("**Alex**"), the Executive Chairman and Chief

Executive Officer, and a controlling shareholder of the Company, and Mr Tan Theng Hong, Amos, a controlling shareholder of the Company.

Save for the above, none of the Directors or controlling shareholders of the Company or their respective associates have any interest, direct or indirect (other than through their respective shareholdings (if any) in the Company), in the Proposed Disposal.

7. DOCUMENTS FOR INSPECTION

A copy of the SPA is available for inspection at the registered office of the Company at 80 Raffles Place, #25-01 UOB Plaza, Singapore 048624 during normal business hours, with prior appointment, for a period of three (3) months from the date of this announcement.

By Order of the Board

Tan Pei Hong, Alex (Chen Peifeng)
Executive Chairman and Chief Executive Officer

26 January 2022

This announcement has been prepared by the Company and reviewed by the Company's sponsor, Novus Corporate Finance Pte. Ltd. (the "Sponsor"), in compliance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalyst.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST 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. Andrew Leo, Chief Executive Officer, Novus Corporate Finance Pte. Ltd., at 7 Temasek Boulevard, #18-03B Suntec Tower 1, Singapore 038987, telephone (65) 6950 2188.