



TT INTERNATIONAL LIMITED

Company Registration Number 198403771D
(Incorporated in Singapore)

ANNOUNCEMENT

UPDATE ON THE IMPLEMENTATION OF THE NEW SCHEME – RECEIPT OF WHITEWASH WAIVERS FROM THE SECURITIES INDUSTRY COUNCIL (THE “SIC”)

1. INTRODUCTION

1.1 The Board of Directors (“**Board**”) of the Company, along with its subsidiaries and associated companies, refers to:

- a) its announcement dated 17 July 2019 in relation to the Company’s entry into a binding term sheet with Celestial Palace Limited (“**Investor**”) to, amongst others, to provide for the proposed investment by the Investor through a convertible loan of S\$48 million to be granted to the Company (“**Convertible Loan**”), of which an amount of up to S\$45 million will be used to fund the implementation of the New Scheme;
- b) its announcement dated 29 July 2019 in relation to (i) the Court approval of the New Scheme on 29 July 2019; and (ii) the extension of the existing Moratorium until 31 December 2019 to allow the Company time to obtain all necessary approvals from relevant authorities to facilitate the completion of the Convertible Loan and the implementation of the New Scheme;
- c) its announcement dated 27 December 2019 in relation to the extension of the existing Moratorium until 31 March 2020 to allow the Company time to obtain all necessary approvals from relevant authorities to facilitate the completion of the Convertible Loan and the implementation of the New Scheme;
- d) its announcement dated 11 March 2020 in relation to the Company’s application to the Court for (i) an extension of existing Moratorium, which expires on 31 March 2020, until 31 May 2020, and (ii) to extend the long stop date for the implementation of the New Scheme (“**Extension Application**”);
- e) its announcement dated 27 March 2020 in relation to the Court’s approval of the Extension Application;
- f) its announcement dated 18 May 2020 in relation to the Company’s application to the Court for (i) an extension of existing Moratorium, which expires on 31 May 2020, until 14 August 2020, and (ii) to extend the long stop date until 14 August 2020 for the implementation of the New Scheme (“**Further Extension Application**”);
- g) its announcement dated 29 May 2020 in relation to the Court’s approval of the Further Extension Application; and
- h) its announcement dated 7 August 2020 in relation to (a) the update on the implementation of the New Scheme; and (b) the extension of moratorium and long stop date for implementation of New Scheme (“**7 August 2020 Announcement**”),

(collectively, the “**Previous Announcements**”).

1.2 Unless otherwise defined, all capitalised terms and references used herein shall bear the same meaning ascribed to them in the Previous Announcements.

