PTERIS GLOBAL LIMITED
Incorporated in the Republic of Singapore
(UEN. No.: 197900230M)

Disposal of 30% interest in Shenzhen CIMC-Tianda Airport Support Ltd

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1. INTRODUCTION

The Board of Directors (the "**Board**" or the "**Directors**") of Pteris Global Limited (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that the Company had entered into a sale and purchase agreement dated 4 March 2015 (the "**SPA**") with Lucky Rich Holdings Limited (the "**Purchaser**") to sell the Company's 30% equity interest in Shenzhen CIMC-Tianda Airport Support Ltd ("**Tianda**") to the Purchaser (the "**Disposal**"). The consideration for the Disposal is to be determined based on an agreed formula as set out in paragraph 4.1 below.

2. INFORMATION ON TIANDA AND THE PURCHASER

Tianda

Tianda is a company established on 18 July 1992 in Shenzhen, Guangdong, the People's Republic of China ("**PRC**") and has its registered office at No. 4 Gongye Fourth Road, Shekou, Nanshan District, Shenzhen City (深圳市南山区蛇口工业四路四号), Guangdong, PRC. As at the date of this announcement, Tianda's issued share capital is USD13.5 million. The Company had, on 19 August 2014, completed the acquisition of the entire issued share capital of Tianda through a reverse take-over ("**RTO**"). Please refer to the Company's circular to its shareholders ("**Shareholders**") in relation to the RTO dated 24 June 2014 for further information on the RTO.

Tianda is principally involved in three (3) main business segments: (i) airport equipment; (ii) materials handling systems; and (iii) automated parking systems. The airport equipment segment is the division that currently contributes the bulk of Tianda's revenue and profits, and largely comprises the manufacture and sale of passenger boarding bridges and ground support equipment.

Details of Tianda's subsidiaries and branch offices are as follows:

Name of entity	**Principal activities**	**Effective equity interest held by Tianda**
Shenzhen CIMC-Tianda Logistics System Engineering Co., Ltd.	Planning, consultancy, development, design, production and integration of materials handling systems	100.0
CIMC-Tianda Airport Support (Hong Kong) Limited	Sale and distribution of passenger boarding bridge and ground support equipment	100.0

Name of entity	Principal activities	Effective equity interest held by Tianda
Xinfa Airport Equipment Ltd.	Manufacture and sale of ground support equipment	70.0[(1)]
Shenzhen CIMC-Tianda Airport Support Ltd. Hefei Branch	Installation and after-sales services for automated parking systems and equipment, operation and management of automated parking systems	Not applicable[(2)]
Shenzhen CIMC-Tianda Airport Support Ltd. French Branch Office	Project management and market development	Not applicable[(2)]
Langfang CIMC Airport Support Ltd.	Manufacture and sale of airport equipment, automated parking systems, materials handling systems and ground support equipment; rental of factories and property management	100.0
CIMC-Tianda (Longyan) Investment Development Co., Ltd.	Investment and asset management in the parking lot business	60.0[(3)]
Kunshan CIMC Logistics Automation Equipment Co., Ltd.	Design, development, integration, information consultation, systems engineering and equipment planning of materials handling systems	100.0

Notes:

(1) The remaining 30.0% of the issued share capital of Xinfa Airport Equipment Ltd. is held by a third party, Beijing Bowei Airport Support Ltd. ("**Beijing Bowei**") The shareholders of Beijing Bowei are not related to any of the Directors or controlling shareholders of the Company.

(2) Not applicable as these are branch offices.

(3) The remaining 40.0% of the issued share capital of CIMC-Tianda (Longyan) Investment Development Co., Ltd. is held by a third party, Xiamen Xuanhe Real Estate Investment Co., Ltd ("**Xiamen Xuanhe**"). The shareholders of Xiamen Xuanhe are not related to any of the Directors or controlling shareholders of the Company.

The Purchaser

The Purchaser is Lucky Rich Holdings Limited, an investment holding company incorporated in Samoa on 23 September 2014. The Purchaser and its shareholders are not related to any of the Directors or controlling shareholders of the Company and their respective associates.

3. RATIONALE FOR THE DISPOSAL AND USE OF PROCEEDS FROM THE DISPOSAL

The Board is of the view that the Disposal is in the best interests of the Company as it serves to strengthen the Company's financial position. The Disposal is value-accretive as it has a positive impact on the consolidated net tangible assets of the Company upon the completion of the Disposal (the "**Completion**") and the consideration for the Disposal is at a premium to the historical acquisition cost for Tianda. Moreover, the Disposal will enhance the cash position of the Company.

