



OXLEY HOLDINGS LIMITED

(Incorporated in the Republic of Singapore under Registration No. 201005812G)

CLARIFICATION ON ARTICLES IN THE BUSINESS TIMES

The Board of Directors of Oxley Holdings Limited (the "**Company**", and together with its subsidiaries, the "**Group**") refers to the articles in The Business Times on 10 November 2020 and 17 November 2020. The Company wishes to provide information on the lawsuits mentioned in the articles, as set out below.

(a) Oxley Consortium Pte Ltd ("**Oxley Consortium**") v Geetex Enterprises Singapore (Pte) Ltd ("**Geetex**")

In this case, Geetex terminated the agreements for the purchase of two units at Oxley Tower and sought a refund of the payments made to Oxley Consortium. The dispute was referred to arbitration and an arbitration award in favour of Geetex was issued in October 2018. Pursuant to the arbitration award, Oxley Consortium paid a total sum of \$29.5 million to Geetex in February 2019. The amount was recorded as "other receivables" in the audited consolidated statements of financial position of the Group as at 30 June 2019 and 30 June 2020. The valuation of the two units at Oxley Tower was \$20.0 million based on the latest valuation report dated 14 July 2020 by an external valuer.

Oxley Consortium is going through the legal process to appeal against the arbitration award. The case is ongoing in the Court of Appeal.

(b) Legal proceedings against Oxley Jasper Pte Ltd ("**Oxley Jasper**")

In March 2018, Oxley Jasper had entered into an agreement for the purchase of all the units in the development known as "Ampas Apartment" for the total price of \$95.0 million. Oxley Jasper had paid the first and second deposits amounting to \$4.75 million and stamp duty amounting to \$3.78 million. These amounts were recorded as "other receivables" in the audited consolidated statements of financial position of the Group as at 30 June 2019 and 30 June 2020.

Due to a condition precedent in the agreement that was not met, Oxley Jasper rescinded the agreement and claimed the refund of the deposits. However, the sellers commenced legal proceedings to seek, *inter alia*, a declaration that the deposits had been forfeited. Oxley Jasper filed a counterclaim for the refund of deposits and applicable interest. The case is currently ongoing in the High Court.

On finalisation of the outcome of the legal proceedings, Oxley Jasper will claim from IRAS a refund of the stamp duty paid.

(c) Claim by Gracious Land Pte Ltd (“**Gracious Land**”) against Oxley Gem Pte Ltd (“**Oxley Gem**”)

In January 2019, Oxley Gem accepted a letter of intent from Gracious Land for the purchase of the Novotel and Mercure hotels at Stevens Road for \$950.0 million. Gracious Land paid a deposit of \$9.5 million. Gracious Land subsequently decided not to proceed with the purchase and requested the return of the deposit, which Oxley Gem had rejected. The termination of the letter of intent was announced on 19 March 2019.

Gracious Land commenced arbitration proceedings to recover the deposit. The deposit amount had been recorded as “other liabilities” in the audited consolidated statements of financial position of the Group as at 30 June 2019 and 30 June 2020. Oxley Gem had filed a counterclaim against Gracious Land for GST output tax in the sum of \$665,000 or damages to be assessed, plus interest. The legal proceedings are ongoing.

(d) Legal proceedings against Oxley Sanctuary Pte Ltd (“**Oxley Sanctuary**”)

In September 2019, the owners of 43 units (the “**Owners**”) at KAP Mall filed a legal claim against Oxley Sanctuary, a 55%-owned subsidiary of the Group, for allegedly misrepresenting to the Owners in the course of marketing the units that McDonald’s and Cold Storage would be anchor tenants at KAP Mall and they had suffered losses as McDonald’s and Cold Storage did not eventually take up tenancy in the KAP Mall. Oxley Sanctuary has refuted the Owners’ claims and has successfully joined the marketing agent as a third party in the suit. The Owners have not quantified their claim. The case is currently ongoing in the High Court.

The Board is of the view that the abovementioned litigation cases will not have any material impact on the financial position of the Group for the current financial year ending 30 June 2021.

By Order of the Board

Ching Chiat Kwong
Executive Chairman and CEO
23 November 2020