



**TERRATECH GROUP LIMITED**

(Company Registration No. CT-276295)

(Incorporated in the Cayman Islands on 15 March 2013)

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1. **AMENDING AND RESTATEMENT DEED TO AMEND AND RESTATE THE SALE AND PURCHASE AGREEMENT DATED 9 JUNE 2016; AND**
  2. **SALE AND PURCHASE AGREEMENTS DATED 6 JANUARY 2017**
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*All capitalised terms in this announcement (this “**Announcement**”) shall, unless otherwise defined herein, have the same meanings ascribed to them in the Company’s announcements dated 9 June 2016 and 8 December 2016 (“**Earlier Announcements**”).*

**1. INTRODUCTION**

- 1.1 The board of directors (“**Board**”) of the Company refers to the Earlier Announcements in relation to Proposed Acquisition and the Extension.
- 1.2 Further to the Earlier Announcements, the Board wishes to announce that the Company and the Vendors have agreed to restructure the Proposed Acquisition such that the acquisition of the Target Company shall be via the acquisition of all of the issued and paid-up shares in Altimate Ventures Limited (“**AVL**”), a business company incorporated in the British Virgin Islands (“**BVI**”), which, in turn, will hold the entire issued and paid-up share capital of the Target Company.
- 1.3 Accordingly, the Company had, on 6 January 2017 entered into an amending and restatement deed (the “**Deed**”) with the Vendors, to amend and restate the SPA in its entirety (the SPA, as amended and restated by the Deed, shall be referred to hereinafter as the “**Amended AVL SPA**”). Please refer to Paragraph 2 of this Announcement (*Salient Amendments to the SPA*) for further details on the salient amendments made to the SPA via the Deed and the Amended AVL SPA.
- 1.4 The Board also wishes to announce that, in addition to the Proposed Acquisition, the Company had on 6 January 2017 entered into conditional sale and purchase agreements with each of the REGL Vendors (as defined below) (“**REGL SPA**”) and the FSVL Vendors (as defined below) (“**FSVL SPA**”), pursuant to which the Company shall acquire from the (a) REGL Vendors all of the issued and paid-up shares (“**REGL Sale Shares**”) in Rise Expedition Global Limited (“**REGL**”) (“**Proposed REGL Acquisition**”); and (b) FSVL Vendors all of the issued and paid-up shares (“**FSVL Sale Shares**”) in First Star Ventures Limited (“**FSVL**”) (“**Proposed FSVL Acquisition**”).
- 1.5 REGL and FSVL are business companies which will own, upon completion of the Proposed REGL Acquisition and Proposed FSVL Acquisition respectively, Capital City Ventures Sdn. Bhd. (“**CCVSB**”) and Capital City Frontier Sdn. Bhd. (“**CCFSB**”) respectively. CCVSB and CCFSB are also engaged in the same business as the Target Company, and have entered into respective joint venture agreements for the derivation of economic benefits from the development of integrated property projects. REGL and FSVL are each 99% owned by Mr. Siow Chien Fu, who is a Vendor and an executive director of each of CCVSB and CCFSB, with the remaining 1% in each of REGL and FSVL held by Mr. Tham Kok Peng, who is an executive director of each of CCVSB and CCFSB.

- 1.6 Pursuant to the REGL SPA and the FSVL SPA, the purchase consideration for each of the REGL Sale Shares and FSVL Sale Shares is US\$200, which shall be fully satisfied on Completion in cash.
- 1.7 Please refer to Paragraph 3 of this Announcement (*Information on REGL, CCVSB, FSVL and CCFSB*) for further details on the Proposed REGL Acquisition, the Proposed FSVL Acquisition, and further details on CCVSB and CCFSB.

## **2. SALIENT AMENDMENTS TO THE SPA**

- 2.1 The salient amendments made to the SPA via the Deed and the Amended AVL SPA are set out in this paragraph.

### Structure of the Proposed Acquisition

- 2.2 The structure of the Proposed Acquisition has been amended such that the acquisition of the Target Company will be effected via the purchase of 100 ordinary shares (“**AVL Sale Shares**”) in the capital of AVL, representing all of the issued and paid-up shares in AVL as at Completion.
- 2.3 In order to achieve the revised transaction structure, AVL was incorporated on 23 November 2016 in the BVI. The Vendors will restructure their shareholdings in the Target Company such that prior to Completion, AVL will hold the entire issued and paid-up share capital of the Target Company, with the Vendors holding as legal and beneficial owners the AVL Sale Shares in the same Relative Proportion previously held in the Target Company.

