



## TERRATECH GROUP LIMITED

Registered Address: Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands

Mailing Address: 2 Kaki Bukit Place #07-00 Eunos Techpark, Singapore 416180  
Tel: 68482567 Fax: 68482568 Email: [general@terratechgroup.com.sg](mailto:general@terratechgroup.com.sg)

(Company Registration number: CT-276295)

---

### NEWS RELEASE

#### TERRATECH GROUP LIMITED, IPO LAUNCH OF A PRODUCER OF PREMIUM-QUALITY MARBLE

- *First marble producer in the mineral, oil and gas sector to be listed on the Catalist Board of the SGX-ST*
- *Placement closes on July 25, 2014 and first day of trading expected on July 30, 2014*

**Singapore, July 21, 2014** – Terratech Group Limited (泰石集团有限公司) (“**Terratech**”, or the “**Group**”), a producer of premium-quality marble, has launched its initial public offering (“**IPO**”) in Singapore. The Group is seeking a listing on the Catalist board (“**Catalist**”) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”).

#### The Placement

The placement of 108,700,000 shares comprising 43,500,000 new shares and 65,200,000 vendor shares at S\$0.23 for each share (the “**Placement**”). The Placement is expected to raise total gross proceeds of approximately S\$25 million.

The offer document has been registered on July 21, 2014 (“**Offer Document**”) and the Placement, which opens upon the registration of the Offer Document, will close at 12.00 noon on July 25, 2014. Listing and trading of Terratech’s shares on Catalist is expected to commence at 9.00 a.m. on July 30, 2014.

Upon completion of the Placement, Terratech’s market capitalisation is expected to be approximately S\$141.46 million.

## **Use of Proceeds**

Terratech plans to use the estimated net proceeds of approximately S\$7 million, to be raised from the Placement after deducting estimated cash expenses, for the expansion of production capacity and processing facilities as well as working capital requirements.

Dr. Loh Chang Kaan (罗章权), the Group's CEO said: "The IPO is a major milestone for us, as we embark on our next phase of growth in the commercial production and sales of our marble products. With the IPO proceeds, we will be able to accelerate the process of marble production at our marble hills. We are excited about this major development and strive to improve our extraction capabilities from the sizeable marble reserves while capitalising on the strong demand from our key markets."

## **About Terratech**

The Group operates in the natural resources sector as a producer of premium-quality marble blocks and marble slabs at the Kelantan Marble Quarry in Malaysia, consisting of four marble hills with an extraction area of up to approximately 25.94 ha. The four marble hills have total estimated resources of 20.29 million m<sup>3</sup> and total estimated reserves of 11.02 million m<sup>3</sup>.

Terratech, through its subsidiary, was granted a Sub-Lease in respect of the Kelantan Marble Quarry for a term of 33 years from 27 January 2011 to 26 January 2044, with exclusive rights to explore, develop, quarry, extract, remove and sell marble and/or other stones for commercial sale or consumption.

Terratech commenced commercial production of marble blocks at two of the marble hills in March 2012 and 2013. In February 2014, Terratech recorded its first sales of marble slabs to a third party customer and as at the Latest Practicable Date ("LPD"), Terratech has an order book for its marble products of approximately S\$23.46 million.

## **Prospects and Growth Strategies<sup>1</sup>**

The growth rate of Chinese marble block and white marble block consumption over the period 2013 to 2018 is expected to be at a relatively high rate (around 20% to 25%) based on the development trends of the Chinese economy predicted by the PRC Government. Such growth rate bodes well for Terratech's marble production business.

In addition, according to the Ministry of Industry and Information Technology of the PRC, marble slabs consumption is expected to grow at a Compounded Annual Growth Rate of 17.6% between 2010 and 2015.

Dr. Loh commented: "The outlook for marble usage remains favourable based on trends especially in the PRC, including increased urbanisation, the continued development of the economy and rising demand from higher end hotels and residential buildings in need of marble slabs for decorative purposes. With the favourable consumption trends and the stable price outlook, we believe there are opportunities to increase our revenue streams in our key PRC market."

## **Operational Highlights**

The Group plans to expand its production capacity and processing facilities with the production plan to extract about 230,000 m<sup>3</sup> of dimension stone blocks by FY2018 onwards.

Terratech also has plans to broaden its revenue streams by venturing into the calcium carbonate powder production business while possibly exploring strategic acquisitions of additional stone quarries in the future to increase the Group's stone resources.

---

<sup>1</sup> *The discussion about the marble industry's prospects includes forward-looking statements that involve risks and uncertainties. Actual results could differ from those that may be projected or implied in these forward-looking statements. Please refer to the sections entitled "Industry Overview", "Prospects", "Trend Information" and "Cautionary Note on Forward-Looking Statements" of the Offer Document.*

PrimePartners Corporate Finance Pte. Ltd. is the Sponsor, Issue Manager and Joint Placement Agent and DMG & Partners Securities Pte. Ltd. is the Joint Placement Agent for the IPO.

Copies of the Offer Document issued by Terratech Group Limited in relation to the Placement are available for collection, upon request, at the office of PrimePartners Corporate Finance Pte. Ltd. at 20 Cecil Street, #21-02 Equity Plaza, Singapore 049705 or the office of DMG & Partners Securities Pte. Ltd. at 10 Collyer Quay, #09-08 Ocean Financial Centre, Singapore 049315 from 10.00 a.m. to 5.00 p.m. from 22 July 2014 to 24 July 2014. Any applications for the shares of Terratech Group Limited must be made in the manner set out in the Offer Document.

---

ISSUED ON BEHALF OF	:	Terratech Group Limited
BY	:	Citigate Dewe Rogerson, i.MAGE Pte Ltd 55 Market Street #02-01 SINGAPORE 048941
CONTACT	:	Ms Dolores Phua / Mr Han Zhongchou at telephone
DURING OFFICE HOURS	:	6534-5122 (Office)
AFTER OFFICE HOURS	:	9750-8237 / 9154-3765 (Handphone)
EMAIL	:	<a href="mailto:dolores.phua@citigatedrimage.com">dolores.phua@citigatedrimage.com</a> <a href="mailto:zhongchou.han@citigatedrimage.com">zhongchou.han@citigatedrimage.com</a>

---

016/14/016/TGL

July 21, 2014