

TUNG LOK RESTAURANTS (2000) LTD
(Registration No. 200005703N)

INTERESTED PERSON TRANSACTIONS – TENANCY AGREEMENT ENTERED INTO WITH TEE YIH JIA FOOD MANUFACTURING PTE. LTD. (“TYJ”)

1 INTRODUCTION

The Board of Directors of Tung Lok Restaurants (2000) Ltd (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that its joint venture, T&T Gourmet Cuisine Pte Ltd (“**T&T**”) has signed a tenancy agreement (the “**Tenancy Agreement**”) with TYJ. Pursuant to the Tenancy Agreement, T&T will lease part of the premise at the 1st and 5th floor of Tee Yih Jia Building at 1 Senoko Road Singapore 758134 (the “**Premise**”) from TYJ for a term of two (2) years.

TYJ is a controlling shareholder of the Company with a direct interest of 19.35% in the shareholdings of the Company. Accordingly, the Tenancy Agreement would constitute an Interested Person Transaction (“**IPT**”) under Chapter 9 of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual Section B: Rules of Catalist (“**Catalist Rules**”).

The Company holds 50% of T&T through Tung Lok Millennium Pte Ltd, a wholly-owned subsidiary of the Company. T&T is a food products manufacturer and operates in the Premise.

2 TENANCY AGREEMENT AS AN INTERESTED PERSON TRANSACTION AND RULE 916(1) OF THE CATALIST RULES

The estimated rental fees for the Premise payable for the duration of the lease approximate S\$1,206,336. The estimated value of the Tenancy Agreement to the Company (based on the effective equity interest of the Company in T&T) amounts to approximately S\$603,168, representing 3.49% of the latest audited net tangible assets (“**NTA**”) of the Group. The latest audited NTA as at 31 March 2017 was S\$17,275,305.

The lease is for a period not exceeding three (3) years and the terms of the Tenancy Agreement pertaining to the Premise are supported by an independent valuation report from Teho Property Consultants Pte Ltd (“**TEHO**”) dated 21 December 2017.

Accordingly, the Tenancy Agreement and the lease thereunder will not require the approval of the shareholders of the Company (“**Shareholders**”) as exempted under Rule 916(1) of the Catalist Rules.

3 DETAILS OF THE TENANCY AGREEMENT

Under the Tenancy Agreement, the Premise occupies an estimated floor area of 25,053.27 square feet. The rental rates were arrived at after negotiation between the parties and is computed based on monthly fixed rate.

In accordance with the terms of the Tenancy Agreement, a security deposit amounting to S\$150,792 shall be maintained with TYJ.

4 RATIONALE FOR THE TENANCY AGREEMENT

The Premise will be used by T&T to operate its business as a food products manufacturer.

5 TOTAL INTERESTED PERSON TRANSACTIONS WITH THE SAME INTERESTED PERSON FOR THE FINANCIAL YEAR ENDING 31 MARCH 2018 (“FY2018”) AND THE TOTAL INTERESTED PERSON TRANSACTIONS FOR FY2018

The estimated total value of the Tenancy Agreement entered into by T&T with TYJ during the financial year-to-date amounts to approximately S\$603,168.

Apart for the above Tenancy Agreement, the Group has also entered into other IPTs with TYJ and its associates which are covered by the general IPT mandate granted by the Shareholders during the Company’s Annual General Meeting on 31 July 2017. The total value of transactions entered into by the Group with TYJ and its associates pursuant to the IPT mandate during the financial year-to-date approximates S\$2,150,000.

The Group has not during the financial year-to-date, entered into any other transaction (excluding transactions less than S\$100,000) with any other interested persons apart from a tenancy agreement (as announced on 17 April 2017 by the Company) entered into with Orchard Central Pte. Ltd. (“**Orchard Central**”) for tenancy of Units #07-07/08/09 and #07-14/15 at 181 Orchard Road Singapore 238896 known as Orchard Central amounting to approximately S\$1,218,000 and representing 7.05% of the Group’s latest audited NTA. Orchard Central is an associate of Goodview Properties Pte. Ltd., a controlling shareholder of the Company with a direct interest of 19.69% in the shareholdings of the Company.

6 DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the Tenancy Agreement and the independent valuation report issued by TEHO are available for inspection during normal business hours at the registered office of the Company for a period of three (3) months from the date of this announcement.

BY ORDER OF THE BOARD

Tjioe Ka Men
President/Chief Executive Officer
Date: 4 January 2018

This announcement has been reviewed by the Company’s Sponsor, SAC Capital Private Limited, for compliance with the relevant rules of the Exchange. The Company’s Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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