### Conditions Precedent

- 2.4 Pursuant to the Amended AVL SPA, Completion of the Proposed Acquisition is conditional upon, *inter alia*, the same conditions precedent set out in the SPA as specified in Appendix C to the Earlier Announcement dated 9 June 2016 having been satisfied or waived in accordance with the terms of the Amended AVL SPA, save that references to “Target Company” have been amended, where applicable, to refer to “AVL, Target Company and Capital City Management Pte. Ltd.” (Capital City Management Pte. Ltd. is a wholly-owned subsidiary of Target Company which was incorporated after the date of the Earlier Announcement dated 9 June 2016) instead.
- 2.5 In addition, Completion of the Proposed Acquisition shall be conditional upon the completion of the acquisition by AVL of the Target Company.
- 2.6 As stated in the Earlier Announcement dated 8 December 2016, the back-stop date for the satisfaction of the conditions precedent set out in the Amended AVL SPA shall be 9 June 2017 (unless extended by agreement of the Parties).
- 2.7 Save as disclosed in this Paragraph 2, there are no other substantive amendments to the SPA, and the amount of Consideration and number of Consideration Shares to be allotted and issued to the Vendors remain unchanged. Further information on the Proposed RTO Transactions (including the Proposed Acquisition as amended by the Amended AVL SPA) will be provided in the Circular.

### 3. INFORMATION ON REGL, CCVSB, FSVL AND CCFSB

#### REGL and CCVSB

- 3.1 REGL was incorporated on 9 September 2016 in the BVI, and is a business company which is proposed to hold the entire issued and paid-up share capital of CCVSB. CCVSB was incorporated on 27 September 2016 in Malaysia.
- 3.2 The purchase consideration for the REGL Sale Shares payable by the Company shall be US\$200 (“**REGL Consideration**”), which is based on the par value of the shares of REGL at completion of the Proposed REGL Acquisition. The REGL Consideration will be paid in cash to the REGL Vendors in the proportion of their shareholdings in REGL upon completion of the Proposed REGL Acquisition.
- 3.3 CCVSB had, on 9 November 2016, entered into a joint venture agreement (“**EHSB JVA**”) with Elit Hartamas Sdn. Bhd. (“**EHSB**”), pursuant to which CCVSB and EHSB agreed to derive economic benefit from the development of an integrated development on a land site with an area of approximately 27,670 square metres in Tebrau, Johor Bahru, Malaysia (“**Project Austin**”). This is an integrated development project expected to comprise a retail mall, medical suites, hotel and serviced suites or residential apartments. As at the date of this Announcement, Project Austin is still in its initial stages of development. Further details of the EHSB JVA and Project Austin will be included in the Circular.
- 3.4 As at the date hereof, Mr. Siow Chien Fu and Mr. Tham Kok Peng (“**REGL Vendors**”), hold their shares in REGL in the same proportion as that in CCVSB, being 99% and 1% respectively. Accordingly, the Proposed REGL Acquisition is conditional upon, *inter alia*, the completion of the acquisition by REGL of CCVSB.

#### FSVL and CCFSB

- 3.5 FSVL was incorporated on 8 December 2016 in the BVI, and is a business company which is proposed to hold the entire issued and paid-up share capital of CCFSB. CCFSB was incorporated on 2 December 2016 in Malaysia.
- 3.6 The purchase consideration for the FSVL Sale Shares payable by the Company shall be US\$200 (“**FSVL Consideration**”), which is based on the par value of the shares of FSVL at completion of the Proposed FSVL Acquisition. The FSVL Consideration will be paid in cash to the FSVL Vendors in the proportion of their shareholdings in FSVL upon completion of the Proposed FSVL Acquisition.
- 3.7 CCFSB had, on 7 December 2016, entered into a joint venture agreement (“**Perak JVA**”) with Permatang Eksklusif Sdn. Bhd. and Mara Tegas Sdn. Bhd. (“**Landowners**”), pursuant to which CCFSB and the Landowners agreed to derive economic benefit from the development of a mixed development on a land site with an area of approximately 184,600 square metres in Pengkalan Baharu, Perak, Malaysia (“**Project Sitiawan Wellness Hub**”). This is a mixed development project which will focus on providing health and wellness services. As at the date of this Announcement, Project Sitiawan Wellness Hub is still in its initial stages of development. Further details of the Perak JVA and Project Sitiawan Wellness Hub will be included in the Circular.
- 3.8 As at the date hereof, Mr. Siow Chien Fu and Mr. Tham Kok Peng (“**FSVL Vendors**”), hold their shares in FSVL in the same proportion as that in CCFSB, being 99% and 1% respectively. Accordingly, the Proposed FSVL Acquisition is conditional upon, *inter alia*, the completion of the acquisition by FSVL of CCFSB.

