

AMPLEFIELD LIMITED

(Company Registration Number 198900188N)

(Incorporated in the Republic of Singapore)

TURNKEY DESIGN, CONSTRUCTION AND DEVELOPMENT AGREEMENT BETWEEN CITY BUILDERS VIETNAM COMPANY LIMITED (“CBVN”) AND SING VIET CITY LTD (“SVC”)

The Company wishes to announce that CBVN, a wholly-owned subsidiary of City Builders (S) Pte Ltd (“CBS”) which is, in turn, a 40% owned associate of the Company, has entered into a memorandum of agreement with SVC for the turnkey design, funding, construction, marketing and sale of approximately 1,900 units of mixed development comprising landed properties, villas, shop-houses and affordable apartments on a 63.8 hectares piece of land (the “Land”) in Ho Chi Minh City, Vietnam, in which the latter has an interest (the “Agreement”).

SVC, a company incorporated in Republic of Vietnam, is undertaking a township development project (the “Project”) at Le Minh Xuan Ward, Binh Chanh District, Ho Chi Minh City, Vietnam, with the land area in aggregation of approximately 363 hectares. Binh Chanh District is one of the five suburban districts of Ho Chi Minh City, Vietnam, and about 22 km west of Ho Chi Minh City centre.

SVC has been granted a Master Investment License by the Vietnamese authorities to develop a township comprising of high-rise and low-rise residential, retail, commercial, sports, gaming, leisure and recreational complexes, educational and medical properties/facilities. The Land is an integral part of the Project and has been earmarked for development of landed properties, affordable apartments and commercial units for sale to both farmers affected by the Project and to third party buyers.

CBVN and SVC shall share the gross development revenue (“GDV”) arising from the development and sale of the properties within the Land, the indicative valuation of which is US\$450 million (“Estimated GDV”) in the ratio of 65/35 respectively. With regard to the sharing of GDV, the salient terms and conditions of the Agreement are as follows:

- i) In consideration of SVC commitments to providing CBVN the turnkey contract to undertake the design, construction, development and performance of business activities for the Land, CBVN shall within 30 days upon fulfillment of the conditions precedent provide a prepayment/performance deposit of \$10 million equivalent to 2% of the Estimated GDV.
- ii) CBVN shall provide a further deposit of \$15 million equivalent to 3% of the Estimated GDV upon SVC commencing the construction of main infrastructures for the Land.
- iii) The balance of 30% of the GDV due to SVC shall be paid progressively on half yearly basis, the 1st payment commencing 6 months from date of the official sales launch based on the actual progressive sales revenue collected by CBVN.

In relation to the obligations of the Parties to this Agreement:-

SVC shall at its own costs, inter alia, be responsible for the following:

- i) complete the land compensation and site clearance for the Land
- ii) obtain the land lease and pay to the Authorities for the 50-year lease term and obtain the land use right certificate(s)
- iii) obtain all approvals and licenses for the Land, including investment principle approval and approvals of detailed master plan
- iv) construct and complete the main infrastructures for the Land
- v) Hand over all lots of subdivided land within the Land to CBVN for construction within 18 months from the date of this Agreement.

Prior to taking over the land from SVC, CBVN shall at its own cost, be responsible for the following:-

- (i) Undertake the design of the 1/100 Basic Buildings Plans in accordance to requirements contained in the 1/500 Detail Master Plan obtained by SVC; and
- (ii) Co-ordinate with SVC and such other relevant professionals as may be required the preparation, submission and obtain the approval for the 1/100 Basic Buildings Plans.

CBVN shall, upon receiving the Land from SVC, and at its own costs, inter alia, be responsible for:

- i) Commence the construction of properties and other structures in accordance with the approved 1/100 Basic Construction Plans within 12 months from the handover of vacant possession of the Land by SVC
- ii) launch, market , sell as well as collecting the sale proceeds from the selling of properties developed on the Land
- iii) CBVN shall raise the necessary funds for the construction of the proposed properties.

SVC has previously awarded construction contracts worth \$32 million to CBVN for the construction of the Main Infrastructures for the Land.

The transaction is not expected to have any material impact on the consolidated net tangible assets or earnings per share of the Company and of the Group for the most recently completed financial year but is expected to contribute positively to the future earnings of the Group upon the implementation of the Agreement.

SVC is a wholly owned subsidiary of Amanland Pte Ltd (formerly H.R.H. Integrated Engineering Services Pte Ltd) which in turn is 94.3% owned by Regionaland Pte Ltd, a company incorporated in the Republic of Singapore.

The major shareholder of Regionaland Pte Ltd is Dato Yap Teiong Choon who is also a major shareholder and director of Amplefield Ltd. Mr Yap Weng Yau, Mr Yak Yew Tho and Mr Woon Ooi Jin are directors of Regionaland Pte Ltd and Amplefield Ltd.

Save as disclosed above, none of the Directors of the Company has any interest, direct or indirect in the transaction.

By Order of the Board

Shirley Ho
Company Secretary
22 May 2015