



HEETON HOLDINGS LIMITED
(UEN/Company Registration No. 197601387M)
(Incorporated in the Republic of Singapore)

DISPOSAL OF BUILDHOME PTE. LTD.

Introduction

The board of directors of Heeton Holdings Limited (the “Company” and together with its subsidiaries, the “Group”) is pleased to announce that Heeton Land Pte. Ltd. (“Heeton Land”) (a wholly-owned subsidiary of the Company) and Koh Brothers Development Pte Ltd (“KBD”) (a wholly-owned subsidiary of Koh Brothers Group Limited) have sold their respective 50% shareholding interests in Buildhome Pte. Ltd. (“Buildhome”) (the “Disposal”) to Central Core Pte Ltd (“Central Core” or the “Purchaser”), a company incorporated in Singapore.

Buildhome is a company incorporated in Singapore and prior to the sale to the Purchaser, was the joint venture company equally owned by Heeton Land and KBD. Buildhome developed and owned the property development known as “The Lumos” on 9 Leonie Hill Singapore 239220. A balance of 36 residential units in The Lumos remain unsold as at today (the “Property”).

The disposal of Heeton Land’s 50% shareholding in Buildhome (the “Heeton Land Disposal”) is in the Group’s ordinary course of business and Chapter 10 of the Singapore Exchange Securities Trading Limited Listing Manual did not apply.

Following completion of the Heeton Land Disposal, the Company has ceased to have any shareholding interest in Buildhome and Buildhome has ceased to be a joint venture company of the Company.

Consideration

The consideration of S\$41.6 million for the Disposal (the “Consideration”) was arrived at on a willing-buyer and willing-seller basis with reference to the unaudited financial statements of Buildhome as at 28 February 2017 and the agreed value of S\$185.6 million for the Property.

The Consideration has been paid equally to KBD and Heeton Land in the following manner (a) S\$30 million in cash paid on 19 July 2017 and (b) S\$11.6 million to be deferred to after completion, which shall be novated to the shareholders of Central Core.

Contemporaneously with completion, Buildhome has refinanced the Property with the existing lender. In addition, as part of the transaction consideration, Heeton Land and KBD have agreed to convert the outstanding shareholders’ loans to Buildhome aggregating S\$36 million into a 3-year promissory note bearing interest at 5% per annum.

Financial impact

The Heeton Land Disposal is expected to contribute positively to the Company’s consolidated net tangible assets and earnings per share for the financial year ending 31 December 2017.

Interest of controlling shareholders and directors

Toh Giap Eng, the Deputy Chairman and Executive Director and a controlling shareholder of the Company, has a 12.5% shareholding interest in Central Core.

Save as disclosed above, no other director or controlling shareholder of the Company has any direct or indirect interest in the Heeton Land Disposal, other than through their respective interests (if any) in the Company.

By Order of the Board

Teng Heng Chew Eric
Executive Director / Chief Executive Officer

19 July 2017