

AMOS GROUP LIMITED
("Company")
(Company Registration No. 201004068M)
(Incorporated in the Republic of Singapore Singapore)

RESPONSE TO SGX QUERIES

The Board of Directors of AMOS Group Limited has received the following queries from the SGX-ST in relation to the announcement released by the Company dated 17 May 2019 titled "Grant of Options to Purchase in respect of Properties" ("**Announcement**"), and wishes to provide its response as follows:

Capitalised words which are not defined in this response shall have the same meanings ascribed to them in the Announcement.

Background

The Company had, on 17 May 2019, granted an Option to Purchase ("**OTP**") to a third party purchaser, Hean Nerng Logistics Pte Ltd ("**Purchaser**") in relation to the sale of the property located at 7 Gul Avenue, Singapore 629651 ("**7 Gul Avenue**") on the terms and subject to the conditions of the OTP ("**Proposed Disposal**").

Please refer to the Announcement for further details on the Proposed Disposal.

SGX Queries

1. **It is disclosed that Amos Supply Pte. Ltd. ("ASPL"), a wholly-owned subsidiary of the Company, has granted an Option to Purchase ("OTP") to Hean Nerng Logistics Pte Ltd ("Purchaser"), an indirect wholly-owned subsidiary of LHN Limited, in relation to the sale of the property located at 7 Gul Avenue, Singapore 629651 ("7 Gul Avenue") on the terms and subject to the conditions of the OTP ("Proposed Disposal"). We also note that of the Consideration of S\$13 million, a sum of S\$650,000 plus GST of S\$45,500 shall be payable upon the date of the OTP ("Deposit").**
 - a. **Has the OTP been signed with the Purchaser and the Deposit received?**
 - b. **What is the valuation of 7 Gul Avenue as valued by United Valuers Pte Ltd?**

Response by the Company:

- a. The OTP has been issued by the Company to the Purchaser on 17 May 2019. The OTP will be signed by the Purchaser only when the Purchaser exercises the option to purchase 7 Gul Avenue. It should be noted that the sale and purchase of 7 Gul Avenue is subject to certain conditions being fulfilled, certain details of which have been set out in the Announcement. Such conditions would include, *inter alia*, the Purchaser obtaining the JTC Approval. Accordingly, under the terms of the OTP, the expiry of the OTP is at 4.00 pm within seven (7) days of receipt of JTC Approval (and if such date is a Saturday, Sunday or public holiday, the expiry date shall be on the working day which immediately precedes such date). The Company understands from the Purchaser that, as at the date of this response, JTC Approval has not yet been obtained and the OTP has yet to be exercised by the Purchaser.

The Deposit of S\$650,000 plus GST of S\$45,500 has been paid to the Group on 17 May 2019, being the date of the OTP. It should be noted that if the LHN Shareholders' Approval (if applicable) is not

obtained within 12 weeks from the date of the OTP, ASPL shall be entitled to forfeit the Deposit, GST and all other moneys (if any) paid by the Purchaser to ASPL towards the Consideration without prejudice to any other remedy available to ASPL under the provisions of the OTP at law or in equity.

- b. The valuation made by United Valuers Pte Ltd in its Valuation Report dated 14 November 2017 was S\$14,000,000. It should be noted that such Valuation Report was for a balance lease period of approximately 15 years as at the date of the Valuation Report, while the Consideration of S\$13,000,000 took into consideration a shorter balance lease period of 13 years and 6 months as at the date of the OTP, being 19 May 2019. Please note that a copy of the Valuation Report is available for inspection at 156 Gul Circle, Singapore 629613 for a period of three months from the date of the Announcement.
2. **With reference to paragraph 11 of the Announcement, the Company states that it “expects to receive total proceeds of S\$20.5 million from the disposal of 7 Gul Avenue, 17 Joo Koon Way and 66 Kian Teck Road which will be used to repay outstanding bank borrowings.” Please clarify whether the OTPs are binding on the purchasers, and if not, whether the disposals are subject to the purchasers exercising the OTPs. If it is the latter, please follow up with an announcement when the respective OTP is exercised.**

Response by the Company:

The respective options to purchase in respect of 17 Joo Koon Way and 66 Kian Teck Road have been exercised by the respective purchasers thereto and each of such option to purchase constitutes binding agreement on the respective purchasers.

In respect of the OTP in relation to 7 Gul Avenue, the OTP constitutes a binding contract for the sale and purchase of 7 Gul Avenue at the Consideration, upon the OTP and its acceptance being signed by the Purchaser and the payment of the Deposit. It is noted that the Deposit has already been paid on 17 May 2019, being the date of issuance of the OTP. It has also been stated in the Announcement that the sale and purchase of 7 Gul Avenue is subject to the Purchaser obtaining the LHN Shareholders' Approval and the JTC Approval and the time period for completion of the sale and purchase of 7 Gul Avenue has also been illustrated in paragraph 4.3(c) of the Announcement. Please also refer to the response to query 1(a) for further details. The Company will follow up with an announcement when the OTP in respect of 7 Gul Avenue is exercised by the Purchaser.

By Order of the Board

Kyle Arnold Shaw, Jr.
Executive Chairman
AMOS GROUP LIMITED

23 May 2019