



**SLB Development Ltd.**

(Incorporated in the Republic of Singapore under Registration No. 201729864H)

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**INTERESTED PERSON TRANSACTION – EXTENSION OF SHAREHOLDER’S LOAN BY LIAN BENG GROUP LTD**

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**Introduction**

The Board of Directors of SLB Development Ltd. (the "**Company**", and together with its subsidiaries, the "**Group**") refers Shareholders to the Offer Document dated 11 April 2018 issued by the Company in connection with its initial public offering, and the announcements dated 13 August 2020 and 15 August 2022 in relation to the terms of the shareholders’ loan granted by Lian Beng Group Ltd ("**LBG**") to the Company and the Second Supplemental Agreement. The Board wishes to inform Shareholders that the Company has entered into a third supplemental agreement (the "**Third Supplemental Agreement**") to extend the maturity date and date of repayment of the shareholders’ loan to 20 April 2025.

Save for the above, all other terms of the shareholders’ loan agreement remain unchanged from the Second Supplemental Agreement.

**Details of the interested person**

LBG is a controlling shareholder of the Company holding 77.60% of the total issued shares of the Company and is therefore considered an interested person of the Company within the meaning of Chapter 9 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited ("**Catalist Rules**"). Accordingly, the entry into the Third Supplemental Agreement constitutes an interested person transaction ("**IPT**") and is subject to the provisions of Chapter 9 of Catalist Rules.

**Rationale for the Third Supplemental Agreement**

The Company and LBG have agreed to the terms of the Third Supplemental Agreement as the extended maturity date will allow the Company more flexibility to manage its cash flow.

**Statement from the Audit Committee**

The Audit Committee having considered the terms of and the rationale for the Third Supplemental Agreement are of the opinion that the transaction was conducted on an arm’s length basis and on normal commercial terms, and is not prejudicial to the interests of the Company and its minority shareholders.

**Value of the IPT**

Pursuant to Rule 909(3) of the Catalist Rules, in the case of borrowing of funds from an interested person, the aggregate value of the transaction is the interest payable on the borrowing. As at 31 July 2023, the Company has drawn down a principal of S\$33.8 million under the shareholders’ loan agreement, the total interest paid from 14 February 2018 until 31 May 2023 amounted to approximately S\$4.6 million, representing 2.2% of the Group’s latest audited net tangible assets value ("**NTA**") of S\$204.8 million as at 31 May 2022. Assuming that there is no further draw down of the shareholder’s loan, based on the existing shareholder’s loan of \$33.8 million and the interest rate is at 5.0% per annum from 1 June 2023 to 20 April 2025, the total value of the IPT is S\$3.2 million representing 1.6% of the Group’s latest audited net tangible assets value ("**NTA**") as at 31 May 2022, being S\$204.8 million.

Assuming that the maximum amount of shareholders' loan of S\$80.0 million is drawn down by the Company and the interest rate is at 5.0% per annum from 1 June 2023 until 20 April 2025, the total value of the IPT is S\$7.6 million representing 3.7% of the Group's latest audited net tangible assets value ("NTA") as at 31 May 2022, being S\$204.8 million. At present, the Group does not have the intention to drawdown further loans extended under the shareholders' loan agreement. The Group will continue to monitor the interest payable and will seek the approval from Shareholders when required.

#### **Total IPTs entered into with LBG and its subsidiaries**

##### **(i) IPTs under IPT general mandate**

The aggregate value of all IPTs entered into with LBG and its subsidiaries from 1 June 2023 until the date of this announcement covered by the IPT general mandate granted by the Shareholders during the Company's Annual General Meeting on 28 September 2022 amounted to S\$0.5 million based on the Group's effective interest.

##### **(ii) IPTs not under IPT general mandate**

The aggregate value of the IPTs entered into by the Group with LBG and its subsidiaries from 1 June 2023 until the date of this announcement, apart from those IPTs covered by the IPT mandate amounted to S\$0.1 million, representing 0.1% of the Group's latest audited net tangible assets value ("NTA") amounting to S\$204.8 million as at 31 May 2022.

Save for the above, the Group has not entered into any transactions with any other interested persons from 1 June 2023 until the date of this announcement.

#### **Interest of Directors and Controlling Shareholders**

Save as disclosed herein, none of the Directors or controlling shareholders of the Company has any direct or indirect interest (other than through their respective shareholdings in the Company), in the Third Supplemental Agreement.

#### **Documents available for inspection**

A copy of the Third Supplemental Agreement is available for inspection during normal business hours at the registered office of the Company for a period of three months from the date of this announcement.

By Order of the Board

Ong Eng Keong  
Executive Director and Chief Executive Officer  
31 July 2023

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This announcement has been reviewed by the Company's Sponsor, SAC Capital Private Limited (the "**Sponsor**").

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Ms Tay Sim Yee, at 1 Robinson Road #21-00, AIA Tower, Singapore 048542, telephone (65) 6232 3210.