

**DISPOSAL OF PROPERTIES AT 65 TIONG POH ROAD #01-32 SINGAPORE 160065 AND
65 TIONG POH ROAD #02-32 SINGAPORE 160065**

1. INTRODUCTION

The Board of Directors of Attilan Group Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to inform that its wholly-owned subsidiary, Attilan Ventures Pte. Ltd. (“**AVPL**”) has granted an Option to Purchase to Lee Yimen Eric (“**Purchaser**”), which was exercised on 12 May 2017, for the disposal of its properties at 65 Tiong Poh Road #01-32 Singapore 160065 and 65 Tiong Poh Road #02-32 Singapore 160065 (“**Properties**”). The Properties will be sold for an aggregate consideration of S\$2.05 million (“**Proposed Disposal**”).

The property at 65 Tiong Poh Road #01-32 Singapore 160065 is a 99 years leasehold property starting from year 1967. The other property at 65 Tiong Poh Road #02-32 Singapore 160065 is a 99 years leasehold property starting from year 1967 and this property is held in trust of a third party. Under the trust agreement entered between this third party and a subsidiary of the Company, the subsidiary of the Company has retained full rights to the property.

2. RATIONALE

The Company considers it an appropriate time to dispose of the Properties as they are currently underutilised by the Group. In addition, the Proposed Disposal will enable the Group to realise the value of the Properties and improve the cash flow position of the Company.

3. CONSIDERATION

The consideration for the Properties was arrived at after negotiations on a willing-buyer and willing-seller basis and took into consideration the indicative value of the Properties at S\$1.95 million based on a Desktop Review conducted in May 2017.

The Properties have a net book value of approximately S\$2.15 million as at 31 December 2016 and the Group will recognise a loss on disposal of approximately S\$0.25 million after deducting expenses.

4. MATERIAL CONDITIONS OF THE PROPOSED DISPOSAL

There are no significant conditions precedent other than the usual satisfactory replies to legal requisitions to various government departments, relating to the Properties under the Option to Purchase.

5. FINANCIAL EFFECTS OF THE PROPOSED DISPOSAL

For illustrative purposes only, based on the Group’s audited combined financial statements for the financial year ended 31 December 2016 (“**FY2016**”), the financial effects of the Proposed Disposal are as follows:

	Before the Proposed Disposal	After the Proposed Disposal
Net tangible assets per share (assuming the Proposed Disposal was effected on 31 December 2016)	(1.01)	(1.02)
Earnings after tax per share (assuming the Proposed Disposal was effected on 31 December 2016)	(1.07)	(1.09)

6. RELATIVE FIGURES AS SET OUT IN RULE 1006 OF THE LISTING MANUAL

Based on the audited financial statements of the Group for the financial year ended 31 December 2016, the relative figures for the Proposed Disposal computed on the bases set out in Rule 1006 of the Listing Manual are as follows:

Listing Rule	Bases	Relative Figures (%)
1006(a)	Net asset value of the Proposed Disposal, compared with the Group's net liabilities value	Not meaningful ⁽¹⁾
1006(b)	Net loss attributable to the Proposed Disposal, compared with the Group's net loss	Not meaningful ⁽²⁾
1006(c)	Aggregate value of the consideration to be received, compared with the market capitalisation of the Company as at 11 May 2017 being the market day preceding the date of the exercise of the Option to Purchase	55.16 ⁽³⁾
1006 (d)	Number of equity securities issued by the Company as consideration for the Proposed Disposal, compared with the number of equity securities previously in issue	Not applicable

Notes:

1. Not meaningful as the Group reported net liabilities value as at 31 December 2016 of S\$10,666,901.
2. Not meaningful as the Group was in a net loss position as at 31 December 2016.
3. The relative figure for Rule 1006(c) was computed based on the consideration of S\$2.05 million divided by the market capitalisation of the Company as at 11 May 2017 of approximately S\$3.72 million.

Having regard to the above, as the relative figures computed based on Rule 1006(c) above exceeds 55.16%, the Proposed Disposal would result in a "major transaction" under Rule 1014 of the Listing Manual and is subject to the approval of shareholders of the Company.

The Company will be seeking specific approval of its Shareholders at an EGM to be convened for the Proposed Disposal. A circular, containing, *inter alia*, the notice of EGM and the details of the Proposed Disposal will be despatched to Shareholders in due course.

7. 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, other than through their respective shareholdings (if any) in the Company.

8. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the Option to Purchase and the Desktop Review of the Properties are available for inspection at the registered office of the Company at Hi-5 House of Learning, 10 Hoe Chiang Road, Keppel Towers #01-01/03, Singapore 089315 during normal business hours for 3 months from the date of this announcement.

BY ORDER OF THE BOARD

Datuk Jared Lim Chih Li
Managing Director
12 May 2017