

MEDIA RELEASE

Terratech Group Lodges Circular Pertaining to the Proposed RTO of the Capital City Group¹

- **The Capital City Group is an innovative property developer with a niche business model of working with landowners on a joint venture basis which requires a low capital outlay without having to own land banks, unlike conventional property developers**
- **The Capital City Group is recognized for its ability to bring innovative entertainment and retail concepts to the Johor region, with its maiden project being Project Capital City including Capital 21 which has since received several accolades**
- **Helmed by strong and experienced management team with sound track record, the Capital City Group has since secured two (2) new additional development projects through partnership with landowners**

Singapore, 29 March 2017 – Terratech Group Limited (“**Terratech**”), a SGX Catalist-listed producer of high quality marble products, is pleased to announce that it has today lodged a circular dated 29 March 2017 (“**Circular**”) with the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) pertaining to the proposed acquisition of all of the issued and paid-up shares of the Capital City Group for approximately S\$300 million. This will be satisfied mainly by the issuance of 1,071,428,569 new ordinary consolidated shares in the capital of Terratech at the issue price of S\$0.28 per share (subsequent to the proposed share consolidation of every four (4) existing shares into one (1) consolidated share).

Niche Business Model

The Capital City Group is an integrated property developer that focuses on working with landowners on a joint venture basis to enhance the value of the landowner’s land asset. The Capital City Group’s current business model of working on a joint venture basis with landowners does not require it to acquire or maintain land banks. Through such joint ventures, the Capital City Group undertakes the conception, design and implementation of integrated property development projects which will yield high investment returns from existing land assets without incurring significant capital outlay for acquisitions of land banks. Unlike conventional property developers who need to replenish their land banks for new developments, the Capital City Group maintains a steady pipeline of projects by focusing on identifying joint venture partners with land assets in strategic locations and are ready for development. This niche business model allows the Capital City Group to reap significant economic benefits with low capital outlay.

¹ The Capital City Group is comprised of Altimate Ventures Limited, Rise Expedition Global Limited, First Star Ventures Limited and, upon completion of the Restructuring Exercise (as defined in the Circular), their respective wholly-owned subsidiaries, namely Capital City Property Sdn. Bhd. , Capital City Management Pte. Ltd. , Capital City Ventures Sdn. Bhd.and Capital City Frontier Sdn. Bhd.

An Icon in the Making

The Capital City Group is currently developing its maiden project, Project Capital City, which upon completion will be a freehold integrated development in Johor Bahru and the first integrated project of its kind in the Tampoi region in Johor Bahru, Johor, Malaysia. Strategically located on a 40,851.932 square metres land parcel along Tampoi, Johor Bahru, the development is connected to all major highways and provides easy access to other government-initiated growth areas such as Legoland, Danga Bay Convention Centre and the Tebrau Plentong mixed development areas. Its proximity to Singapore, the Johor Port and Pelabuhan Tanjung Pelepas port also makes it accessible to expatriates and other foreigners.

Project Capital City will comprise a retail concept mall with six (6) levels of retail space and one (1) storey of common facilities, a 16-storey international hotel with 315 hotel rooms, branded “Hilton Garden Inn”, an 18-storey tower comprising 630 units of hotel-style serviced suites and three (3) 15-storey blocks comprising 690 units of serviced apartments. The six-storey retail mall, Capital 21, is envisioned to be a thematic mall with a wide range of amenities such as ballrooms, clubhouse, a world museum, cineplex and a children’s theme park, featuring the famous major cities of the world in one mall. Visitors will be able to experience the atmosphere of the world’s famous major cities from the five (5) continents, namely America, Europe, Australia/Oceania, Asia and Africa/Middle-East, when Capital 21 opens, which is expected to be in 2018.

Experienced Management Team

The Capital City Group is supported by a strong and experienced management team, led by its founder and executive director, Mr. Siow Chien Fu, who is an industry veteran possessing 30 years’ experience in the design and development of various property development projects in Malaysia and overseas. Prior to founding the Capital City Group, Mr. Siow was involved in the management of the development of a wide range of property development projects including integrated residential, industrial, commercial and retail properties in Malaysia and overseas since 2008, some of which have won industry awards and accolades. Some of his notable property projects include the Eco Tree Hotel in Hong Kong and Malacca.

Mr. Siow is supported by Mr. Tham Kok Peng, executive director of the Capital City Group, who possesses more than 30 years of relevant experience in the construction and project management field, and a team of experienced and competent key executives and project managers.

Notably, despite being a newly established brand name, the Capital City Group has already received several accolades for Capital 21, which was awarded five stars for the category “Best Mixed-Used Development – Malaysia” and being highly commended for the category “Commercial High-Rise Development – Malaysia” at the 2014 Asia Pacific International Property Awards.

Leveraging on its niche business model of undertaking joint ventures with landowners, the Capital City Group has gone on to secure two (2) new development projects, namely Project Austin, an integrated development project is expected to comprise a multi-storey retail mall, office suites, hotel and residential apartments in Tebrau, Johor Bahru, Johor, Malaysia, and Project Sitiawan Wellness Hub, a mixed development project which will focus on providing health and wellness services in Pengkalan Baharu, Perak, Malaysia.

About Terratech Group Limited

Listed on the Catalist board of the SGX-ST on 30 July 2014, Terratech Group Limited is engaged in the exploration, development, quarrying, processing and production of premium quality marble blocks and slabs, aggregates and calcium carbonate powder from its Kelantan Marble Quarry, and the commercial sale of marble and marble products.

About the Capital City Group

The Capital City Group is an integrated property developer that focuses on working with landowners on a joint venture basis to enhance the value of the landowner's land asset. Based in the Johor region of Malaysia, it undertakes the conception, design and implementation of integrated property projects. The Capital City Group is currently developing Project Capital City, an integrated property project comprising a retail mall, hotel and serviced suites and serviced apartments along Jalan Tampoi, Johor Bahru, Johor, Malaysia. The Capital City Group has also entered into joint venture agreements to develop Project Austin, an integrated development project which is expected to comprise a multi-storey retail mall, office suites, hotel and residential apartments, and Project Sitiawan Wellness Hub, a mixed development project which will focus on providing health and wellness services.

Issued for and on behalf of Terratech Group Limited
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This press release 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 Catalist. The Sponsor has not verified the contents of this press release.

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

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