ITE ELECTRIC CO LTD
Company Registration No. 198201457Z
(Incorporated in Singapore)

INCREASE IN ISSUED AND PAID-UP SHARE CAPITAL OF WHOLLY OWNED SUBSIDIARY

The Board of Directors of ITE Electric Co Ltd (the "**Company**") wishes to announce that its wholly-owned subsidiary, ITE Electric Systems Co Pte. Ltd. (**"ITE Electric Systems"**) has increased its issued and paid-up share capital from S$2,000,000 to S$3,980,000 by the allotment and issuance of additional 2,200,000 ordinary shares for a total consideration of S$1,980,000 which was satisfied in full by the capitalisation of an intercompany loan of S$1,980,000 due from ITE Electric Systems to the Company.

The above transaction is not expected to have any material impact on the net tangible assets and earnings per share of the Company for the financial year ending 31 December 2015.

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the above transaction.

By Order of the Board

ITE Electric Co Ltd

Aw Cheok Huat
Non-Executive Chairman

24 December 2015

This announcement has been prepared by the Company and reviewed by the Company's sponsor, Xandar Capital Pte Ltd (the "**Sponsor**"), for compliance with the Listing Manual (Section B: Rules of Catalist) of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). The Sponsor has not independently verified the contents of this announcement including the accuracy or completeness of any of the information disclosed or the correctness of any of the statements made, opinions expressed or reports contained in this announcement. This announcement has not been examined or approved by the SGX-ST. The SGX-ST and the Sponsor assume no responsibility for the contents of this announcement including the correctness of any of the statements made, opinions expressed or reports contained in this announcement.

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