

THE PROPOSED DISPOSAL OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF TEE INDUSTRIAL PTE. LTD.

- **COMPLETION OF DISPOSAL OF TEE INDUSTRIAL**
 - **PROVISION OF FINANCIAL ASSISTANCE**
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1 INTRODUCTION

The Board of Directors (the "**Board**") of Amcorp Global Limited (formerly known as TEE Land Limited) (the "**Company**") refers to:

- (a) the announcement dated 3 February 2020 in relation to the TEE Industrial SPA ("**Previous Announcement**");
- (b) the circular dated 18 March 2020 in relation to, *inter alia*, the proposed disposal of the entire issued and paid-up share capital of TEE Industrial Pte. Ltd. ("**TEE Industrial**") as a major transaction ("**Circular**");
- (c) the announcement dated 30 June 2020 in relation to the Supplemental Letter to extend the long-stop date for the Purchaser's fulfilment of the conditions precedent set out in the TEE Industrial SPA ("**Extension Announcement**");
- (d) the announcement dated 30 July 2020 in relation to the update on extension of the longstop date ("**Extension Update Announcement**");
- (e) the announcement dated 29 September 2020 in relation to the Second Supplemental Letter to further extend the long-stop date ("**Further Extension Announcement**");
- (f) the announcement dated 30 December 2020 in relation to the Third Supplemental Letter to further extend the long-stop date ("**Third Supplemental Letter Announcement**"); and
- (g) the announcement dated 22 January 2021 in relation to the extension of grace period by JTC Corporation ("**JTC Extension Announcement**", together with the Previous Announcement, Extension Announcement, Extension Update Announcement, Further Extension Announcement and Third Supplemental Letter Announcement, "**Prior Announcements**").

All capitalised terms used and not defined in this Announcement shall have the same meanings given to them in the Prior Announcements and the Circular.

2 COMPLETION OF THE PROPOSED DISPOSAL

The Board wishes to inform Shareholders that all conditions precedent under the TEE Industrial SPA (as amended by the supplemental letters dated 30 June 2020, 29 September 2020 and 30 December 2020) have been fulfilled, or otherwise waived, and accordingly, completion of the Proposed Disposal ("**Completion**") has taken place on 24 March 2021.

3 PROVISION OF FINANCIAL ASSISTANCE TO FACILITATE COMPLETION

The Board also wishes to inform Shareholders that, in order to facilitate Completion, the Company has provided the following financial assistance (“**Financial Assistance**”) to TEE International:

- (a) the Company has, together with TEE International, on 24 March 2021 provided a joint and several corporate guarantee (“**Corporate Guarantee**”) to Hong Leong Finance Limited (“**HLF**”) in respect of the obligations of TEE Industrial owing to HLF under the outstanding Mortgage Loan in relation to TEE Building. As at the date of the Corporate Guarantee, the principal amount outstanding under the Mortgage Loan was \$11.76 million. Interest is payable by TEE Industrial on the outstanding principal amount of the Mortgage Loan at 2.98% per annum; and
- (b) the Company has granted an extension of time for TEE International to make repayment, on behalf of TEE Industrial, of outstanding payables of approximately \$1.56 million owing by TEE Industrial to the Company (“**Outstanding Payables**”) as at Completion. Repayment of the Outstanding Payables shall be made in 2 tranches by TEE International as follows:
 - (i) a sum of not less than \$500,000 to be paid on or before 30 June 2021; and
 - (ii) the balance sum of approximately \$1.06 million, as well as any interest accruing on the Outstanding Payables from day to day from the date of Completion to the date it is repaid in full at the rate of 5% per annum, to be paid on or before 30 September 2021.

4 AGGREGATE VALUE OF FINANCIAL ASSISTANCE

The aggregate value of the financial assistance provided by the Company to TEE International is \$13.35 million, comprising:

- (a) the Corporate Guarantee granted in favour of HLF in respect of the principal amount outstanding under the Mortgage Loan, which as at the date of the Corporate Guarantee is approximately \$11.76 million;
- (b) the extension of time granted by the Company to TEE International to repay the Outstanding Payables as at Completion of \$1.56 million; and
- (c) interest of \$34,257 which is payable in connection with the Outstanding Payables as at Completion.

