

BANYAN TREE HOLDINGS LIMITED

(Company Registration Number 200003108H)

SALE OF ASSETS IN SEYCHELLES

1. INTRODUCTION

Banyan Tree Holdings Limited (“BTH”/the “Company”, and together with its subsidiaries, the “BTH Group”) wishes to announce that BTH Group has entered into a conditional Share Purchase Agreement (“SPA”) to sell its entire assets portfolio in Seychelles which comprises the Banyan Tree Resort as well as all the land plots it owns in Seychelles (collectively known as the “Assets”). BTH Group will continue to manage Banyan Tree Resort Seychelles under a hotel management agreement.

2. SHARE PURCHASE AGREEMENT

2.1 The following subsidiaries of BTH which hold the Assets through their respective subsidiaries in Seychelles (“Seychelles Subsidiaries”) had on 23 July 2018 (“SPA Date”) entered into a SPA with a buyer from the Middle East (the “Buyer”):-

No.	Subsidiaries	Seychelles Subsidiaries
i)	Hill View Resorts Holdings Limited (BVI) (known as “Seller 1”) (direct wholly-owned subsidiary of BTH)	Hill View Resorts (Seychelles) Limited
ii)	Jayanne International Limited (BVI) (known as “Seller 2”) (indirect wholly-owned subsidiary of BTH)	Jayanne (Seychelles) Limited
iii)	Lindere Villas Limited (BVI) (known as “Seller 3”) (indirect wholly-owned subsidiary of BTH)	Lindere Villas (Seychelles) Limited

(Seller 1, Seller 2 and Seller 3, collectively known as the “Sellers”).

- 2.2 The Sellers will sell all their shares representing the entire issued and paid-up capital held in the Seychelles Subsidiaries (known as the “**Transaction**”) for an aggregate consideration of US\$70 million (equivalent to approximately S\$95.3 million) (“**Purchase Price**”) (subject to post-completion adjustment in accordance with the SPA).
- 2.3 The Purchase Price was arrived at after arm’s length negotiations between the Buyer and the Sellers, on a willing-buyer willing-seller basis.
- 2.4 The Purchase Price will be payable by the Buyer in the following manner:-
- i) A deposit of US\$6,800,000 within 7 business days after SPA Date.
 - ii) A sum of US\$61,200,000 within 10 business days after the date that the conditions precedent are satisfied or 30th business day after SPA Date whichever is later.
 - iii) Remaining US\$2,000,000 in 25 equal consecutive monthly instalments of US\$80,000.

3. CONDITIONS PRECEDENT

Completion of the Transaction is conditional upon the satisfaction of, *inter alia*, the written consent to be obtained from the Ministry of Habitat, Infrastructure & Land Transport in accordance with the Immovable Property Transfer (Restriction) Act (Seychelles) and the regulations thereunder relating to the change of control of the Seychelles Subsidiaries as contemplated under the SPA.

4. TERMINATION

In the event that any of the Conditions Precedent is not satisfied or waived on or before 6 months from the SPA Date, the Sellers may terminate the SPA by giving written notice to the Buyer.

5. RATIONALE

The Transaction is part and parcel of BTH Group’s strategy on rebalancing its assets in the normal course of business and to unlock the value of its mature assets to create greater value from other markets.

6. FINANCIAL EFFECTS

For illustrative purposes only, assuming the Transaction has been completed on 31 March 2018, based on the unaudited financial results of BTH Group for the three months ended 31 March 2018, the Transaction will have the following impact to BTH Group's earnings per share ("EPS") and net tangible asset ("NTA") per share:

	Before the Transaction Singapore Cents	After the Transaction Singapore Cents
EPS (note 1)	2.40	2.96
NTA per share (note 2)	70.10	70.66

Note 1: EPS is computed based on weighted average number of 841,156,980 ordinary shares for the period ended 31 March 2018.

Note 2: NTA per share is computed based on 841,156,980 ordinary shares in issue as at 31 March 2018.

Jane Teah

Company Secretary

24 July 2018