

**OEL (HOLDINGS) LIMITED**  
(Incorporated in the Republic of Singapore)  
(Company Registration No. 198403368H)

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**SIGNING OF SALE AND PURCHASE AGREEMENT IN RESPECT OF THE PROPOSED ACQUISITION  
OF DISCOVERY KIDZ PRESCHOOL PTE. LTD.**

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The Board of Directors ("**Board**") of OEL (Holdings) Limited ("**Company**" and together with its subsidiaries, "**Group**") wishes to announce that the Company has on 1 March 2020, entered into a Sale and Purchase Agreement ("**SPA**") with Wang Jibo ("**Seller**") to acquire 100% of the issued and paid-up share capital of Discovery Kidz Preschool Pte. Ltd. ("**Discovery Kidz**") ("**Proposed Acquisition**").

As the relative figures of the Proposed Acquisition computed on the bases set out in Rule 1006 of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalist ("**Catalist Rules**") do not exceed 5%, the Proposed Acquisition is classified as a non-disclosable transaction. Notwithstanding, the Company is making the announcement pursuant to Rule 1008(2) of the Catalist Rules.

Discovery Kidz has been in the business of providing quality preschool education in Singapore since 2005 and is profitable for the financial year ended 31 December 2019. Following the Proposed Acquisition, the management team will bring in a professional team to introduce a world class childcare health education system and its own proprietary textbooks. The health education system will be primarily focused on three fields: psychological health, nutritional health and behavioural health.

The aggregate consideration payable by the Company for the Proposed Acquisition is S\$416,000 ("**Consideration**"). The net tangible assets of Discovery Kidz is S\$124,355 based on the unaudited financial statements as at 31 December 2019. No valuation was carried out in connection with the Proposed Acquisition. The Consideration will be funded through internal resources.

The Consideration was arrived at arm's length negotiations, on a willing-buyer, willing-seller basis and also taking into account the potential future business opportunities as the Board is of the view that the Proposed Acquisition will improve the revenue and earnings position of the Group.

The Proposed Acquisition is subject to the condition in obtaining such approval(s), confirmation(s), and/or waiver(s) from all relevant regulatory authorities such as the Singapore Exchange Securities Trading Limited or the Company's sponsor in connection with the SPA and all corporate actions contemplated therein as may be necessary, which includes obtaining shareholders' approval on the proposed business diversification at an extraordinary general meeting as announced in the Company's announcement of 12 February 2020. A circular containing further information of the proposed diversification of business will be despatched to Shareholders in due course.

Save for their shareholdings in the Company, none of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Proposed Acquisition, other than through their respective shareholdings in the Company.

**BY ORDER OF THE BOARD**

Zhao Xin  
Chief Executive Officer and Executive Director

2 March 2020

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*This announcement has been reviewed by the Company's sponsor, RHT Capital Pte. Ltd. ("**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). The Sponsor has not independently verified the contents of this announcement.*

*This announcement has not been examined 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 details of the contact person for the Sponsor are:-*

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