TT INTERNATIONAL LIMITED

Company Registration Number 198403771D
(Incorporated in Singapore)

ANNOUNCEMENT

PROPOSED DISPOSAL OF ASSETS

I. INTRODUCTION

TT International Limited (the "**Company**") wishes to announce that the Company and its subsidiaries, TTA Holdings Limited ("**TTA**") which is listed in Australian Stock Exchange ("**ListCo**"); and TEAC Australia Pty Ltd ("**TEAC**") (wholly owned subsidiary of TTA) (Collectively "**Australia Subsidiaries**") have on 15 March 2017 entered into the conditional transaction documents with Jingyi Group Co Ltd ("**Jingyi Group**") and others, in relation to the following inter-conditional transactions:

1. Sale of the freehold commercial property at 75 Northgate Drive Thomastown Vic 3074 owned by TEAC, to a third party for A$3.2 million **("Building Sale")**;
2. Sale of shares in TEAC by TTA to the Company for A$1 million **("Subsidiary Sale");** and
3. the Company sell its 117,500,000 TTA shares to Jingyi Group for A$1 million **("Shares Transfer").**

Collectively as the **("Proposed Transactions" or the "Disposal")** as set out below:

II. INFORMATION ON THE AUSTRALIAN SUBSIDIARIES AND PURCHASER

1. TTA

TTA is listed on the Australian Securities Exchange and is an investment holding company with TEAC as its sole subsidiary. The Company is a substantial shareholder of TTA, holding 85.5% of TTA's shares.

2. TEAC

TEAC is a wholly owned subsidiary of TTA in Australia. TEAC is a distributor of TEAC branded audio and visual consumer electronic products in Australia through major retailers including Harvey Norman and JB Hi-Fi. The TEAC brand has been in the Australian market for nearly 40 years and is positioned as a mid-tier brand, competing with other brands such as Hisense, Samsung, LG, Sony and TCL.

TEAC is also the legal and beneficiary owner of the warehouse cum office building at 75 Northgate Drive Thomastown Vic 3074.

3. JINGYI GROUP

Jingyi Group was founded in January 2011 with a registered capital of Chinese Yuan 50 million. Jingyi Group focuses on industrial investment, investment management and asset management, and is mainly engaged in financial investment, automobile trade, real estate development, photoelectric hi tech, international trade.

Jingyi Group intends to purchase TTA as a "listed shell" for them to embark on a new business venture in Australia.

III. PRINCIPAL TERMS OF THE PRPOSED TRANSACTIONS

1. Proposed Transactions

1.1 ***Building Sale***

The proposed sale of shares in TTA is packaged together with the requirement that the Company sell its warehouse cum office building at 75 Northgate Drive Thomastown Vic 3074 owned by TEAC to a third party (the Managing Director of the purchaser Jingyi Group), at a price of A$3.2 million;

1.2 ***Subsidiary Sale***

The proposed sales of shares in TTA is also conditional upon the Company purchasing the entire shares in TEAC, the operating Company, for A$1 million. Under the Subsidiary Sale, the Company is required to buy over TEAC who is the master licence holder for the TEAC brand in Australia, Fiji and Papua New Guinea, to continue TEAC business and its operations. Post-completion of the Proposed Transactions, TEAC will be wholly owned by the Company;

1.3 ***Shares Transfer***

Upon completion of the Return of Capital, the Company will sell its 85.5% shareholdings in TTA to Jingyi Group for A$1 million. Jingyi Group intends to purchase TTA as a "listed shell" and this will present an opportunity for them to embark on a new business venture in Australia; and

1.4 ***Return of Capital***

Upon completion of the Building Sale and Subsidiary Sale, TTA will distribute the net proceeds in proportion to TTA's shareholders' relative shareholding in TTA by way of the return of capital. The purchase price of the Subsidiary Sale will be paid from the amount that the Company is to receive as part of the Return of Capital.

2. Estimated Proceeds

The Company will receive an estimated Return of Capital from the Proposed Transactions (Total proceeds less the repayment of the outstanding property mortgage loan, other liabilities, compliance costs, legal and professional fees, costs and expense associated with the Proposed Transactions) of approximately A$1 million.

3. Conditions Precedents

Completion under the conditional transaction documents in relation to the Proposed Transactions are subject to the fulfilment of certain conditions precedent for Building Sale, Subsidiary Sale and Share Transfer.

To date most condition precedents were satisfied by the Parties, including obtaining TTA shareholders' approval which is required under the Listing Rules and the Corporations Act in Australia; except for the condition precedent to obtain the requisite majority approval from the Scheme Creditors of the Company pursuant to the Scheme. The Company has on 19 July 2017 sent to all scheme creditors the Meeting Notice to convene a general meeting to approve, amongst others, the Proposed Transactions.

IV. RATIONALE FOR THE PROPOSED TRANSACTIONS

1. TTA has been reporting losses since FY2015 largely due to the increasing competition and reduced distribution channels in Australia. Given the substantially declining sales revenue and the costs of maintaining its listing status, the Company has been working very hard in exploring various options in the past two (2) years, to sell TTA ListCo together with its warehouse cum office building as a package to the intended purchasers.

2. As the purchaser does not wish to buy TEAC, the Company will have to buy over TEAC business to continue its operation. The Company believes that the Proposed Transactions are the best options available for the Company under all circumstances; taking into consideration that the Company holds 85.5% of shares in TTA – a ListCo with little liquidity of equity trading and sales that have been declining for the last three (3) consecutive years.

V. CHAPTER 10 OF THE LISTING MANUAL

As each of the relative figures for the Disposal computed on the applicable bases set out in Rule 1006 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("Listing Manual") is less than 5%, the Disposal constitutes a non-disclosable transaction for purposes of Chapter 10 of the Listing Manual.

VI. FINANCIAL EFFECTS

The Disposal is not expected to have a material impact on the Group's consolidated net tangible assets or earnings per share for the financial year ending 31 March 2018.

VII. INTEREST OF DIRECTOR AND CONTROLLING SHAREHOLDERS

Mr Sng Sze Hiang, Chairman and Chief Executive officer of the Company and Ms Tong Jia Pi Julia, Executive Director of the Company (who are also the controlling shareholders of the Company) are Directors of the Australian Subsidiaries.

Save as disclosed above, none of the directors or controlling shareholders of the Company has any interest, direct or indirect, in the Proposed Transactions, other than as shareholders of the Company.

Further announcement(s) will be issued by the Company in connection with the Proposed Transactions at the appropriate time.

Shareholders and the public are strongly advised to continue to exercise caution before making any decision in respect of their dealings in the Company's shares.

By Order of the Board

Koh Sock Tin
Company Secretary

21 July 2017