



# TT INTERNATIONAL LIMITED

Company Registration Number 198403771D

(Incorporated in Singapore)

## ANNOUNCEMENT

### GRANT OF WAIVER FROM REQUIREMENT TO COMPLY WITH RULE 1014(2) OF THE LISTING MANUAL IN RELATION TO PROPOSED DISPOSAL

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*All references to "**Existing Scheme**" shall mean the scheme of arrangement of TT International Limited (the "**Company**") which took effect on 19 April 2010, the terms of which are contained in the scheme of arrangement document dated 9 September 2009, and as varied by the Brief Grounds of Decision of the Honourable Court of Appeal on 13 October 2010, and as the same may be amended from time to time.*

#### 1. INTRODUCTION

- 1.1. The Board of Directors ("**Board**") of the Company, along with its subsidiaries and associated companies (collectively, the "**Group**"), refers to its announcements dated 30 July 2018, 4 September 2018, 3 October 2018, 5 November 2018, 9 November 2018 and 18 December 2018 ("**Previous Announcements**") in relation to that the Company's proposed sale of shares ("**Proposed Disposal**") in the Company's various subsidiaries ("**Sale Companies**") to Celestial Palace Limited ("**Purchaser**").
- 1.2. Unless otherwise defined, all capitalised terms used in this announcement shall have the same meaning as ascribed in the Previous Announcements.

#### 2. APPROVAL OF WAIVER APPLICATION

- 2.1. As stated at paragraph 3.7 of its announcement on 30 July 2018, the Company stated that it will be applying to the SGX-ST ("**Waiver Application**") for a waiver from the requirement to convene a general meeting of the shareholders' of the Company to seek shareholders' approval in relation to the Proposed Disposal ("**Waiver**").
- 2.2. The Board wishes to announce that the Company had, on 18 December 2018, received a letter from the SGX-ST in connection with the Waiver Application, informing the Company that the SGX-ST had no objection to granting the Waiver, subject to the following condition (the "**Waiver Condition**"):-

The Company announcing the Waiver granted, the reasons for seeking the Waiver and the conditions as required under Rule 107 of the Listing Manual, and whether the Waiver conditions have been satisfied. If the Waiver conditions have not been met on the date of the announcement, the Company must make an update announcement when the conditions have all been met.
- 2.3. This announcement is for compliance with, and in satisfaction of, the Waiver Condition.
- 2.4. In addition, the Company is required to make an immediate disclosure via SGXNet if it is/will be in contravention of any laws and regulations governing the Company and the constitution of the Company arising from the Waiver.

### 3. RATIONALE FOR WAIVER APPLICATION

3.1. The Company made the Waiver Application in consideration of the following reasons:

- (a) **The Existing Scheme Creditors hold beneficial interest in Sale Companies:** Neither the Company nor its shareholders hold any beneficial interest in the Sale Companies. Rather, the Existing Scheme Creditors are the relevant parties with beneficial interest in these assets pursuant to the Debenture. The Existing Scheme Creditors have the right to enforce the Debenture over the Sale Companies and to unilaterally dispose of the Sale Companies and apply the sale proceeds from such disposals to discharge the obligations and liabilities secured by the Debenture. Given the Company's present liabilities to the Existing Scheme Creditors of approximately S\$268.2 million eclipses this amount, there would be no residual return to the Company or its shareholders from the Sale Companies. As a result, shareholders do not have any interests in the Proposed Disposal and in such case, the interests of creditors would generally take precedence over shareholders.

In the event shareholders' approval in relation to the Proposed Disposal is required and such approval is not obtained for any reason, any enforcement action by the Existing Scheme Creditors to dispose the Sale Companies may lead to disorderly realisation of the Company's assets and may have an adverse impact on the Company.

- (b) **The Proposed Disposal has been foreshadowed:** The Company had since 2014 disclosed, in its annual reports, details of the Existing Scheme, which included the fact that the amounts due to the Existing Scheme Creditors were secured by the Debenture. The bulk of the Group's revenue has been used to service the Company's obligations to the Existing Scheme Creditors under the Existing Scheme. In the absence of the New Scheme and the Proposed Disposal, the Company would not be able to resolve the presently unsustainable liabilities and to continue as a going concern in the long term.
- (c) **A substantial portion of the consideration to be received from the Proposed Disposal is to be used to discharge the Company's obligation:** A substantial portion of the consideration to be received from the Proposed Disposal is intended to be used to discharge the Company's obligation under the New Scheme, including without limitation, the discharge of the Existing Scheme Claims and non-Existing Scheme Claims to be provided for in the New Scheme. The Company will be able to use such consideration for working capital and/or other requirements only in the event that there is excess.
- (d) **The Company has made an immediate announcement on the Proposal Disposal upon signing of the Sale and Purchase Agreement:** Shareholders have been kept informed of the Proposed Disposal as the Company had announced the Proposed Disposal information listed in accordance with Chapter 1010 of the Listing Manual upon signing of the Agreement on 30 July 2018.
- (e) **Time-sensitive nature of the Proposed Disposal:** If shareholders' approval is required for the Proposed Disposal, the implementation and/or completion of the Proposed Disposal is likely to be delayed, giving rise to adverse transactional risks and uncertainties, and the Company would be at risk of losing an opportunity to dispose of the Sale Companies.
- (f) **Costs of holding a shareholders' meeting:** The Company would enjoy significant cost savings if a shareholders' meeting to vote on the Proposed Disposal need not be held. In consideration of the Company's current financial position, it would be in the interests of the Company and its shareholders to avoid incurring unnecessary costs and expenses in convening a shareholders' meeting to vote on the Proposed Disposal.

**4. FURTHER ANNOUNCEMENTS**

The Company will make further announcements in relation to the Proposed Disposal as and when there are material developments.

**5. TRADING CAUTION**

There is no certainty or assurance as at the date of this announcement that the Proposed Disposal will be completed, or other conditions precedent under the Amended and Restated SPA will be satisfied, or that no further changes will be made to the terms of the Amended and Restated SPA.

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 Amended and Restated SPA, 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**

Koh Sock Tin  
Company Secretary  
19 December 2018