5 RATIONALE FOR THE PROVISION OF FINANCIAL ASSISTANCE

The Financial Assistance rendered by the Company to TEE International is required to facilitate Completion. In particular, as a condition to HLF’s continued provision of the Mortgage Loan to TEE Industrial after Completion, HLF requires, amongst other things, that the Corporate Guarantee be provided to HLF.

It is in the interests of the Company to proceed with Completion under the TEE Industrial SPA. As disclosed in the Previous Announcements, JTC has provided TEE Industrial a grace period of up to 31 March 2021 to complete the Proposed Disposal. Further, although JTC has given its consent for the Company to effect a bona fide sale of the registered leasehold estate in TEE Building to any third party as may be approved by JTC in the event the Proposed Disposal does not complete, such sale would not be practicable and would likely be at a distressed sale price given the deadline stipulated by JTC to complete the sale by 30 June 2021 and the continuing Covid-19 pandemic.

6 PRINCIPAL TERMS OF THE FINANCIAL ASSISTANCE

In consideration of the provision of the Financial Assistance by the Company to TEE International, TEE International shall, or shall procure, *inter alia*:

- (a) payment to the Company of a fee of 1% per annum on the outstanding principal amount owing by TEE International to HLF as at the date of Completion and on each anniversary thereafter until the Corporate Guarantee is released and discharged in full. The Corporate Guarantee shall be in effect until the monies owing by TEE Industrial to HLF under the Mortgage Loan is repaid in full or is refinanced by 31 March 2022;
- (b) provision of certain securities in favour of the Company (“**Security**”), which include:
 - (i) a charge over the share capital of TEE Infrastructure Pte Ltd (“**TEE Infrastructure**”, and the shares “**TEE Infrastructure Shares**”) and an assignment of intercompany loans; and
 - (ii) an assignment of sale agreements (including all proceeds arising therefrom) entered or to be entered into by TEE International, TEE Infrastructure and/or TEE Industrial (as the case may be) in respect of TEE Building, the property located at 33 Changi North Crescent, shares in G3 Environmental Pte Ltd, shares in PowerSource Philippines Distributed Power Holdings and/or the TEE Infrastructure Shares;

The Security is shared with the Company’s parent company, Amcorp Supreme Pte. Ltd. (“**Amcorp Supreme**”), which has separately extended a \$2.0 million loan to TEE Industrial in connection with Completion (“**Amcorp Supreme Loan**”). Any proceeds and/or amounts recovered from the Security or enforcement thereof, will be applied towards repayment of the Amcorp Supreme Loan in priority to repayment and discharge of all amounts owing to the Company;

- (c) undertaking of, *inter alia*, the following to the Company:
 - (i) to repay the Outstanding Payables and related interest thereon;
 - (ii) to comply, and procure TEE Industrial complies, with all the terms and conditions of the existing lease of TEE Building (“**Head Lease**”) stipulated by JTC, and to satisfy all the terms and conditions stipulated by JTC for the grant of an extension of the Head Lease for a further term of 30 years by 31 January 2022;
 - (iii) to procure a signed letter of offer with a financial institution and complete the refinancing of the Mortgage Loan as soon as the Head Lease extension is granted so that the Corporate Guarantee is discharged as soon as possible and in any event no later than 31 March 2022; and
 - (iv) to notify and seek the Company's prior written consent for any restructuring, financing and/or refinancing of loans and any sale negotiation in connection with charged assets; and
- (d) immediately on demand indemnify the Company against any cost, loss or liability incurred by the Company in issuing the Corporate Guarantee.

