



**SINGHAIYI GROUP LTD.**  
(Company Registration No. 198803164K)  
(Incorporated in the Republic of Singapore)

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**A. INCORPORATION OF JOINT VENTURE COMPANIES**  
**B. PROVISION OF SHAREHOLDERS' LOANS TO JOINT VENTURE COMPANIES**

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**1. INTRODUCTION**

The Board of Directors (the “**Board**”) of SingHaiyi Group Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) refers to the Company’s announcement “Joint Tender For Collective Purchase of Maxwell House” dated 7 May 2021 (the “**7 May 2021 Announcement**”).

Unless otherwise stated, terms defined in the 7 May 2021 Announcement shall have the same meaning in this announcement.

**2. INCORPORATION OF JOINT VENTURE COMPANIES**

The Board of the Company wishes to announce that two joint venture companies (collectively, the “**JV Companies**”, and each, a “**JV Company**”) have been incorporated on 19 May 2021. In accordance with the Joint Tenderers’ Participation Proportions to jointly undertake the Project, the details of the JV Companies are as follows:

Name	:	Maxwell Residential Pte. Ltd.
Issued & paid-up share capital	:	S\$10.00
Shareholders	:	CEL Development Pte. Ltd. (40% shareholding) SingHaiyi Investments Pte. Ltd. (30% shareholding) Chuan Investment Pte Ltd (30% shareholding)

Name	:	Maxwell Commercial Pte. Ltd.
Issued & paid-up share capital	:	S\$10.00
Shareholders	:	CEL Development Pte. Ltd. (40% shareholding) SingHaiyi Investments Pte. Ltd. (30% shareholding) Chuan Investment Pte Ltd (30% shareholding)

**3. PROVISION OF SHAREHOLDERS' LOANS TO JOINT VENTURE COMPANIES**

CEL, SHIPL and CIPL (collectively, the “**JV Partners**”) have provided shareholders’ loans in the aggregate principal amount of S\$22,138,600 (the “**Shareholders’ Loans**”) to the JV Companies. The Shareholders’ Loans provided by each of the JV Partners is in accordance with their respective Participation Proportions.

The Shareholders’ Loans includes the tender fee and the remaining principal amount of the Shareholders’ Loans will be utilised towards payment of stamp duty in connection with the acquisition of the Property and satisfying the next tranche of payment of the purchase price as stipulated in the agreed terms and conditions relating to the acquisition of the Property.

#### 4. INTERESTED PERSON TRANSACTIONS

- 4.1 **Rule 916(2) of the Listing Manual – Investment in Joint Venture.** In relation to the incorporation of the JV Companies, as mentioned in the 7 May 2021 Announcement, the investment by CEL and SHIPL in the Project constitutes an interested person transaction of the Company for purposes of Chapter 9 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the “**Listing Manual**”). The Audit Committee of the Company was satisfied that the Company’s investment in the Project will be within the scope of Rule 916(2) of the Listing Manual.
- 4.2 **Rule 916(3) of the Listing Manual – Provision of Shareholders’ Loans.** In relation to the Shareholders’ Loans, as CEL has an interest of 40% in each JV Company, the JV Companies are associates (as defined in the Listing Manual) of the Controlling Shareholders. Therefore, the provision of the Shareholders’ Loans by the Company to the JV Companies is an interested person transaction.

The Shareholders’ Loans have been extended by the JV Partners in their respective Participation Proportions and on the same terms and conditions, including the interest rate, if any, on interest accrued on the Shareholders’ Loans.

None of the Controlling Shareholders or their associates had any existing equity interest in the Joint Venture prior to the participation of SHIPL in the Joint Venture.

Based on the terms and conditions relating to the Shareholders’ Loans, the Audit Committee of the Company is of the view that:

- (i) the provision of the Shareholders’ Loans by SHIPL is not prejudicial to the interests of the Company and its minority shareholders; and
- (ii) the risks and rewards for each JV Partner are in proportion to the equity of each JV Partner in the Joint Venture and the terms of the Shareholders’ Loans are not prejudicial to the interests of the Company and its minority shareholders.

The Company will make a further announcement when the JV Agreement is entered into, which announcement will include the Audit Committee’s views on the terms of the JV Agreement pursuant to Rule 916(2) of the Listing Manual.

- 4.3 **Value of Interested Person Transactions.** For the financial year ending 31 March 2022: save for (i) SHIPL’s proportionate contribution of S\$6.00 in aggregate to the issued and paid-up share capital of the JV Companies and (ii) SHIPL’s proportionate contribution of S\$6,641,580 in aggregate in respect of the Shareholders’ Loans, the current total of all other interested person transactions of the Company for FY2022 is approximately S\$2,717,000.

#### 5. FURTHER INFORMATION

- 5.1 **Financial Effects.** The incorporation of the above-mentioned JV Companies and the provision of the Shareholders’ Loans are funded by internal resources, and are not expected to have a material impact on the consolidated net tangible assets per share and consolidated earnings per share of the Group for the financial year ending 31 March 2022.
- 5.2 **Interests of Directors and Controlling Shareholders of the Company.** Save as disclosed in the 7 May Announcement and this announcement, and save for their shareholdings in the Company, none of the Directors or controlling shareholders of the Company is deemed to have any interest, direct or indirect, in the Project.

**BY ORDER OF THE BOARD**

Celine Tang  
Group Managing Director

19 May 2021