



**TRAVELITE HOLDINGS LTD.**

(Incorporated in Singapore)

(Company Registration Number: 200511089K)

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## ACQUISITION OF PROPERTY

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### 1. INTRODUCTION

The Board of Directors of Travelite Holdings Ltd. (the "**Company**") and together with its subsidiaries, the "**Group**") is pleased to announce that on 8 August 2016, upon payment of a sum of S\$192,750 (the "**Option Fee**"), the Company was granted an option (the "**Option**") to purchase (the "**Option Agreement**") a property located at 53 Ubi Avenue 3 Singapore 408863 (the "**Property**") by Colourscan Co. (Pte.) Ltd (the "**Vendor**") (the "**Proposed Acquisition**"). The Vendor is an independent and unrelated third party.

The Option Fee represents 1% of the total consideration for the purchase of the Property of S\$19,275,000 (the "**Consideration**").

### 2. CERTAIN PRINCIPAL TERMS OF THE OPTION

#### 2.1 Consideration

The Consideration was arrived at on a willing-buyer-willing-seller basis, after taking into consideration, the indicative open market value of the property of S\$30,000,000 which was determined by an independent third party property valuer. The Consideration, which is payable in cash, will be financed by internally generated funds and bank borrowings.

#### 2.2 Material Condition

The Proposed Acquisition is subject to the Company having received the approval of the shareholders of the Company (the "**Shareholders**") and the approval of the Housing and Development Board.

#### 2.3 Completion

The Option is required to be exercised within 71 days from the date of the Option Agreement (the "**Option Period**"), by delivery of the acceptance copy to the Option Agreement and the payment of a further 4% of the Consideration to the Singapore Academy of Law as stakeholder. The Option Period may be extended beyond 71 days upon mutual agreement by the Company and the Vendor. In the event the Vendor disagrees to extend the Option Period, it will return the Option Fee in full to the Company.

The completion of the Proposed Acquisition will take place and the balance 95% of the Consideration will be payable on the date falling four weeks from the date of exercise of the Option.

### 3. INFORMATION ON THE PROPERTY AND RATIONALE FOR THE PROPOSED ACQUISITION

The Property, being a four-storey single user industrial building, has a gross floor area of approximately 12,127 square meters with a leasehold tenure of sixty (60) years commencing 1 July 1996.

The Proposed Acquisition is intended to consolidate and expand the Group's corporate headquarter, as well as house multiple business units of the Group, which are currently located at various premises, into a single location. Such centralisation would enhance management's oversight, operational efficiencies and interaction among the staff.

### 4. FINANCIAL EFFECTS OF THE PROPOSED ACQUISITION

The financial effects of the Proposed Acquisition set out below, based on the Group's audited consolidated financial statements for the financial year ended 31 March 2016 ("FY2016"), are purely for illustrative purposes only and do not reflect the future financial position of the Company or the Group after Completion.

#### 4.1 Net Tangible Assets per Share

The effect of the Proposed Acquisition on the net tangible assets ("NTA") per share of the Group for FY2016, assuming that the Proposed Acquisition had been effected on 31 March 2016 is as follows:

<b>As at 31 March 2016</b>	<b>Before the Proposed Acquisition</b>	<b>After the Proposed Acquisition</b>
NTA (S\$'000)	28,564	28,564
NTA per share (Cents)	45.27	45.27

#### 4.2 Earnings per Share

The effect of the Proposed Acquisition on the earnings per share of the Group for FY2016, assuming that the Proposed Acquisition had been effected on 1 April 2015 is as follows:

<b>FY2016</b>	<b>Before the Proposed Acquisition</b>	<b>After the Proposed Acquisition</b>
Profits after tax and non-controlling interests (S\$'000)	407	117
Earnings per share (Cents)	0.66	0.19

#### 4.3 Gearing

The effect of the Proposed Acquisition on the gearing of the Group for FY2016, assuming that the Proposed Acquisition had been effected on 31 March 2016 is as follows:

<b>FY2016</b>	<b>Before the Proposed Acquisition</b>	<b>After the Proposed Acquisition</b>
Total borrowings (S\$'000)	5,807	21,227
Shareholders' funds (S\$'000)	28,910	28,910
Gearing ratio (times)	0.20	0.73

## 5. RELATIVE FIGURES COMPUTED BASED ON RULE 1006 OF THE LISTING MANUAL

The relative figures for the Proposed Acquisition computed on the bases set out in Rule 1006 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") are as follows:

1006 (a)	Net asset value of the assets to be disposed of, compared with the group's net asset value	Not applicable
1006 (b)	Net profits attributable to the assets acquired or disposed of, compared with the group's net profits	Not applicable
1006 (c)	Aggregate value of the consideration given or received, compared with the issuer's market capitalisation, based on the total number of issued shares excluding treasury shares	The Consideration of S\$19,275,000 for the Proposed Acquisition represents approximately 98.5% of the Company's market capitalisation of approximately S\$19,560,507 as at 5 August 2016 (being the market day preceding the date of the Option Agreement)
1006 (d)	Number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue	Not applicable
1006(e)	Aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the group's proved and probable reserves.	Not applicable

As the relative figure computed under Rule 1006(c) of the SGX-ST Listing Manual exceeds 20%, the Proposed Acquisition is a "major transaction" as defined in Rule 1014 of the SGX-ST Listing Manual. Accordingly, the approval of the Shareholders at an extraordinary general meeting ("**EGM**") is required for the Proposed Acquisition.

## 6. SERVICE CONTRACT

No person will be appointed to the Board of Directors of the Company, and no service contract will be entered into by the Company, in connection with the Proposed Acquisition.

## 7. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors or controlling Shareholders of the Company has any interest, direct or indirect, in the Proposed Acquisition, other than through their shareholdings in the Company.

## **8. CIRCULAR AND DOCUMENTS FOR INSPECTION**

The circular to the Shareholders containing, *inter alia*, further information on the Proposed Acquisition and enclosing the notice of the EGM of the Company will be despatched by the Company to the Shareholders in due course.

A copy of the Option Agreement is available for inspection at the registered office of the Company at 205A Kallang Bahru Singapore 339342 during normal business hours for three months from the date of this announcement.

By Order of the Board

Hoe Kee Kok  
Executive Director  
8 August 2016