

TRANSIT-MIXED CONCRETE LTD

Company Registration No. 197902587H

(Incorporated In The Republic Of Singapore)

Transit-Mixed Concrete Ltd (the “Company”) refers to the query from Singapore Exchange Securities Trading Limited (the “SGX-ST”) dated 8 June 2021 on the Company’s announcement on the Proposed Disposal of 45% interest in PT ATMC Pump Services on 7 June 2021. The Company sets out below the response to the query of the SGX-ST.

Question 1:

On 7 June 2021, the Company announced that “The Company has exercised its put option to dispose the Company’s entire 45% of the issued and paid-up capital (“Sales Shares”) of PT ATMC Pump Services (“PT ATMC”) (the “Proposed Disposal”) to the Purchaser and the Purchaser has agreed to acquire the Sales Shares.” In relation to the Proposed Disposal, please provide the following information as required under Listing Rule 1010:

(i) Whether there are any material conditions attaching to the transaction including a put, call or other option and details thereof;

Answer: There are no material conditions attaching to the transaction including a put, call or other option and details thereof.

(ii) The value (book value, net tangible asset value and the latest available open market value) of the assets being disposed of, and in respect of the latest available valuation, the value placed on the assets, the party who commissioned the valuation and the basis and date of such valuation;

Answer: No valuation was involved. The net tangible asset value of PT ATMC was IDR 50.2 billion as at 31 December 2020. The Consideration was mutually agreed by the Company and the Purchaser based on the issued and paid-up capital of PT ATMC of IDR 45 billion (our 45% share being IDR 20.25 billion) and was arrived at on a willing-buyer, willing-seller basis, taking into account the prevailing economic conditions caused by the COVID-19 pandemic which would have further depleted the net tangible asset value of PT ATMC.

(iii) In the case of a disposal, the excess or deficit of the proceeds over the book value, and the intended use of the sale proceeds;

Answer: There was a deficit of the proceeds (IDR 20.25 billion approximating S\$1,875,000, at S\$1:IDR10800) over the book value (S\$1,886,704 as at 28/2/2021) of S\$11,704, and the Company intends to use the net proceeds of approximating S\$1,875,000 from the Proposed Disposal for working capital purposes, while keeping a look out for business opportunities that can generate higher value to the shareholders of the Company.

(iv) Details of any service contracts of the directors proposed to be appointed to the issuer in connection with the transaction.

Answer: No person was appointed to the Board, and no service contracts were entered into by the Company, in connection with the Proposed Disposal.

2. Please also disclose the Cost of investment of PT ATMC.

Answer: The original Cost of investment of PT ATMC is S\$2,135,507.

3. Separately, we note that as the relative figures computed pursuant to Rule 1006(b) involves negative figures, the Company should consult the Exchange as required under Rule 1007(1).

Answer: The Company has written to the Singapore Exchange Regulation (“SGX RegCo”) on 9 June 2021 to seek guidance pursuant to Rule 1007(1) on the classification of the Proposed Disposal under Chapter 10 of the SGX-ST Listing Manual, as the relative figures computed pursuant to Rule 1006(b) (as set out in our announcement dated 7 June 2021) involve a negative figure. The Company seeks the SGX-ST’s approval for waiver from the requirement to obtain shareholders’ prior approval for the Proposed Disposal. The Company will make further announcements to its shareholders as and when necessary.

By Order of the Board

Chen Lee Lee
Company Secretary
10 June 2021