

**DISPOSAL OF 51% INTEREST IN TIONG WOON OASIS PTE. LTD.**

---

**1. INTRODUCTION**

The Board of Directors of Tiong Woon Corporation Holding Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) wishes to announce that it had entered into a Sale and Purchase Agreement (“**SPA**”) for the sale of its entire 51% interest in Tiong Woon Oasis Pte. Ltd. (“**TW Oasis**”) to Mr Teo Thian Ser (the “**Purchaser**”), at a nominal consideration of \$1.00.

TW Oasis shall cease to be a subsidiary of the Company on 28 December 2017.

**2. BACKGROUND INFORMATION ON THE DISPOSAL**

Prior to the completion, TW Oasis has a total issued and paid-up share capital of \$1,599,124 comprising 1,599,124 ordinary shares, of which 815,553 ordinary shares (“**Sale Shares**”) are owned legally and beneficially by the Company.

TW Oasis is a private limited company incorporated in Singapore. TW Oasis has one (1) wholly owned subsidiary, P.T. Tiong Woon Oasis (“**PT TW Oasis**”), a corporation incorporated in Indonesia.

The principal activities of TW Oasis and PT TW Oasis are those of repairing and up-slipping/launching of ships.

Based on its latest announced unaudited consolidated accounts of the Group for the financial period ended 30 September 2017 (“**1QFY2018**”), the net tangible asset value of 51% share in TW Oasis was \$533,000. The purchaser of the sale shares in TW Oasis is an existing director of TW Oasis and a related party of the existing 49% non-controlling shareholder in TW Oasis.

The purchase consideration of nominal \$1.00 was arrived at on a willing buyer willing seller basis after taking into account that TW Oasis has incurred losses since financial year ended 30 June 2014, that further losses may be incurred, and that the purchaser does not require a warranty from the seller as to the financial performance and financial position of TW Oasis.

Based on the latest unaudited consolidated financial statements for 1QFY2018, the net loss before tax attributable to the Sale Shares was \$142,000.

Based on the net tangible asset value of the Sale Shares as at 30 September 2017 and assuming the transactional costs to be insignificant, the net loss on the Disposal is expected to be approximately \$533,000.

### 3. RATIONALE FOR THE DISPOSAL

The disposal of TW Oasis is in line with the Group's strategy to divest non-core businesses which are non-profitable so that the Group could focus on its core businesses.

### 4. OTHER MATERIAL CONDITION OF THE DISPOSAL

The Purchaser shall at his own expense procure that TW Oasis and PT TW Oasis shall cease to use or display any trade or service marks or names, domain names or logos with the words "Tiong Woon", "Tiong Woon Oasis", "TWC" or any confusingly similar marks, domain names, names or logos or words upon completion.

### 5. FINANCIAL EFFECTS ON THE DISPOSAL

The pro forma financial effects of the Disposal on the Group are set out below. The pro forma financial effects have been prepared based on the figures derived from the Group's audited consolidated financial statements for the financial year ended 30 June 2017 ("FY2017") and are purely for illustration purposes only and do not reflect the actual financial position of the Group after Completion. Based on the Group's audited consolidated financial statements for FY2017, the pro forma financial effects of the Disposal are as follows:

#### 5.1 EFFECT ON GROUP'S NET TANGIBLE ASSETS ("NTA") PER SHARE

For illustrative purposes only, the effect of the transaction on the net tangible assets per share of the issuer for the most recently completed financial year, assuming that the transaction had been effected at the end of that financial year, i.e. 30 June 2017, is as follows:

	Before the Disposal	After the Disposal
NTA attributable to equity holders of the Company (\$'000)	246,714	246,162
Number of ordinary shares in issue ('000)	232,235	232,235
NTA per share (cents)	106.23	106.00

#### 5.2 EFFECT ON EARNINGS PER SHARE ("EPS")

For illustrative purposes only, the effect of the transaction on the earnings per share of the issuer for the most recently completed financial year, assuming that the transaction had been effected at the beginning of that financial year, i.e. 1 July 2016, is as follows:

	Before the Disposal	After the Disposal
Loss after tax attributable to equity holders of the Company (\$'000)	(9,640)	(10,265)*
Weighted average number of shares in issue ('000)	232,235	232,235
EPS per share (cents)	(4.15)	(4.42)

\*The computation is based on the net tangible asset value of the Sale Shares on 1 July 2016.

## 6. RELATIVE FIGURES UNDER RULE 1006 OF THE LISTING MANUAL

Based on the latest announced unaudited consolidated accounts of the Group as at 30 September 2017, the relative figures for the Disposal computed on the applicable bases set out in Rule 1006 of the Listing Manual are set out below:

Rule	Bases	\$(’000) (A)	\$(’000) (B)	Relative Figures (A)/(B) %
1006(a)	The net asset value of the Company’s 51% share in the assets to be disposed of (A) compared with the Group’s net asset value (B)	533	246,549	0%
1006(b)	The net loss attributable to the Company’s 51% share in the asset to be disposed of (A) compared with the Group’s net loss (B)	(142)	(1,364)	10%
1006(c)	The aggregate value of the consideration received for the Disposal (A) compared with the market capitalisation as at 1 December 2017, being the market day preceding the date the SPA was executed (B)	0.001	63,865	0%
1006(d)	Number of equity securities issued by the Company as consideration for the acquisition, compared with the number of equity securities previously in issue	Not Applicable	Not Applicable	Not Applicable
1006(e)	The aggregate volume or amount of proven and probable reserves to be disposed of, compared with the aggregate of the Group’s proven and probable reserves.	Not Applicable	Not Applicable	Not Applicable

As the applicable relative figure computed under Rule 1006(b) exceeds 5% but does not exceed 20%, the Disposal is a “disclosable transaction” for the purposes of Chapter 10 of the Listing Rules.

The Company is also making this announcement pursuant to Rule 704(18)(c) of the SGX-ST Listing Manual.

**7. DIRECTORS' SERVICE CONTRACTS**

No person is proposed to be appointed as a Director of the Company or any of its subsidiaries in connection with the Disposal. Accordingly, no service contract is proposed to be entered into between the Company and any such person.

**8. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS**

None of the directors or the controlling shareholders of the Company has any direct or indirect interest, in the Disposal, other than through their respective shareholdings in the Company (if any). The directors of the Company are not aware of any substantial shareholder having any interest, direct or indirect, in the Disposal, and have not received any notification of interest in the Disposal from any substantial shareholder.

**9. DOCUMENTS FOR INSPECTION**

A copy of the SPA is available for inspection during normal business hours at the Company's registered office at 15 Pandan Crescent Singapore 128470 for a period of 3 months from the date of this announcement.

By Order of the Board

Ang Kah Hong  
Executive Chairman and Managing Director

28 December 2017