The Company intends to use the sale proceeds from the Disposal as additional working capital to be deployed for the Group's existing businesses, including but not limited to, the setting up of new facilities in CIMC-Tianda (Longyan) Investment Development Co., Ltd. and Kunshan CIMC Logistics Automation Equipment Co., Ltd.

4. PRINCIPAL TERMS OF THE DISPOSAL

4.1 Consideration

The consideration for the Disposal was based on arm's length negotiations and was arrived at on a willing-buyer willing-seller basis. The consideration was negotiated by the Company based on the net profit after tax of Tianda for the financial year ended 31 December 2014 ("**FY2014**") and after taking into account, *inter alia*, Tianda's financial track record and competitive position. No independent valuation was conducted on Tianda. The consideration is calculated based on the following formula as set out in the SPA:

9.5	x	Net profit after tax of Tianda for FY2014	x	0.3

For illustrative purposes, based on the unaudited consolidated financial statements of Tianda and its subsidiaries (the "**Tianda Group**") where the unaudited net profit after tax of Tianda Group for FY2014 was RMB 87.9 million (approximately USD 14.3 million at an exchange rate of USD 1 = RMB 6.1534), the purchase consideration shall be approximately RMB 250.6 million (approximately USD 40.7 million at an exchange rate of USD 1 = RMB 6.1534) (the "**Indicative Consideration**").

Both the Company and the Purchaser shall jointly determine the final consideration (the "**Final Consideration**") in accordance with the formula above which shall be based on the audited financial statements of Tianda Group. Such calculation shall take place within five (5) business days from the date of issue of Tianda Group's audited financial report for FY2014. The Company will make the relevant announcement(s) to inform its Shareholders of the Final Consideration, once it is determined by the Company and the Purchaser in accordance with the SPA.

Payment of the Final Consideration shall be made fully in cash by way of telegraphic transfer upon the date of Completion as set out in paragraph 4.2 below.

4.2 Date of Completion

The Completion shall take place as soon as reasonably practicable but in any event no later than ten (10) business days from the fulfilment or waiver of all the conditions precedent set out in the SPA (other than those conditions specifically waived by mutual consent of the Company and the Purchaser) or such other date as the Company and the Purchaser may agree in writing.

4.3 Conditions precedent

The conditions precedent for the Completion as set out in the SPA are as follows:

(a) approval by the Shareholders at the Company's general meeting in respect of the Disposal, if required;

(b) all necessary requirements under the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist ("**Catalist Rules**") (as applicable) and all necessary consents and approvals (if any) being granted (whether in Singapore and in PRC) by third parties or governmental or regulatory bodies or competent authorities having jurisdiction over the Disposal (including without limitation, the consent or approval of the SGX-ST (as applicable) in respect of the circular prepared in relation to the matters referred to in SPA and approval of governmental or regulatory bodies of PRC in respect of the Disposal); and

(c) approval of the respective board of directors of the Company and the Purchaser.

5. NET PROFIT/VALUE OF ASSETS BEING DISPOSED AND COMPANY'S GAIN ON DISPOSAL

Based on the unaudited financial statements of Tianda Group for FY2014, the net profit of Tianda Group was approximately RMB 87.9 million (equivalent to approximately S$18.1 million at an exchange rate of S$ 1 = RMB 4.8612). Accordingly, the net profit attributable to the assets being disposed of, being 30% of Tianda Group, for FY2014 was approximately S$5.4 million.

Based on the unaudited financial statements of Tianda Group for FY2014, the book value of Tianda Group as at 31 December 2014 was approximately RMB 474.7 million (equivalent to approximately S$102.1 million at an exchange rate of S$ 1 = RMB 4.6512). Accordingly, the book value attributable to the assets being disposed of, being 30% of Tianda Group, was approximately S$30.6 million (the "**30% Book Value**") as at 31 December 2014. Based on the Indicative Consideration, the excess of the Indicative Consideration over the 30% Book Value is approximately S$21.0 million, on the assumption that the Disposal has been completed on 31 December 2014. Hence, the Disposal will result in the

Company recording a one-off gain of approximately S$21.0 million.

