PROGEN HOLDINGS LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 199605118C)

ACQUISITION OF SHARES RESULTING IN A COMPANY BECOMING AN ASSOCIATED COMPANY

The Board of Directors ("**Directors**") of Progen Holdings Ltd. (the "**Company**", and together with its subsidiaries, the "**Group**") wish to inform shareholders of the Company that its wholly owned subsidiary, Progen Industrial Pte Ltd ("**PIPL**") has on 13 October 2017, acquired 2 ordinary shares of TSky Balmoral Pte. Ltd. (the "**TBPL**"), representing 20% of TBPL, at a cash consideration of S$2.00 (the "**Investment**") from TSky Development Pte. Ltd. ("**TSky**"). TBPL has a paid-up capital of S$10.00 comprising of 10 ordinary shares and was incorporated to undertake the redevelopment of two plots of land at 17 Balmoral Road (Lot 138C of Town Subdivision 26) and Lot 99899P of Town Subdivision 26 (the "**Redevelopment**").

Pursuant to the Investment, 7 ordinary shares and 1 ordinary share of TBPL are held by independent third parties, namely TSky and Seacare Property Development Pte. Ltd. ("**Seacare"**) respectively. The shareholders of TBPL will be entering into a joint venture agreement in due course.

TSky is a 60% indirect subsidiary of Tiong Seng Holdings Limited, a company listed on the Mainboard of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and 40% indirect associated company of Ocean Sky International Limited, a company listed on the Catalist of SGX-ST. Seacare is a wholly owned subsidiary of Seacare Property Pte Ltd.

The Company will update shareholders in due course when there are further material developments in connection with the joint venture (including the entry into a joint venture agreement) and the Redevelopment.

The Investment had been funded through internal resources of the Group and is not expected to have any material impact on the earnings per share or net tangible assets per share of the Group for the current financial year ending 31 December 2017.

None of the Directors, controlling shareholders or substantial shareholders of the Company, as well as their respective associates, has any interest, direct or indirect, in the abovementioned transaction (other than through their interests in the shares of the Company).

BY ORDER OF THE BOARD

Lee Ee @ Lee Eng
Managing Director
15 October 2017

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor") for compliance with the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this announcement.

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

The contact person for the Sponsor is Ms Jennifer Tan, Senior Manager, Continuing Sponsorship (Mailing address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and Email: sponsorship@ppcf.com.sg).