

**HAFARY HOLDINGS LIMITED**  
(Company Registration No: 200918637C)  
(Incorporated in the Republic of Singapore)

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**UPDATE ON THE USE OF PROCEEDS FROM THE PLACEMENT**

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*Unless otherwise defined, all capitalised terms used herein shall have the meanings ascribed to them in the announcement of Hafary Holdings Limited (the "Company") dated 5 February 2013 in relation to the proposed placement of up to 20,000,000 new Ordinary Shares and announcement dated 23 September 2013 in relation to change of use of Net Proceeds (the "Announcements").*

The Board of Directors of the Company wishes to announce that as at 19 September 2014, the Group has fully utilised net proceeds from the Placement of approximately S\$5.8 million (after deducting expenses of approximately S\$0.1 million incurred by the Company in connection with the Placement) as follows:-

<b>Use of Net Proceeds</b>	<b>Revised allocation of Net Proceeds as announced on 23 September 2013 (S\$'000)</b>	<b>Net Proceeds utilised as announced previously between 13 March 2013, and 21 February 2014 (S\$'000)</b>	<b>Net Proceeds utilised as announced herein (S\$'000)</b>	<b>Net Proceeds utilised as at 19 September 2014 (S\$'000)</b>
Redevelopment of the property at 18C Sungei Kadut Street 4	1,500	1,236	222	1,458
For general working capital purposes	4,300	4,300	42	4,342
	<u>5,800</u>	<u>5,536</u>	<u>264</u>	<u>5,800</u>

Redevelopment of the property at 18C Sungei Kadut Street 4 was completed at an aggregate cost of S\$1,458,000. The balance of S\$42,000 originally allocated for this purpose has been re-allocated and used for general working capital purposes.

The above use of Net Proceeds would be disclosed in the Company's annual report for FY2014.

By Order of the Board

Tay Eng Kiat Jackson  
Financial Controller  
19 September 2014