



TERRATECH GROUP LIMITED

(Company Registration No. CT-276295)

(Incorporated in the Cayman Islands on 15 March 2013)

PROPOSED ACQUISITION BY TERRATECH GROUP LIMITED (“COMPANY”) OF ALL OF THE ISSUED AND PAID UP SHARES OF ALTIMATE VENTURES LIMITED, RISE EXPEDITION GLOBAL LIMITED AND FIRST STAR VENTURES LIMITED – RECEIPT OF WHITEWASH WAIVER FROM THE SECURITIES INDUSTRY COUNCIL (“SIC”)

*All capitalised terms in this announcement (this “**Announcement**”) shall, unless otherwise defined herein, have the same meanings ascribed to them in the Company’s announcements dated 9 June 2016, 8 December 2016 and 7 January 2017 (“**Earlier Announcements**”).*

1. INTRODUCTION

The board of directors (“**Board**”) of the Company refers to the Earlier Announcements in relation to Proposed Acquisition, the Extension, the Proposed REGL Acquisition, the Proposed FSVL Acquisition and the Proposed RTO Transactions.

2. RECEIPT OF WHITEWASH WAIVER

2.1 Further to the Earlier Announcements, the Board wishes to announce that the SIC had on 13 March 2017, granted a waiver (“**Waiver**”) in respect of the obligations of Siow Chien Fu (“**Siow**”) and Tan June Teng Colin and Tan Ping Huang Edwin (“**Tan Concert Parties**”) to make a general offer for the Company under Rule 14 of the Code as a result of the allotment and issuance of the Consideration Shares to Siow and the Tan Concert Parties and their respective concert parties pursuant to the Proposed Acquisition, subject to certain conditions.

2.2 Pursuant to the Waiver, the SIC has waived the obligation for Siow to make a general offer for the Company under Rule 14 of the Code as a result of the allotment and issuance of such number of Consideration Shares to Siow, subject to the following conditions:

- (a) a majority of holders of voting rights of the Company approve at a general meeting, before the issue of the Consideration Shares, a resolution (the “**Siow Whitewash Resolution**”) by way of a poll to waive their rights to receive a general offer from Siow and his concert parties;
- (b) the Siow Whitewash Resolution is separate from other resolutions;
- (c) Siow, parties acting in concert with him and parties not independent of him abstain from voting on the Siow Whitewash Resolution;
- (d) Siow and his concert parties did not acquire or are not to acquire any shares or instruments convertible into and options in respect of shares of the Company (other than subscriptions for, rights to subscribe for, instruments convertible into or options in respect of new shares which have been disclosed in the Circular);
 - (i) during the period between the announcement of the Proposed Acquisition and the date Shareholders’ approval is obtained for the Siow Whitewash Resolution; and

- (ii) in the six (6) months prior to the announcement of the Proposed Acquisition but subsequent to negotiations, discussions or the reaching of understandings or agreements with the directors of the Company in relation to the Proposed Acquisition;
- (e) the Company appoints an independent financial adviser to advise its independent Shareholders on the Siow Whitewash Resolution;
- (f) the Company sets out clearly in the Circular to Shareholders:
 - (i) details of the Proposed Acquisition;
 - (ii) the dilution effect to existing Shareholders of the issue of the Consideration Shares to Siow;
 - (iii) the number and percentage of voting rights in the Company as well as the number of instruments convertible into, rights to subscribe for and options in respect of shares in the Company held by Siow and his concert parties as at the latest practicable date;
 - (iv) the number and percentage of voting rights to be issued to Siow upon the subscription of the Consideration Shares; and
 - (v) that Shareholders, by voting for the Siow Whitewash Resolution, are waiving their rights to a general offer from Siow at the highest price paid by Siow and his concert parties for the shares in the Company in the past six (6) months preceding the commencement of the offer;
- (g) the Circular by the Company to Shareholders states that the waiver granted by the SIC to Siow from the requirement to make a general offer under Rule 14 is subject to the conditions stated at sub-paragraph 2.2(a) to (f) above;
- (h) the Company obtains the SIC's approval in advance for those parts of the Circular that refer to the Siow Whitewash Resolution; and
- (i) to rely on the Siow Whitewash Resolution, the subscription of the Consideration Shares by Siow must be completed within three (3) months of approval of the Siow Whitewash Resolution.

