



**PROPOSED ACQUISITION OF SHARES IN THE TRUSTEE COMPANY AND UNITS
IN A TRUST BY A SUBSIDIARY**

1. INTRODUCTION

The Board of Directors (the “**Board**” or “**Directors**”) of Bonvests Holdings Limited (“the **Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that Bonaventure (Australia) Pty Ltd as trustee for the Bonaventure (Australia) Trust (the “**Purchaser**”), which are both wholly-owned by Henrick (Singapore) Pte Ltd, which is a wholly-owned subsidiary of the Company, has entered into an agreement (the “**S&P Agreement**”) on 1 August 2015 with APHV Perth InvestCo Pte Ltd (the “**Vendor**”) to acquire the Four Points by Sheraton Perth (“**Hotel**”). The Hotel is currently held by HHR Perth Pty Ltd as trustee for the HHR Perth Trust and the Purchaser's acquisition of the Hotel will be through the acquisition of all the issued units in HHR Perth Trust (the “**Trust**”) and all the issued shares in HHR Perth Pty Ltd (the “**Trustee**”).

2. INFORMATION ON THE TRUST AND THE VENDOR

The Trust is the owner of the Hotel, the Four Points by Sheraton Perth. The Hotel is a 4.5 star hotel that was constructed in 1985 and was recently rebranded to Four Points after completing a comprehensive Property Improvement Plan at the end of 2013. The Hotel sits on a 2,742 sqm freehold site and has 278 rooms. The Hotel is managed by Starwood and the management contract runs until year 2027.

The Vendor is a company incorporated in Singapore.

3. RATIONALE FOR ACQUISITION

The rationale of this acquisition is to continue to build the Group's portfolio of hotels to grow its revenue base in a sustainable manner by adding resilient hotels in gateway cities.

4. PRINCIPAL TERMS AND SALIENT FEATURES OF THE PROPOSED ACQUISITION

The Vendor has agreed to sell and the Purchaser has agreed to purchase the Trust and the Trustee on the terms and subject to the conditions of the S&P Agreement.

4.1 Purchase Consideration

The purchase consideration of the Trust and the Trustee is AUD91,500,000 (exclusive of stamp duty) and was arrived at on the following basis:

- (a) on a willing buyer-willing seller basis following Purchaser due diligence; and
- (b) arm's length negotiations between the Vendor and the Purchaser, taking into account various commercial factors, including the prevailing market conditions, further supported by the independent valuation of the Hotel performed by Colliers International (the "Valuer").

The Valuer has assigned a value of AUD91,000,000 to the Hotel.

The hotel amount payable in respect of the Hotel will be paid in the following manner:

- (a) the sum of AUD9,150,000 representing 10% has been paid upon execution of the S&P Agreement; and
- (b) the sum of AUD82,350,000 representing the balance, to be paid upon completion of the S&P Agreement.

4.2 Source of Funds

The Consideration will be funded using bank borrowings.

5. RELATIVE FIGURES COMPUTED ON THE BASES SET OUT IN RULE 1006

The relative figures of the Proposed Acquisition computed on the bases set out in Rule 1006 (a) to (d) of the Listing Manual (the "**Listing Manual**") of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") are as follows:

Rule 1006	Bases	Size of Relative Figures (%)
(a)	The net asset value of the assets to be disposed of, compared with the Group's net asset value. Not applicable to an acquisition of assets.	Not applicable
(b)	The net profits attributable to the assets acquired or disposed of, compared with the Group's net profits.	(3.7%) ⁽¹⁾
(c)	The aggregate value of the consideration given or received, compared with the Company's market capitalization based on the total number of issued shares excluding treasury shares.	17.2% ⁽²⁾
(d)	The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not applicable as no equity securities of the Company will be issued as consideration for the Property

Notes:

- (1) The net loss attributable to the assets acquired was based on latest the latest annual report of the Trust dated 31 March 2015. The losses were a result of the Hotel undergoing a comprehensive Property Improvement Plan in 2013/2014 and the rebranding exercise.
- (2) Based on the purchase consideration of the Property of AUD91,500,000 using an exchange rate of AUD1 : S\$1.00 obtained from www.xe.com, the issued shares excluding treasury shares of the Company of 630,716,528 shares of the Company and the weighted average price of S\$1.32 transacted on the Mainboard of the SGX-ST on 31 July 2015.

As one of the relative figures set out above exceeds 5% but is less than 20%, the Proposed Acquisition constitutes a discloseable transaction under Rule 1010 of the Listing Manual and does not require the approval of shareholders for the purposes of Chapter 10 of the Listing Manual.

6. FINANCIAL EFFECTS OF THE PROPOSED ACQUISITION**6.1 Assumptions**

The pro forma financial effects in this section are based on the audited consolidated financial statements for the year ended 31 December 2014 (“FY2014”) and are purely for illustration purposes only and do not reflect the actual future results and financial position of the Group following the completion of the Proposed Acquisition.

6.2 Net Tangible Assets

For illustrative purposes and assuming the Proposed Acquisition had been completed on 31 December 2014, the pro forma financial effects on the consolidated net tangible assets (“NTA”) for FY2014 are as follows :

	Before the Proposed Acquisition	After the Proposed Acquisition
NTA (SGD'000)	813,496	811,227
Number of Shares	402,167,668	402,167,668
NTA per share (SGD)	2.02	2.02

6.3 Earnings

For illustrative purposes and assuming the Proposed Acquisition had been completed on 1 January 2014, the pro forma financial effects on the earnings per share of the Group of FY2014 are as follows:

	Before the Proposed Acquisition	After the Proposed Acquisition
Net profit attributable to shareholders after tax (S\$'000)	34,249	31,980
Number of Shares	402,167,668	402,167,668
Earnings per share (cents)	8.516	7.952

6.4 Share Capital

The Proposed Acquisition will not have any effect on the share capital and shareholding structure of the Company as the Proposed Acquisition does not involve the allotment and issuance of any new shares in the Company and the purchase consideration is wholly satisfied in cash.

6.5 Valuation

The pro forma financial effects on the earnings per share of the Group for FY2014 is computed based on the valuation of the Hotel at AUD91,000,000 performed by Colliers International on 1 July 2015.

7. INTERESTS OF THE DIRECTORS, SUBSTANTIAL AND CONTROLLING SHAREHOLDERS

None of the Directors (other than in his capacity as a director or shareholder of the Company), substantial shareholders or controlling shareholders has any interest, direct or indirect, in the Proposed Acquisition.

8. SERVICE CONTRACTS

No person is proposed to be appointed as a director of the Company in connection with the Proposed Acquisition. Accordingly, no service contract is proposed to be entered into between the Company and any such person.

9. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the S&P Agreement will be made available for inspection during normal business hours at the registered office of the Company for two (2) months from the date of this Announcement.

By order of the Board
Ms Foo Soon Soo
Company Secretary

3 August 2015