



ASX / Media Release

November 20, 2018

## Kingsland Financing Arrangements in respect to One18 Residences

Kingsland Global Ltd (**ASX:KLO**) (Kingsland or the Company) is pleased to advise that it has entered into loan facility arrangements (**Facility Arrangements**) with Macalland Holdings Pte Ltd (**Macalland**) and Kingsland Development Pte Ltd (**Kingsland Development**), the Company's largest shareholder, to finance the remaining cost of development of the One18 residences joint venture (**One18 Residences**) and general working capital requirements.

One18 Residences is located in the heart of Phnom Penh inner city, within 2 km from the central business district, government institutions, universities, malls and other high-end villas. Development of the One18 Residences is presently at the 25th level and it is anticipated to be completed in Q1CY2019 and such that it is operationally ready by Q3 to Q4CY2019. Refer to the Company's annual report lodged on 19 July 2018 for further information.

The Facility Arrangements entered into by the Company are part of a wider proposed transaction whereby it is proposed that Kingsland (KH) Development Co Ltd (Kingsland Cambodia), the Company's wholly owned subsidiary, will enter into a novation agreement (**Novation Agreement**) with Macalland and Max Credit Pawn Pte Ltd pursuant to which Macalland will acquire the rights, title, interest and benefits together with all the obligations, responsibilities of Kingsland Cambodia in respect of the development of One18 Residences under the joint venture agreement dated 9 October 2015 (**Proposed Transaction**).

Macalland Holdings is a Singapore incorporated investment holding company providing business consultancy and is owned and controlled by Mr Jeremiah Lee, the managing director of Kingsland. Accordingly, the Proposed Transaction will be conditional on (amongst other matters) Kingsland obtaining all necessary shareholder approvals required under the ASX Listing Rules and its articles of association, including approval for the purposes of ASX Listing Rule 10.1.

The Company is presently in advanced negotiations with Macalland and the parties are committed to finalising the Novation Agreement. The Proposed Transaction is subject to the parties agreeing and entering into a formal binding Novation Agreement. The Company will update shareholders in respect to the status of the Novation Agreement by way of further ASX announcement.

The key terms of the loan facility deed with Macalland are as follows:

- Provision of an unsecured loan facility of up to US\$30,000,000 by Macalland. As at the date of this announcement, Kingsland has drawn down US\$9,820,000 from the facility;
- Kingsland can draw down on the loan facility at any time until the earlier of:
  - o the date of completion Proposed Novation Agreement; and
  - o 3 years from the date of the loan facility deed (End Date);
- Interest rate of 8% per annum;
- Any amount drawn on the loan facility will not accrue interest, unless Kingsland fails to enter into the Novation Agreement prior to the End Date; and
- Any amount drawn on the loan facilities must be repaid, together with accrued interest owing to Macalland (if applicable), by no later than:
  - o the date of completion of the Novation Agreement; or
  - o the End Date,

save that repayment of all outstanding monies will be subject to a right of set-off to be provided for under the Novation Agreement.

The key terms of the loan facility agreement with Kingsland Development are as follows:

- Provision of an unsecured loan facility of up to US\$3,000,000 by Kingsland Development (Loan);
- The Loan must be repaid 24 months from the date of execution of the loan agreement (Repayment Date);
- The Company can draw down on the loan facility anytime prior to the Repayment Date; and
- Interest rate of 8% per annum will accrue from the date that Loan is advanced.

**ENDS**

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### **ABOUT KINGSLAND GLOBAL LTD**

Kingsland Global Ltd is a property development company that aims to expand its property development expertise and offerings through the development of:

- residential and commercial projects, including but not limited to, boutique hotels and serviced apartments;
- retail projects such as shopping malls;
- aged care facilities; and
- industrial parks and office spaces,

in countries such as Cambodia, Japan, Taiwan and Australia.