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Tritech sells 29% stake in Terratech for \$1.25 mil; plans to divest remaining 33.9% stake

Jan 6 — Engineering firm Tritech Group said on Tuesday night it was selling a 29% stake in marble producer Terratech Group to Chew Hoe Soon, non-executive chairman of SHS Holdings, for \$12.5 million, or seven cents a share.

Tritech owns 62.92% of Terratech. It also plans to divest its 33.9% remaining stake in Terratech, though 31.46% is subject to a moratorium until Jan 29.

SHS, formerly known as See Hup Seng, is listed on the Singapore Exchange.

Tritech said the SHS deal would allow the group to unlock value in its marble resource business and maximise return to its shareholders.

It would also allow the group to reallocate its financial and capital resources to focus on the expansion of its engineering services business and water-related and environmental business, as well as undertake new investment opportunities, it added.

The disposal of the unit is expected to give Tritech a net gain of about \$8.6 million, after deducting the pro-forma net asset value of the sale share, fees and other costs.

In a separate announcement, Terratech said it will continue normal operations of the group in the midst of the proposed disposal, including obtaining financial support from Tritech or other parties for its operations and corporate growth strategy.

Tritech and Terratech last traded at 11.4 cents and seven cents respectively. — *By P C Lee*

