



ACQUISITION OF A RESORT DEVELOPMENT SITE IN INDONESIA BALI AND ACQUISITION OF SUBSIDIARY COMPANIES

The board of directors (the "**Board**") of SC Global Developments Ltd (the "**Company**") wishes to announce that its wholly-owned subsidiary, Tanah Investments Pte. Ltd. ("**TIPL**"), has on 11 May 2012 exercised an option under the option agreement (the "**Agreement**") with Mr. O. Kuntjoro (the "**Vendor**") in relation to TIPL's acquisition of certain equity interests through (i) TIPL's acquisition of 2 ordinary shares representing the entire issued share capital of Lotusvale Pte. Ltd. ("**Lotusvale**") and (ii) the subscription by TIPL and its nominee of 19,000 ordinary shares in Tannerson Pte. Ltd. ("**Tannerson**"), representing 95% of the enlarged share capital of Tannerson (collectively referred hereto as the "**Acquisition**"). The balance 5% of the enlarged share capital of Tannerson will be held by the Vendor. Both Lotusvale and Tannerson are Singapore incorporated companies. On completion of the Acquisition, Lotusvale and Tannerson will collectively own 100% of the issued share capital of P.T. Tanah Green Investments ("**PTTGI**"), a company incorporated in Indonesia, and on completion of the Acquisition, PTTGI will acquire a resort development site situated at Bali, Indonesia.

The consideration for the Acquisition is approximately USD 32.5 million including an assignment of shareholder's loans of approximately USD 7 million. The consideration was arrived at on a willing buyer, willing seller basis, based on the Company's intention to develop the resort development site into a villa resort and a hotel. Based on the information furnished by the Vendor on PTTGI, the net tangible asset value of PTTGI is approximately USD 7 million. Pursuant to the terms of the Agreement, the Vendor has granted a further option to TIPL to purchase the Vendor's remaining equity interest in Tannerson at the price of US\$1,710,000.

The resort development site has a land area of approximately 2 million square feet and it is a seafront development site set atop a cliff overlooking the Indian Ocean. This site could potentially be developed into a villa resort and hotel either for sale or to be operated by the Company.

The Directors are of the view that the Acquisition is a viable investment which will enable the Company to diversify into a new geographical location and participate in the rapidly developing market in Indonesia. Indonesia Bali is a well known international tourist destination and is a natural location for the Company to expand its *Seven Palms* brand, which the Company has successfully embarked on in Sentosa Cove, Singapore.

The Acquisition will be funded by internal resources of the Company and is not expected to have any material impact on the SC Global Group's consolidated earnings and net tangible assets per share for the current financial year ending 31 December 2012.

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

By order of the Board

Foo Lai Peng
Company Secretary
Singapore,
13 May 2012