**4. REVISED FINANCIAL AND SHAREHOLDING EFFECTS OF THE PROPOSED ACQUISITION, THE PROPOSED REGL ACQUISITION AND PROPOSED FSVL ACQUISITION**

- 4.1 The amendments to the structure of the Proposed Acquisition will not result in any material revisions to the financial effects of the Proposed Acquisition on the Group as set out in the Earlier Announcements. There will be no revisions to the shareholding effects of the Proposed Acquisition.
- 4.2 Together with the Proposed Acquisition, the aggregate consideration for the Proposed Acquisition, the Proposed REGL Acquisition and the Proposed FSVL Acquisition is S\$300,000,000 and US\$400. The Proposed REGL Acquisition and the Proposed FSVL Acquisition are not expected to have a material financial impact on the Group and the relative figures computed on any of the bases set out in Rule 1006 of the Catalist Rules as set out in the Earlier Announcement dated 9 June 2016. As no consideration shares are to be allotted and issued by the Company pursuant to the Proposed REGL Acquisition and the Proposed FSVL Acquisition, there will be no impact on the issued share capital or the shareholding structure of the Company as a result of the Proposed REGL Acquisition and/or the Proposed FSVL Acquisition. However, as these transactions are intended to be undertaken in conjunction with the Proposed RTO Transactions, they are therefore subject to, *inter alia*, the approval of the Shareholders and the SGX-ST, together with the Proposed RTO Transactions, and are intended to be completed contemporaneously. Please refer to Paragraph 5 (*Rationale*) for details.

**5. RATIONALE**

- 5.1 Project Austin (via the Proposed REGL Acquisition) and Project Sitiawan Wellness Hub (via the Proposed FSVL Acquisition), represent projects in addition to Project Capital City intended to be acquired by the Company in conjunction with the Proposed RTO Transactions. This is intended to expand and diversify the property development projects to be acquired by the Group. REGL and FSVL are also led by Mr. Siow Chien Fu, who leads Project Capital City.
- 5.2 Accordingly, the Proposed REGL Acquisition and the Proposed FSVL Acquisition, while having no material financial impact on the Group and the relative figures computed on any of the bases set out in Rule 1006 of the Catalist Rules as set out in the Earlier Announcement dated 9 June 2016, would also be subject to, *inter alia*, the approval of the Shareholders and the SGX-ST, together with the Proposed RTO Transactions, and are intended to be completed contemporaneously.

**6. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS**

None of the Directors (other than in his capacity as Director or Shareholder) nor (as far as the Directors are aware) controlling Shareholders of the Company has any interest, direct or indirect, in the Proposed Acquisition as amended by the Amended AVL SPA, the Proposed REGL Acquisition and the Proposed FSVL Acquisition, save for their respective interests in the Shares of the Company.

## **7. FINANCIAL ADVISER**

The Company has appointed PPCF as its financial adviser and full sponsor in respect of the Proposed Acquisition as amended by the Amended AVL SPA, the Proposed REGL Acquisition and the Proposed FSVL Acquisition.