2. RECEIPT OF WHITEWASH WAIVERS FROM SIC

- 2.1 On 9 December 2019, the Company applied to SIC for whitewash waivers in connection with the proposed allotment and issue of the Conversion Shares and the Rights Share. On 25 February 2020, SIC granted the whitewash waivers, subject to certain conditions, which include convening an extraordinary general meeting (“**EGM**”) by 25 May 2020 to seek shareholders’ approval of the whitewash resolutions. An extension of time was granted by SIC on 28 May 2020 for the Company to meet the conditions set out in the whitewash waivers, which include convening the EGM by 16 July 2020 to seek shareholders’ approval of the whitewash resolutions.
- 2.2 As the extended timeline to meet the conditions set out in the whitewash waivers had lapsed, the Company applied to SIC on 7 August 2020 for a further extension of time to meet the conditions. As a further extension of time was not obtained, the Company re-applied to SIC for the grant of the whitewash waivers in connection with the proposed allotment and issue of the Conversion Shares and the Rights Shares.
- 2.3 The Company wishes to announce that SIC has on 2 October 2020 granted the whitewash waivers in connection with the proposed allotment and issue of the Conversion Shares and the Rights Shares, and waived:
- (a) the requirement for the Major Shareholders to make a general offer for the Company in the event the Major Shareholders incur an obligation to do so as a result of subscribing for (i) their entitlement of 128,318,543 Rights Shares based on the Existing Major Shareholders Shares as at the relevant books closure date; and (ii) up to 221,145,429 Rights Shares which are not subscribed for or otherwise taken up and/or applied for by the other entitled Shareholders (“**Rights Issue Whitewash Waiver**”); and
 - (b) the requirement for the Investor to make a general offer for the Company in the event the Investor incurs an obligation to do so as a result of the Investor’s acquisition of the Conversion Shares upon conversion of the Convertible Loan (“**Conversion Whitewash Waiver**”).
- 2.4 The Rights Issue Whitewash Waiver is subject to:
- (a) a majority of holders of voting rights of the Company present and voting at a general meeting, held before the issue of the Rights Issue, approve by way of a poll, a resolution (“**RS Whitewash Resolution**”) to waive their rights to receive a general offer from the Major Shareholders;
 - (b) the RS Whitewash Resolution is separate from other resolutions;
 - (c) the Major Shareholders, parties acting in concert with them and parties not independent of them as well as parties not independent of the Rights Issue abstain from voting on the RS Whitewash Resolution;
 - (d) the Major Shareholders and their concert parties did not acquire or are not to acquire any shares in the Company (“**Shares**”) or instruments convertible into and options in respect of Shares (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 Rights Issue and the date shareholders’ approval is obtained for the RS Whitewash Resolution; and
 - (ii) in the 6 months prior to the announcement of the Rights Issue, but subsequent to negotiations, discussions or the reaching of understandings or agreements with the directors of the Company in relation to the Rights Issue;

- (e) the Company appoints an independent financial adviser to advise its independent shareholders on the RS Whitewash Resolution;
- (f) the Company sets out clearly in its circular to shareholders:
 - (i) details of the Rights Issue;
 - (ii) the dilution effect to existing holders of voting rights upon the acquisition of the Rights Shares by the Major Shareholders pursuant to the irrevocable undertaking provided by the Major Shareholders ("**Irrevocable Undertaking**");
 - (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 held by the Major Shareholders and their concert parties as at the latest practicable date;
 - (iv) the number and percentage of voting rights to be issued to the Major Shareholders as a result of their subscription of Rights Shares pursuant to the Irrevocable Undertaking;
 - (v) specific and prominent reference to the possibility that the acquisition of the Rights Shares by the Major Shareholders pursuant to the Irrevocable Undertaking could result in the Major Shareholders and their concert parties holding Shares carrying over 49% of the voting rights of the Company based on its enlarged issued share capital, and the fact that the Major Shareholders and their concert parties will be free to acquire further Shares without incurring any obligation under rule 14 of The Singapore Code on Takeovers and Mergers ("**Rule 14**") to make a general offer for the Company;
 - (vi) specific and prominent reference to the fact that shareholders, by voting for the RS Whitewash Resolution, are waiving their rights to a general offer from the Major Shareholders at the highest price paid by the Major Shareholders and their concert parties for Shares in the past 6 months preceding the commencement of the offer;
- (g) the circular by the Company to its shareholders states that the waiver granted by SIC to the Major Shareholders from the requirement to make a general offer under Rule 14 is subject to the conditions stated at paragraph 2.3(a) to (f) above;
- (h) the Major Shareholders obtain SIC's approval in advance for those parts of the circular that refer to the RS Whitewash Resolution; and
- (i) to rely on the RS Whitewash Resolution, the approval of the RS Whitewash Resolution must be obtained within 3 months of 2 October 2020, and the acquisition of the Rights Shares by the Major Shareholders must be completed within 3 months of the date of the approval of the RS Whitewash Resolution.

