

# TAI SIN ELECTRIC LIMITED

(Company Registration No. 198000057W)

(Incorporated in the Republic of Singapore)

## PURCHASE OF 9 GUL LANE, SINGAPORE 629408 BY TAI SIN ELECTRIC LIMITED

### 1. INTRODUCTION

- 1.1 The Board of Directors (the “**Board**”) of Tai Sin Electric Limited (the “**Company**”) wishes to announce that Tai Sin has on 4 September 2018 entered into a Sale and Purchase Agreement (the “**Agreement**”) to purchase the property known as 9 Gul Lane, Singapore 629408 (the “**Property**”) for S\$7,000,000 (Singapore Dollars Seven Million Only) from Aplast System Co. Pte Ltd, UEN No. 199803236N (the “**Vendor**”).

### 2. INFORMATION ON THE PROPERTY

- 2.1 The Property is located on the south-western side of Gul Lane, off Pioneer Road/Tuas Road and approximately 26 kilometres from the City Centre. It lies within the Jurong Industrial Estate. The immediate locality is industrial in character, comprising mainly JTC standard as well as purpose-built factories.
- 2.2 The Property has a site area of 6,342.1 square metres or thereabouts, subject to government’s re-survey. The site is a rectangular plot with a frontage of approximately 63.5 metres onto Gul Lane and a depth of about 100.0 metres. The site is slightly elevated above road level with a flat contour generally.
- 2.3 The Property includes a single-story JTC detached factory with a mezzanine level and a rear extension with gross floor area of approximately 3,742.22 square metres.
- 2.3 Permitted use on the Property is currently manufacturing, fabrication, welding, servicing of steel mould, scaffolding, strutting and accessories and related engineering works only.
- 2.4 Tenure for the Property is Leasehold 26 years commencing 1 January 2011, with an unexpired lease term of less than 19 years.

### 3. THE PURCHASE CONSIDERATION

- 3.1 The purchase consideration payable by Tai Sin to the Vendor is S\$7,000,000 in aggregate (the “**Purchase Consideration**”) exclusive of goods and services tax. The Purchase Consideration was arrived after taking into account of the prevailing market conditions and upon arm’s length negotiations between the parties. A Valuation Report on an As-Is basis with vacant possession and

free from encumbrances as at 16 July 2018, commissioned by Tai Sin for intended to purchase purpose, assessed a market value of S\$7,000,000 for the Property.

3.2 The Purchase Consideration will be satisfied in cash and is financed by Tai Sin's internal funds.

#### 4. RATIONALE FOR PURCHASING THE PROPERTY

4.1 Tai Sin's cable and wire factory at 24 Gul Crescent, Singapore 629531 is facing space constraints to house its operations. The Property's location is directly adjacent to this factory. Tai Sin intends to use the Property to alleviate space constraints at the cable and wire factory, leading to higher productivity, increased production capacity and growth.

#### 5. RELATIVE FIGURES UNDER CHAPTER 10 OF THE LISTING MANUAL

5.1 The relative figures for the Acquisition computed on the relevant bases set out in Rule 1006 of the listing manual of the Singapore Exchange Securities Trading Limited ("Listing Manual") are as follows:-

Rule 1006	Base	Relative figure computed in accordance with the bases set out in Rule 1006
(a)	The net asset value of the assets to be disposed of, compared with the Group's net asset value	Not applicable as this transaction is not a disposal of assets
(b)	The net profits attributable to the assets acquired, compared with the Group's net profits <sup>(i)</sup>	Not available
(c)	The aggregate value of the consideration given, compared with the Company's market capitalisation <sup>(ii)</sup>	4.29%
(d)	The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue	Not applicable as no new equity securities are issued for the Acquisition

#### Notes:

(i) The net profits attributable to the assets acquired is not available.

(ii) Purchase Consideration of S\$7,000,000 is compared to the market capitalisation of Tai Sin on 3 September 2018 of S\$163,318,421.63.

5.2 As the relative figure under Rule 1006(c) does not exceed 5%, the Acquisition constitutes a non-disclosable transaction pursuant to Rule 1010 of the Listing Manual.

**6. CONDITIONS PRECEDENT AND COMPLETION**

6.1 Completion of the Acquisition is *inter alia*, subject to the receipt of requisite approvals from Jurong Town Corporation (“JTC”) for the sale and purchase of the Property and the change of use of the Property.

6.2 Under the Agreement, the sale and purchase shall be completed on or before the expiry of:

- i) four (4) weeks after receiving JTC’s written approval for the sale and purchase; or
- ii) where Environment Baseline Study (“EBS”) is required by JTC as a condition of the JTC sale and purchase approval and no decontamination works are required, four (4) weeks after JTC gives its confirmation that the EBS report is satisfactory and no decontamination works are required, or
- iii) where EBS is required by JTC as a condition of the JTC sale and purchase approval and decontamination works are required, four (4) weeks after JTC gives its confirmation that the decontamination works have been satisfactory carried out, or
- iv) such other date as may be agreed between the parties;

whichever is the latest date, provided that notwithstanding any other provisions stated in the Agreement, if the completion of the sale and purchase does not take place by **1 April 2019**, the sale and purchase shall become null and void and the Vendor shall refund to Tai Sin the deposit received from Tai Sin by the Vendor free of interest and thereafter neither party shall have any other claim whatsoever against the other.

BY ORDER OF THE BOARD

Mr. Tan Shou Chieh  
Secretary

Singapore, 4 September 2018