## **8. RESPONSIBILITY STATEMENTS**

- 8.1 The Directors collectively and individually accept full responsibility (save in respect of the Vendors, Mr. Siow Chien Fu, Mr. Tham Kok Peng, AVL, REGL, FSVL, the Target Company, Capital City Management Pte. Ltd., CCVSB, CCFSB, Project Capital City, Project Austin and Project Sitiawan Wellness Hub) for the accuracy of the information given in this Announcement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Announcement constitutes full and true disclosure of all material facts about the Proposed Acquisition (as amended by the Amended AVL SPA), the Proposed REGL Acquisition, the Proposed FSVL Acquisition, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Announcement misleading. Where information in this Announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Announcement in its proper form and context.
- 8.2 The Vendors each accept full responsibility for the accuracy of the information given in this Announcement in respect of AVL, Target Company, Capital City Management Pte. Ltd. and Project Capital City and confirm after making all reasonable enquiries that, to the best of his knowledge and belief, this Announcement constitutes full and true disclosure of all material facts in respect of AVL, Target Company, Capital City Management Pte. Ltd. and Project Capital City and he is not aware of any facts the omission of which would make any statement in this Announcement in respect of AVL, Target Company or Capital City Management Pte. Ltd. misleading. Where information in this Announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Vendors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Announcement in its proper form and context.
- 8.3 Mr. Siow Chien Fu and Mr. Tham Kok Peng each accept full responsibility for the accuracy of the information given in this Announcement in respect of REGL, CCVSB, FSVL, CCFSB, Project Austin and Project Sitiawan Wellness Hub and confirm after making all reasonable enquiries that, to the best of his knowledge and belief, this Announcement constitutes full and true disclosure of all material facts in respect of REGL, CCVSB, FSVL, CCFSB, Project Austin and Project Sitiawan Wellness Hub and he is not aware of any facts the omission of which would make any statement in this Announcement in respect of REGL, CCVSB, FSVL, CCFSB, Project Austin or Project Sitiawan Wellness Hub misleading. Where information in this Announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of Mr. Siow Chien Fu and Mr. Tham Kok Peng has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Announcement in its proper form and context.

## **9. CIRCULAR AND DOCUMENTS AVAILABLE FOR INSPECTION**

- 9.1 The Circular containing further information on, *inter alia*, the Proposed RTO Transactions (including the Proposed Acquisition as amended by the Amended AVL SPA), the Proposed REGL Acquisition and the Proposed FSVL Acquisition, and enclosing the notice of the EGM to seek approval of Shareholders of the Company for the Proposed RTO Transactions (including the Proposed Acquisition as amended by the Amended AVL SPA), the Proposed REGL Acquisition and the Proposed FSVL Acquisition will be despatched by the Company to the Shareholders in due course.
- 9.2 A copy of each of the Deed enclosing the Amended AVL SPA, REGL SPA and FSVL SPA will be made available for inspection by the Shareholders during normal business hours at the office of the Company at 2 Kaki Bukit Place Tritech Building Singapore 416180 for a period of three (3) months from the date of this Announcement.

## **10. CAUTIONARY STATEMENT**

The Board would like to advise Shareholders that, although the Amended AVL SPA, REGL SPA and FSVL SPA have been entered into, completion of the Proposed Acquisition, Proposed REGL Acquisition and Proposed FSVL Acquisition are subject to conditions precedents being fulfilled and there is no certainty or assurance as at the date of this announcement that the Proposed Acquisition, Proposed REGL Acquisition and Proposed FSVL Acquisition will be completed or that no changes will be made to the terms thereof. Accordingly, Shareholders are advised to exercise caution in dealings with the Shares. Shareholders are advised to read this Announcement and any further update announcement(s) released by the Company in connection with the Proposed Acquisition, Proposed REGL Acquisition and Proposed FSVL Acquisition carefully. Shareholders should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

BY ORDER OF THE BOARD

Dr Loh Chang Kaan  
Chief Executive Officer and Executive Director

7 January 2017

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*This announcement 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 Catalyst. The Sponsor has not verified the contents of this announcement.*

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

*The contact person for the Sponsor is Mr Joseph Au, Senior Manager, Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone (65) 6229 8088.*

**APPENDIX A**

**RELATIVE PROPORTION OF INTERESTS OF THE VENDORS IN AVL**

| <b>NO.</b> | <b>NAME OF VENDOR</b> | <b>OWNERSHIP IN AVL (%)</b> |
|------------|-----------------------|-----------------------------|
| 1.         | Siow Chien Fu         | 50.0                        |
| 2.         | Tan June Teng Colin   | 25.0                        |
| 3.         | Tan Ping Huang Edwin  | 25.0                        |

**INTERESTS OF THE REGL VENDORS IN REGL**

| <b>NO.</b> | <b>NAME OF REGL VENDOR</b> | <b>OWNERSHIP IN REGL (%)</b> |
|------------|----------------------------|------------------------------|
| 1.         | Siow Chien Fu              | 99.0                         |
| 2.         | Tham Kok Peng              | 1.0                          |

**INTERESTS OF THE FSVL VENDORS IN FSVL**

| <b>NO.</b> | <b>NAME OF FSVL VENDOR</b> | <b>OWNERSHIP IN FSVL (%)</b> |
|------------|----------------------------|------------------------------|
| 1.         | Siow Chien Fu              | 99.0                         |
| 2.         | Tham Kok Peng              | 1.0                          |