

## **PROPOSED DISPOSAL OF INVESTMENT PROPERTY BY WHOLLY-OWNED SUBSIDIARY**

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### **1. INTRODUCTION**

The Board of Directors (the “**Board**”) of MYP Ltd. (the “**Company**” together with its subsidiaries, the “**Group**”) wishes to announce that its wholly-owned subsidiary, Affreton Pte. Ltd. (“**Affreton**”), had on 27 April 2018, agreed and accepted an offer to purchase (the “**Offer**”) its investment property, “MYP Plaza” at 135 Cecil Street, Singapore 069536 (the “**Property**”).

The proposed disposal of the Property (the “**Proposed Disposal**”) will be on an “as is, where is” basis and the Property will be sold subject to tenancies which are subsisting as at completion.

Shareholders of the Company should note that while the Offer has legal and binding effect, the Proposed Disposal is subject to, amongst others, the results of a due diligence exercise (“**Due Diligence**”) being satisfactory (please refer to paragraph 4.2 and 4.3 below), and the execution of a definitive agreement in connection with the Proposed Disposal (the “**Definitive Agreement**”).

### **2. INFORMATION ON THE PROPERTY**

The Property is a 14-storey freehold office tower located in Singapore’s central business district. It has a net lettable area of approximately 82,334.28 square feet and 3 basement carpark levels. The Property is situated in a prime location with easy access to retail shops, food and beverage outlets, clinics, banks, financial institutions, major expressways and Mass Rapid Transport (“**MRT**”) stations (including but not limited to Raffles Place MRT station, Tanjong Pagar MRT station and Telok Ayer MRT station).

### **3. INFORMATION ON THE PURCHASER**

The purchaser is a company to be registered in Singapore, affiliated to the Lucio Tan group of companies, a conglomerate based in the Philippines (the “**Purchaser**”).

The Purchaser is an independent third-party and unrelated to the Directors and substantial shareholders of the Company.

### **4. PRINCIPAL TERMS OF THE PROPOSED DISPOSAL**

#### **4.1. Sale Price**

The consideration for the Proposed Disposal is S\$247,000,000 (exclusive of good and services tax (“**GST**”)) (the “**Sale Price**”).

The Sale Price was arrived at on a willing-seller, willing-buyer basis after arms’ length negotiations, and after taking into account, amongst other things, the indicative open market value of the Property as determined by an independent third party property valuer.

The Purchaser shall pay Affreton a non-refundable deposit of S\$2,470,000 (representing 1% of the Sale Price) (the “**Deposit**”) within seven (7) working days from the date of the Affreton’s acceptance of the Offer. The Deposit will be refundable (free of interest) in the event that the

results of the Purchaser's Due Diligence are unsatisfactory (please refer to paragraphs 4.2 and 4.3 below).

The Purchaser shall pay a further deposit of S\$9,880,000 (representing 4% of the Sale Price), together with GST for the total deposit to be paid of S\$12,350,000, upon the execution of the Definitive Agreement (please refer to paragraph 4.3 below). Thereafter, the balance of the Sale Price of S\$234,650,000 (being 95% of the Sale Price) shall be paid by the Purchaser on completion of the Proposed Disposal.

#### **4.2. Due Diligence**

The Purchaser shall exclusively carry out the Due Diligence for a period of eight (8) weeks from the date of the Affreton's acceptance of the Offer, unless earlier terminated by the Purchaser further to the results of the Due Diligence being unsatisfactory.

Unsatisfactory due diligence findings include findings that: (a) the Property is structurally unsound or has structural defects; (b) the title to the Property is not in order; (c) the Property is affected by encroachment; (d) the Property's building, structures and/or alteration/addition works have not been built or constructed in accordance with approved plans; (e) the Property's mechanical and electrical equipment are in such state or condition as to affect the safety or functionality of the Property; (f) any major mechanical and electrical equipment is deemed by the Purchaser's consultants as replaceable within six (6) months of completion of the Proposed Disposal; (g) the net lettable area is less than 82,334.28 square feet; and (h) there are defects which will affect the structural integrity of the Property.

#### **4.3. Definitive Agreement**

The Proposed Disposal is subject to, amongst others, the execution of the Definitive Agreement to be mutually agreed between Affreton and the Purchaser, which shall be negotiated in good faith during the Due Diligence period.

The terms and conditions of the Definitive Agreement shall include, amongst others: (a) covenants for good and unencumbered title; (b) incorporation of the Law Society of Singapore's Conditions of Sale 2012; (c) no notice or order of actual or intended compulsory acquisition affecting the Property (whether gazetted or not); (d) satisfactory legal requisition replies/plans; (e) that the tenancies subsisting are in accordance with a previously circulated list of tenants, and which tenancies are on usual commercial terms, do not contain more than one (1) renewal term and do not contain any right of refusal to buy the Property or any unit therein; (f) that vacant possession is given for units not rented out; and (g) subject to reasonable notice to Affreton, access is given to the Purchaser and its representatives, valuers and consultants for inspection of the Property during normal office hours.

In the event that Affreton and the Purchaser fail to enter into a Definitive Agreement after negotiations in good faith, the Deposit paid by the Purchaser shall be forthwith forfeited to Affreton, and thereafter, neither party shall be entitled to any further claims or demands against the other party.

#### **4.4. Completion**

Completion of the Proposed Disposal shall take place on the expiry of twelve (12) weeks from the date of the Affreton's acceptance of the Offer.

### **5. RATIONALE FOR THE PROPOSED DISPOSAL**

The Board believes that the Proposed Disposal maximizes the interest of shareholders as it will be in strategic alignment with the Group's future plans and overall strategy. The Board, after careful consideration is of the view that the Proposed Disposal is in the best interest of the Company and its shareholders.

**6. RELATIVE FIGURES UNDER RULE 1006 OF THE LISTING MANUAL**

As the Proposed Disposal is in line with the Group's ordinary course of business, Chapter 10 of the Singapore Exchange Securities Trading Limited's (the "**SGX-ST**") listing manual (the "**Listing Manual**") does not apply to the Proposed Disposal.

For the avoidance of doubt, none of the relative figures under Rule 1006 of the Listing Manual exceed 100%. Accordingly, the Proposed Disposal is not conditional upon, amongst others, the approval of the shareholders of the Company and the SGX-ST.

**7. FINANCIAL EFFECTS OF THE PROPOSED DISPOSAL**

The Proposed Disposal is not expected to have any material impact on the earnings per share and net tangible assets per share of the Group for the current financial year ending 31 March 2019.

**8. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS**

None of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in the Proposed Disposal, other than through their respective shareholdings (if any) in the Company. The Purchaser is an independent third-party and unrelated to the Directors and substantial shareholders of the Group.

**9. FURTHER ANNOUNCEMENTS**

The Company will make further announcements relating to the Proposed Disposal (including any material developments and progress made) as may be appropriate from time to time.

**10. CAUTIONARY STATEMENT**

Shareholders are advised to exercise caution in trading their shares. The Proposed Disposal is subject to certain conditions. There is no certainty or assurance as at the date of this announcement that the Proposed Disposal will be completed or that no further changes will be made to the terms thereof. The Company will make further announcements on the Proposed Disposal as appropriate or when there are further developments on the same. Shareholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders should consult their stock brokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

By Order of the Board  
**MYP LTD.**

Jonathan Tahir  
Executive Chairman

27 April 2018