

SANTAK HOLDINGS LIMITED
(Company Registration Number: 200101065H)

THE ACQUISITION OF PROPERTY

Unless otherwise defined, the capitalised terms used herein have the same meanings as set out in the Company's announcement dated 23 March 2018 in connection with the Proposed Acquisition (the "Previous Announcement").

The Board of Directors ("**Board**") of Santak Holdings Limited (the "**Company**") and together with its subsidiaries, the "**Group**") refer to the Previous Announcement in connection with the Proposed Acquisition. As disclosed in the Previous Announcement, as part of its effort for cost rationalization and optimization and streamlining of the Continuing Operations, the Group plans to relocate its current manufacturing facility from Singapore to its recent proposed acquisition of a factory property in Johor Malaysia (as announced on 23 March 2018) for better management of cost and availabilities of labour in the long term which will also enhance the Group's competitiveness. As stated in Section 10 of the results announcement dated 29 August 2018 for the financial year ended 30 June 2018, the Group has obtained the "Johor State Authority Consent for Foreign Ownership" dated 16 August 2018 from the Johor State Authority and is proceeding with the procedures towards the registration of transfer of title of the Johor Property.

The Company wishes to update that the Company has made full payment of the Consideration of RM10,128,000 (consisting of payments of RM243,503.20 as at 23 March 2018, RM973,996.90 as at 30 March 2018 and final Consideration payment of RM8,979,431.80 as at 8 October 2018 amounting to a total of RM10,196,931.90 which includes GST of RM68,916 and bank charges of RM15.90) in accordance with the sales and purchase agreement dated 27 March 2018 ("**SPA**") for the Proposed Acquisition. The SPA requires that full payment be made within 2 months from the Johor State Authority Consent for Foreign Ownership dated 16 August 2018 ("**Unconditional Date**"). The Company is currently in the midst of working with the Vendor and the solicitors towards the redemption of the Property from the Vendor's bank and the registration of the transfer of title of the Property to Santak Precision Metal Parts Sdn Bhd, a wholly-owned subsidiary of the Company.

The Company will make further announcements in relation the Proposed Acquisition as and when there are material developments.

By Order of the Board

Lai Foon Kuen
Company Secretary
22 October 2018

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor ("**Sponsor**"), Asian Corporate Advisors Pte. Ltd., for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**Exchange**"). The Sponsor has not independently verified the contents of this announcement including the correctness of any of the figures used, statements or opinions made.*

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.

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