6. RELATIVE FIGURES UNDER CHAPTER 10 OF THE CATALIST RULES

The relative figures of the Disposal computed on the relevant bases set out in Rules 1006(a) to (e) of the Catalist Rules are as follows:

		%
Rule 1006(a)	The net asset value of the assets to be disposed of, compared with the issuer's net asset value	17.7%(1)
Rule 1006(b)	The net profits attributable to the assets disposed of, compared with the issuer's net profits	40.6%(2)
Rule 1006(c)	The aggregate value of the consideration received, compared with the issuer's market capitalisation based on the total number of issued shares excluding treasury shares	24.0(3)
Rule 1006(d)	The number of equity securities issued by the issuer as consideration, compared with the number of equity securities previously in issue	Not applicable
Rule 1006(e)	The aggregate volume or amount of proved and probable reserves to be disposed of compared with the aggregate of the issuer'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

Notes:

(1) Based on the unaudited net assets of the Group and Tianda Group of S$172.4 million and S$102.1 million respectively as at 31 December 2014, and having accounted for the Company's 30% shareholding interest in Tianda to be disposed of.

(2) Based on the unaudited net profits of the Group and Tianda Group of S$13.3 million and S$18.1 million respectively for FY2014, and having accounted for the Company's 30% shareholding interest in Tianda to be disposed of.

(3) Based on the Indicative Consideration and the Company's market capitalisation of S$214.8 million, which was computed based on the Company's existing issued share capital of 322,947,152 shares, and the volume weighted average price of the shares of S$0.6650 traded on the SGX-ST on 4 March 2015, being the last market day prior to the signing of the SPA.

As the relative figures under Rules 1006(a) to (c) exceed 5.0% but are not more than 50%, the Disposal is a discloseable transaction pursuant to Rule 1010 of the Catalist Rules.

7. FINANCIAL EFFECTS

7.1 Net tangible assets

The financial effects of the Disposal on the Group set out below are for illustrative purposes only and do not reflect the future financial results of the Group after Completion. The financial effects of the Disposal have been prepared based on the unaudited financial statements of the Group for FY2014 and on the following key assumptions:-

(a) the expenses in connection with the Disposal are immaterial;

(b) the financial effects of the Disposal on the Group are calculated based on the Indicative Consideration;

(c) the effect of the Disposal on the net tangible assets of the Group is based on the assumption that the Disposal has been completed on 31 December 2014; and

(d) the effect of the Disposal on the earnings per share of the Group is based on the assumption that the Disposal has been completed on 1 January 2014.

	Before the Disposal	**After the Disposal**
Consolidated NTA attributable to Shareholders (S$'000)	146,205	197,759
Number of Shares ('000)	322,947	322,947
Consolidated NTA per Share (cents)	45.27	61.24

7.2 Earnings per share

	Before the Disposal	**After the Disposal**
Profit after tax attributable to Shareholders (S$'000)	13,019	7,592
Weighted average number of Shares ('000)	253,959	253,959
Earnings per Share (cents)	5.13	2.99

8. DIRECTORS' AND CONTROLLING SHAREHOLERS' INTERESTS IN THE DISPOSAL

Save for their respective shareholding interest in the Company (if any), none of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Disposal. In addition, none of the directors or controlling shareholders of the Company has any interest, direct or indirect, with the Purchaser.

9. DETAILS OF ANY SERVICE CONTRACTS

No person will be appointed to the Board in connection with the Disposal and no service contracts in relation thereto will be entered into by the Company.

10. INTERESTED PERSON TRANSACTIONS

The Disposal does not constitute an interested person transaction within the definition of Chapter 9 of the Catalist Rules.

11. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors (including those who have been delegated supervision of this announcement) collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Disposal, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading.

Where information in this announcement has been extracted or reproduced from published or otherwise publicly available sources, the sole responsibility of the directors of the Company has been to ensure through reasonable enquiries that such information has been accurately and correctly extracted from such sources and/or reproduced in this announcement in its proper form and context.

12. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the SPA is available for inspection at the registered office of the Company at 28 Quality Road, Singapore 618828 during normal business hours for three (3) months from the date of the announcement.

13. ANNOUNCEMENTS

Further announcements in relation to the Disposal will be made in due course as and when appropriate.

By Order of the Board
Pteris Global Limited
Tan Swee Gek
Company Secretary
5 March 2015

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*This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor ("**Sponsor**"), Canaccord Genuity Singapore Pte. Ltd., for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). The Sponsor has not independently verified the contents of this announcement.*

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Ms Karen Soh, Managing Director, Corporate Finance, Canaccord Genuity Singapore Pte. Ltd. at 77 Robinson Road #21-02 Singapore 068896, telephone (65) 6854 6160.