



**LOW KENG HUAT (SINGAPORE) LIMITED** (Reg. No. 196900209G)

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## **ACQUISITION OF 67 CAIRNHILL ROAD SINGAPORE SITUATED ON LAND LOT 838W OF TOWN SUBDIVISION 27 TOGETHER WITH LAND LOTS 836C AND 844T BOTH OF TOWN SUBDIVISION 27**

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The Board of Directors of Low Keng Huat (Singapore) Limited (“**LKHS**” or the “**Company**”); and together with its subsidiaries, the “**Group**”) wishes to announce that one of the subsidiaries of LKHS, Glopeak Development Pte. Ltd. (“**Glopeak**”) has entered into a Sale & Purchase Agreement on 7 June 2018 (“**SPA**”) with the registered proprietor of 67 Cairnhill Road, Singapore and Lots 836C and 844T both of Town Subdivision 27 (collectively, the “**Property**”) for the sale and acquisition (“**Proposed Acquisition**”) of the Property at the purchase consideration of S\$100,000,000 (“**Purchase Consideration**”).

Brief details of the Development are as follows:

- (a) Tenure : Freehold
- (b) Land Area : Approximately 19,800 square feet
- (c) Plot ratio : 2.8
- (d) Location : 67 Cairnhill Road Singapore situated on Land Lot No. 838W Town Subdivision 27 together with Land Lots 836C and 844T both of Town Subdivision 27

The Proposed Acquisition is in the ordinary course of the Group’s business. The Purchase Consideration was arrived at on a “willing-buyer” and “willing-seller” basis after taking into consideration various commercial factors, including without limitation the location and potential of the Property and prevailing market conditions. As at the date of the SPA, a sum equivalent to 5% of the Purchase Consideration being the deposit payable under the terms of the SPA has been paid into the Vendors’ solicitor’s conveyancing account opened pursuant to the Conveyancing & Law of Property (Conveyancing) Rules 2011 to hold as stakeholders pending completion of the Proposed Acquisition. Completion of the Proposed Acquisition is subject to satisfaction of conditions precedent as set out in the SPA.

The Property is situated adjacent to Land Lot No. 819C Town Subdivision 27 also known as 69 Cairnhill Road, Cairnhill Mansion Singapore (“**69 Cairnhill**”). As announced previously on 14 February 2018, LKHS entered into a sale and purchase agreement (“**69 Cairnhill SPA**”) with the owners of the units in the development at 69 Cairnhill who have consented to the collective sale and acquisition of 69 Cairnhill (“**Consenting Owners**”). Pursuant to a letter of nomination and conveyance direction dated 12 March 2018, Glopeak was nominated to complete the acquisition of 69 Cairnhill subject to the terms of the 69 Cairnhill SPA including amongst others, the Consenting Owners obtaining sale order approving the collective sale of 69 Cairnhill in accordance with the Land Titles (Strata) Act. As at the date of this announcement, the sale order approving the collective sale of 69 Cairnhill in accordance with the Land Titles (Strata) Act has yet to be obtained.

After the successful completion of the Proposed Acquisition, the Group has the option of either:-

(a) redeveloping the Property into a high rise residential condominium with condominium facilities that is expected to yield approximately 55 residential units; or

(b) (subject to the successful completion of the acquisition of 69 Cairnhill and such approval(s) from the relevant authorities being obtained) amalgamating the Property with 69 Cairnhill to redevelop into a high rise residential condominium with condominium facilities that is expected to yield approximately 200 residential units, ("**Proposed Redevelopment**").

The Proposed Acquisition and the Proposed Redevelopment will be financed by internal resources and external borrowings; and is not expected to have material impact on the Group's net tangible assets or earnings per share for the financial year ending 31 January 2019.

None of the Company's Directors or controlling shareholders has any interest, direct or indirect, in the SPA and/or the Proposed Acquisition.

The Company will make further announcements in relation to the Proposed Acquisition, as and when there are material developments.

By Order of the Board

Chin Yeok Yuen  
Company Secretary  
7 June 2018