

AMPLEFIELD LIMITED

(Company Registration Number 198900188N)

(Incorporated in the Republic of Singapore)

PROPOSED DISPOSAL OF INVESTMENT PROPERTIES IN STATE OF JOHOR, MALAYSIA

Introduction

The Board of Directors (the “Board”) of Amplefield Limited (the “Company” together with its subsidiaries, the “Group”) wishes to announce that Amplefield Facilities Sdn Bhd (“AFSB”), a wholly-owned subsidiary of the Company, has on 25 April 2017 entered into sale and purchase agreements (the “SPAs”) with URC Snack Foods (Malaysia) Sdn Bhd (the “Purchaser”) for the sale of the Company’s 3 lots of land held under HS(D) 267784, HS(D) 162763 and PN 6724 Mukim of Plentong (the “Land”), the buildings constructed thereon located in the State of Johor, Malaysia, and the related fittings therein (collectively referred to as the “Property”) (such transaction referred to as the “Proposed Disposal”).

Information on the Property

The Property includes the Land and two units of 3- storey administrative block with a single storey factory building annexed and a 2-storey detached industrial building constructed thereon bearing postal address of PLO 215, PLO 292, PLO 319 Jalan Perak 2, Taman Perindustrian Pasir Gudang, 81700 Pasir Gudang, Johor, Malaysia together with related fixtures and fittings, mechanical and electrical and other basic equipment included therein. The Land area is approximately 19,181 square metres.

The Property is valued at RM10,010,000 (equivalent to approximately S\$3,170,800) based on a valuation done by Cheston International (Johor) Sdn Bhd on the market value of the Properties. The valuation of the property was commissioned by AFSB and the valuation report is dated 21 December 2016.

The Property is currently held by AFSB as investment properties with a net book value of RM10,000,000 (equivalent to approximately S\$3,102,000) as at 31 December 2016.

Prior to being rented out, the Property was used for the manufacturing activities of the Group. Since the cessation of the manufacturing operations of AFSB, the Property has been rented out. The Property is currently rented out by the Group to unrelated third parties for an annual rent of RM 180,000. The current rental yield generated from the Property is not material to the Group.

Information on the Purchaser

The Purchaser is a company incorporated in Malaysia and having its registered address at Suite 1301, 13th Floor, City Plaza, Jalan Tebrau, 80300 Johor Bahru, Johor, Malaysia. The Purchaser is not related to the Company, its directors, controlling shareholders and substantial shareholders and their associates. The Purchaser is also not related to AFSB, its directors, controlling shareholders and substantial shareholders and their associates.

Sale Consideration

The sale consideration for the Property is RM12,750,000 (equivalent to approximately S\$4,038,720 based on an exchange rate of S\$0.31676:RM1) (the “Sale Consideration”). The Sale Consideration shall be satisfied wholly in cash. The Sale Consideration was arrived at after arm’s length negotiations between AFSB and the Purchaser, and on a “willing-buyer, willing-seller” basis, taking into account market value of the Property based on the valuation report dated 21 December 2016 and the book value of the Property (including the Land, the buildings constructed on the Land and related fittings therein).

The net gain from the disposal of the Property is estimated to be RM300,000 (equivalent to approximately S\$100,000).

Payment Terms

The payment terms of the Sale Consideration are as follows:-

- (1) A sum of RM892,500 to be paid by the Purchaser to AFSB upon the execution of the SPAs; and
- (2) The balance of RM11,857,500 shall be payable by the Purchaser to an escrow agent as stakeholders within 14 days from the execution of the SPAs.

Rationale for the Proposed Disposal

The Proposed Disposal will enable the Group to realise the value of the Property and improve its cashflow position.

The Group intends to use the proceeds from the Proposed Disposal for general working capital purposes or other business opportunities as and when they arise and/or reduction of borrowings.

Financial Effects of the Proposed Disposal

The *pro forma* financial effects of the Disposal, based on the audited consolidated financial statements of the Group for the financial year ended 30 September 2016 ("FY2016"), are set out below. The *pro forma* effects are only presented for illustration purposes, and are not intended to reflect the actual future financial situation of the Company or the Group after completion of the Proposed Disposal.

Net Tangible Assets per Share

Assuming that the Proposed Disposal was completed on 30 September 2016, the effect on the net tangible assets ("NTA") per share of the Group would be as follows:

	Before the Proposed Disposal	After the Proposed Disposal
NTA (S\$'000)	38,433	38,533
NTA per share (Singapore cents)	11.11	11.14

Earnings per Share

Assuming that the Proposed Disposal was completed on 1 October 2015, the effect on the earnings per share ("EPS") of the Group would be as follows:

	Before the Proposed Disposal	After the Proposed Disposal
Profit attributable to shareholders (S\$'000)	3,318	3,400
EPS (Singapore cents)	0.96	0.98

Interest of Directors and controlling shareholders

Save as disclosed above, none of the directors or controlling shareholder of the Company, and/or their respective associates has any interest, direct or indirect (other than through their shareholdings in the Company), in the Proposed Disposal.

Documents for Inspection

Copies of the SPAs and the valuation report are available for inspection at the Company's registered office at 101A, Upper Cross Street #11-16 People's Park Centre, Singapore 058358, for a period of three (3) months from the date of this announcement.

By Order of the Board

Woon Ooi Jin
Executive Director
25 April 2017

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor") for compliance with the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalyst. The Sponsor has not verified the contents of this announcement.

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

The contact person for the Sponsor is Ms Keng Yeng Pheng, Associate Director, Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone (65) 6229 8088.