

ABR HOLDINGS LIMITED
Company Registration No. 197803023H
(Incorporated in the Republic of Singapore)

**MEMORANDUM OF UNDERSTANDING
IN RELATION TO THE PROPOSED ACQUISITION OF THE CHILLI PADI GROUP**

The Board of Directors (“**Board**”) of ABR Holdings Limited (“**Company**”) and together with its subsidiaries, “**Group**”) wishes to announce that the Company has entered into a memorandum of understanding dated 18 January 2017 (“**MOU**”) with shareholders of Chilli Api Catering Pte. Ltd., Chilli Padi Nonya Catering Pte. Ltd. and Chilli Padi Nonya Restaurant Pte. Ltd. (collectively, the “**Target Companies**”), being Ms. Patricia Lee Siang Choo, Mr. Lee Boon Hwa and Mr. Lee Cheng Watt (collectively, the “**Vendors**”) in relation to the proposed acquisition of the entire shares in the capital of the holding company of the Target Companies which is to be incorporated in Singapore (“**Target HoldCo**”), and together with the Target Companies, the “**Chilli Padi Group**”) (“**Proposed Acquisition**”).

The Target Companies are companies incorporated in Singapore and their principal business activities are providing catering services for various events (including tea receptions, weddings, seminars, high-end functions and large scale corporate events), operating restaurants and cafeterias and providing confinement products. The Board believes the Proposed Acquisition will enhance the F&B selections within the Group’s portfolio and bring in an established brand into the Group’s business, as well as expand its revenue base.

Under the MOU, the Vendors shall transfer all of their shares in the capital of each Target Company to the Target HoldCo, and thereafter, Ms. Patricia Lee Siang Choo, Mr. Lee Boon Hwa and Mr. Lee Cheng Watt will hold 40%, 30% and 30% shares, respectively, in the capital of the Target HoldCo. The purchase of the entire shares in the capital of the Target HoldCo (“**Sale Shares**”) is envisaged to take place in 2 tranches:

- (a) the Company will first purchase 80% of the Sale Shares, such that immediately after such purchase, the Company and Ms Patricia Lee Siang Choo will respectively hold 80% and 20% of shares in the Target HoldCo; and
- (b) there will be a put and call option over the remaining 20% Sale Shares.

The purchase consideration for the Sale Shares will take into account, *inter alia*, the audited net profit after tax of Chilli Padi Group for its financial year ended 31 December 2016 as well as adjustments to be agreed by the parties, and shall be paid in cash.

Under the MOU, the Company has been granted a period of up to 20 weeks from the date of the MOU (“**Exclusive Period**”) to conduct due diligence on the Chilli Padi Group and to negotiate the definitive agreements in connection with the Proposed Acquisition. The MOU will terminate upon the earlier of the execution of the definitive agreements in connection with the Proposed Acquisition or the expiry of the Exclusive Period.

The Company will make further announcements to update shareholders on material developments regarding the Proposed Acquisition, and further details will be provided if and when definitive agreements are signed.

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Proposed Acquisition.

BY ORDER OF THE BOARD

Ang Lian Seng
Executive Director

18 January 2017