2.5 The Conversion Whitewash Waiver is subject to:

- (a) a majority of holders of voting rights of the Company present and voting at a general meeting, held before the issue of the Convertible Loan to the Investor, approve by way of a poll, a resolution ("**CS Whitewash Resolution**") to waive their rights to receive a general offer from the Investor;
- (b) the CS Whitewash Resolution is separate from other resolutions;

- (c) the Investor, parties acting in concert with it and parties not independent of it as well as parties not independent of the Convertible Loan abstain from voting on the CS Whitewash Resolution;
- (d) the Investor and their concert parties did not acquire or are not to acquire any Shares or instruments convertible into and options in respect of Shares (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 Convertible Loan and the date shareholders' approval is obtained for the CS Whitewash Resolution; and
 - (ii) in the 6 months prior to the announcement of the Convertible Loan, but subsequent to negotiations, discussions or the reaching of understandings or agreements with the directors of the Company in relation to the Convertible Loan;
- (e) the Company appoints an independent financial adviser to advise its independent shareholders on the CS Whitewash Resolution;
- (f) the Company sets out clearly in its circular to shareholders:
 - (i) details of the Convertible Loan;
 - (ii) the dilution effect to existing holders of voting rights upon the acquisition of the Conversion Shares by the Investor upon conversion of the Convertible Loan;
 - (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 held by the Investor and its concert parties as at the latest practicable date;
 - (iv) the number and percentage of voting rights to be issued to the Investor as a result of its acquisition of the Conversion Shares upon conversion of the Convertible Loan;
 - (v) specific and prominent reference to the fact that the acquisition of the Conversion Shares by the Investor upon conversion of the Convertible Loan would result in the Investor and its concert parties holding Shares carrying over 49% of the voting rights of the Company based on its enlarged issued share capital, and the fact that the Investor and their concert parties will be free to acquire further Shares without incurring any obligation under Rule 14 to make a general offer for the Company;
 - (vi) specific and prominent reference to the fact that shareholders, by voting for the CS Whitewash Resolution, are waiving their rights to a general offer from the Investor at the highest price paid by the Investor and its concert parties for Shares in the past 6 months preceding the commencement of the offer;
 - (vii) specific and prominent reference to the fact that that shareholders by voting for the Whitewash Resolution could be forgoing the opportunity to receive a general offer from another person who may be discouraged from making a general offer in view of the potential dilution effect of the Consideration Shares;
- (g) the circular by the Company to its shareholders states that the waiver granted by SIC to the Investor from the requirement to make a general offer under Rule 14 is subject to the conditions stated at paragraph 2.4(a) to (f) above;
- (h) the Investor obtains SIC's approval in advance for those parts of the circular that refer to the CS Whitewash Resolution; and

- (i) to rely on the CS Whitewash Resolution, the approval of the CS Whitewash Resolution must be obtained within 3 months of 2 October 2020, the issue of the Convertible Loan must be completed within 3 months of the date of the approval of the CS Whitewash Resolution and the acquisition of the Conversion Shares by the Investor upon conversion of the Convertible Loan must be completed within 5 years of the date of the issue of the Convertible Loan.

2.6 The circular setting out, amongst others, full details of the Convertible Loan and Right Issues, together with a notice convening the extraordinary general meeting to seek shareholders' approval for, amongst others, the Convertible Loan, Rights Issue, RS Whitewash Resolution and the CS Whitewash Resolution will be made available to shareholders by the Company in due course.

3. CAUTIONARY STATEMENT

- 3.1 There is no certainty or assurance as at the date of this announcement that the Convertible Loan and/or the Rights Issue will be completed, or other conditions precedent thereof will be satisfied, or that no changes will be made to the terms of the Convertible Loan and/or the Rights Issue or that the New Scheme will be successfully implemented.
- 3.2 The Company will make further announcements as and when there are material developments, including in relation to the completion of the Convertible Loan, the implementation of the Rights Issue, and the implementation of the New Scheme.
- 3.3 Trading in the Company's shares on the SGX-ST has been voluntarily suspended by the Company on 4 August 2017. Pending completion of the Convertible Loan, the implementation of the Rights Issue, and the implementation of the New Scheme, shareholders and potential investors should exercise caution when dealing in the shares of the Company. People who are in any doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional adviser.

By Order of the Board

Ho Wei Li
Company Secretary
07 October 2020