7 FINANCIAL EFFECTS

For illustrative purposes only, the following pro forma financial effects of the provision of the Financial Assistance on the Company have been prepared based on the Group's audited consolidated financial statements for the financial year ended 31 March 2020 ("FY2020"), being the most recently completed financial year, and are subject to the following key bases and assumptions:

- (a) the effect of the provision of the Financial Assistance on the Company's NTA per Share of the Group assumes that the Financial Assistance had been provided at the end of FY2020;
- (b) the effect of the provision of the Financial Assistance on the Company's loss per Share of the Group assumes that the Financial Assistance had been completed on 1 April 2020;
- (c) the NTA per Share is calculated based on the 446,876,000 Shares (excluding treasury shares) in issue as at 31 March 2020, and the loss per Share of the Group is computed based on the weighted average number of 446,876,000 Shares (excluding treasury shares) in issue for FY2020; and
- (d) transaction costs in relation to the provision of the Financial Assistance are assumed to be insignificant.

7.1 NTA

	Before provision of Financial Assistance	After provision of Financial Assistance
NTA attributable to the Shareholders (\$ '000)	92,836	92,870
NTA per Share (cents)	20.77	20.78

7.2 Loss per Share

	Before provision of Financial Assistance	After provision of Financial Assistance
Loss attributable to the Shareholders (\$ '000)	27,725	27,691
Loss per Share (cents)	6.20	6.20

8 DISCLOSEABLE TRANSACTION

Based on the unaudited consolidated financial statements of the Group for the half year ended 30 September 2020, the relative figures in relation to the provision of the Financial Assistance computed on the bases as set out in Rule 1006 of the Listing Manual are as follows:

Rule	Bases	Relative Figures (%)
1006(a)	The net asset value of the assets to be disposed of ⁽¹⁾ , compared with the group's net asset value. This basis is not applicable to an acquisition of assets.	13.6
1006(b)	The net profits attributable to the assets acquired or disposed of, compared with the group's net profits.	Not applicable ⁽²⁾
1006(c)	The aggregate value of the consideration given or received ⁽³⁾ , compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares ⁽⁴⁾	18.7
1006(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 ⁽⁵⁾

1006(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets.	Not applicable ⁽⁶⁾
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Notes:

- (1) For the provision of financial assistance, the "net asset value of the assets to be disposed of" shall mean the aggregate value of the financial assistance.
- (2) Rule 1006(b) of the Listing Manual is not applicable as there are no assets being acquired or disposed of.
- (3) For the provision of financial assistance, the "aggregate value of the consideration given or received" shall mean the aggregate value of the financial assistance.
- (4) The market capitalisation of the Company of approximately \$71.5 million was determined by multiplying 446,876,000 issued Shares (excluding treasury shares) by the volume-weighted average market price of approximately \$0.16 per Share as at the market day immediately preceding the date of this announcement.
- (5) Rule 1006(d) of the Listing Manual is not applicable as there is no issue of equity securities by the Company in connection with the provision of the Financial Assistance.
- (6) Rule 1006(e) of the Listing Manual is not applicable as the Company is not a mineral, oil or gas company.

As the relative figures under Rule 1006(a) and Rule 1006(c) exceed 5% but do not exceed 20%, the provision of the Financial Assistance constitutes a disclosable transaction under Chapter 10 of the Listing Manual.

9 INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors and their respective associates has any interest, direct or indirect, in the Financial Assistance (other than through their respective shareholding interests in the Company, if any).

Save as disclosed in this announcement, the Directors have not received any notification of interest in the Financial Assistance from any controlling Shareholders of the Company and their respective associates, and are not aware of any controlling Shareholders of the Company and their respective associates which has any interests, direct or indirect, in the Financial Assistance (other than through their respective shareholding interests in the Company).

10 DIRECTORS' SERVICE CONTRACTS

No person is proposed to be appointed as a director of the Company in connection with the provision of the Financial Assistance. Accordingly, no service contract is proposed to be entered into between the Company and any such person.

By Order of the Board

Ng Tah Wee
Financial Controller and Company Secretary

24 March 2021