2.3 The SIC has additionally waived the obligation for the Tan Concert Parties to make a general offer for the Company under Rule 14 of the Code as a result of the allotment and issuance of such number of Consideration Shares to the Tan Concert Parties, subject to the following conditions:

- (a) a majority of holders of voting rights of the Company approve at a general meeting, before the issue of the Consideration Shares, a resolution (the “**Tan Concert Parties Whitewash Resolution**”) by way of a poll to waive their rights to receive a general offer from the Tan Concert Parties and their concert parties;
- (b) the Tan Concert Parties Whitewash Resolution is separate from other resolutions;
- (c) the Tan Concert Parties, parties acting in concert with them and parties not independent of them abstain from voting on the Tan Concert Parties Whitewash Resolution;

- (d) the Tan Concert Parties and their concert parties did not acquire or are not to acquire any shares or instruments convertible into and options in respect of shares of the Company (other than subscriptions for, rights to subscribe for, instruments convertible into or options in respect of new shares which have been disclosed in the Circular);
 - (i) during the period between the announcement of the Proposed Acquisition and the date Shareholders' approval is obtained for the Tan Concert Parties Whitewash Resolution; and
 - (ii) in the six (6) months prior to the announcement of the Proposed Acquisition but subsequent to negotiations, discussions or the reaching of understandings or agreements with the directors of the Company in relation to the Proposed Acquisition;
- (e) the Company appoints an independent financial adviser to advise its independent Shareholders on the Tan Concert Parties Whitewash Resolution;
- (f) the Company sets out clearly in the Circular to Shareholders:
 - (i) details of the Proposed Acquisition;
 - (ii) the dilution effect to existing Shareholders of the issue of the Consideration Shares to Tan Concert Parties;
 - (iii) the number and percentage of voting rights in the Company as well as the number of instruments convertible into, rights to subscribe for and options in respect of shares in the Company held by the Tan Concert Parties and their concert parties as at the latest practicable date;
 - (iv) the number and percentage of voting rights to be issued to the Tan Concert Parties upon the subscription of the Consideration Shares; and
 - (v) that Shareholders, by voting for the Tan Concert Parties Whitewash Resolution, are waiving their rights to a general offer from the Tan Concert Parties at the highest price paid by the Tan Concert Parties and their concert parties for the shares in the Company in the past six (6) months preceding the commencement of the offer;
- (g) the Circular by the Company to Shareholders states that the waiver granted by the SIC to the Tan Concert Parties from the requirement to make a general offer under Rule 14 is subject to the conditions stated at sub-paragraph 2.3(a) to (f) above;
- (h) the Company obtains the SIC's approval in advance for those parts of the Circular that refer to the Tan Concert Parties Whitewash Resolution; and
- (i) to rely on the Tan Concert Parties Whitewash Resolution, the subscription of the Consideration Shares by the Tan Concert Parties must be completed within three (3) months of approval of the Tan Concert Parties Whitewash Resolution.

2.4 The SIC has also confirmed that each of Dr Wang Xiaoning and Dr Loh Chang Kaan, being directors and Shareholders of the Company, is an independent Shareholder for the purpose of the Siow Whitewash Resolution and the Tan Concert Parties Whitewash Resolution.

3. CAUTIONARY STATEMENT

- 3.1 The Circular containing further information on, *inter alia*, the Proposed Acquisition, the Proposed REGL Acquisition, the Proposed FSVL Acquisition and the Proposed RTO Transactions enclosing the notice of the EGM to seek approval of the Shareholders will be despatched by the Company to the Shareholders in due course.
- 3.2 The Board would like to advise Shareholders that, although the Siow Whitewash Waiver and the Tan Concert Parties Whitewash Waiver have been granted, completion of the Proposed Acquisition, the Proposed REGL Acquisition, the Proposed FSVL Acquisition and the Proposed RTO Transactions are subject to other conditions precedents being fulfilled and there is no certainty or assurance as at the date of this announcement that the Proposed Acquisition, the Proposed REGL Acquisition, the Proposed FSVL Acquisition and the Proposed RTO Transactions will be completed or that no changes will be made to the terms thereof. Accordingly, Shareholders are advised to exercise caution in dealings with the Shares. Shareholders are advised to read this Announcement and any further update announcement(s) released by the Company in connection with the Proposed Acquisition, the Proposed REGL Acquisition, the Proposed FSVL Acquisition and the Proposed RTO Transactions carefully. Shareholders should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

BY ORDER OF THE BOARD

Dr Loh Chang Kaan
Chief Executive Officer and Executive Director

15 March 2017

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor") for compliance with the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalyst. The Sponsor has not verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr Joseph Au, Associate Director, Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone (65) 6229 8088.