

**SIM LIAN GROUP LIMITED**

(Company Registration No. 200004760C)

PURCHASE OF PROPERTY IN PERTH, WESTERN AUSTRALIA

I. INTRODUCTION

The Board of Directors of Sim Lian Group Limited (the “Company” and collectively with its subsidiaries, the “Group”) wishes to announce the proposed acquisition of a freehold commercial property located at 59 Albany Highway, Perth, Australia (the “Property”). The proposed acquisition of the Property by the Group pursuant to the sale and purchase agreement is hereinafter referred to the “Acquisition”.

II. INFORMATION ON THE PROPERTY

The Property, completed in 2010, is a freehold modern A Grade office commercial complex comprising a two-tower office complex incorporating ground floor retail units and basement, ground and two upper levels of carpark with a total of 339 secured car bays. Located within the established suburb of Victoria Park, approximately 4 kilometres east of the Perth central business district (“CBD”), the Property is strategically situated on the south-western side of Albany Highway at the eastern entry point to Perth CBD. The Victoria Park bus interchange is located directly opposite the Property and provides direct access to the Perth CBD and transfer to major CBD train stations.

The total net lettable area (“NLA”) of the Property is approximately 12,813 square metres of which 1,404 square metres comprises ground floor retail/office with the remaining 11,409 square metres spread over two separate towers.

III. PURCHASE CONSIDERATION

The Property will be acquired by SLG Property Trust which is wholly-owned by the Group through a newly constituted sub-trust, SLG 59 Albany Trust (the “Sub-Trust”). The Trust Company (Australia) Limited (the “Sub-Trustee”) acts as the trustee of the Sub-Trust.

The Sub-Trustee, in its capacity as trustee of the Sub-Trust, has entered into a sale and purchase agreement (the “Sales and Purchase Agreement”) with 59 Albany Highway Joint Venture Pty Ltd on 3 February 2015 for the acquisition of the Property for a total consideration of AUD72.8 million (the “Purchase Price”).

The Purchase Price was arrived at on a willing-buyer and willing-seller basis, taking into account current market conditions and supported by independent valuation of the Property.

IV. FINANCIAL EFFECTS

The Group intends to fund the Acquisition of the Property with a combination of internal funds and bank borrowings. The Acquisition is not expected to have any material impact on the consolidated earnings and net tangible assets per share of the Company for the current financial year ending 30 June 2015.

V. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the directors of the Company has any interest, direct or indirect, in the Acquisition (other than in their capacity as directors or shareholders of the Company). As far as the directors of the Company are aware, no controlling shareholder of the Company has an interest, direct or indirect, in the Acquisition (other than in their capacity as shareholders of the Company).

The Company will, in due course and where relevant, provide material updates and further information through SGXNET announcements.

By Order of the Board
Sim Lian Group Limited

Ang Lay Hua / Zalili Yunus
Joint Company Secretaries
4 February 2015