

TUNG LOK RESTAURANTS (2000) LTD

(Incorporated in Singapore)
(Registration No. 200005703N)

INTERESTED PERSON TRANSACTION – LETTER OF OFFER ENTERED INTO WITH CHINA CLASSIC PTE LTD (“CCPL”)

1 INTRODUCTION

The Board of Directors of the Company (the “**Board**”) wishes to announce that its wholly-owned subsidiary, Tung Lok Signatures (2006) Pte. Ltd. (“**TLS**”), has entered into a letter of offer (the “**Offer Letter**”) with CCPL. Pursuant to the Offer Letter, TLS agrees to enter into a tenancy agreement to lease Unit #04-01 and #05-01 at 10 Cross Street, Singapore 048417 known as The Clan Hotel (the “**Premise**”) for a term of three (3) years.

The Clan is owned by CCPL which is 50% beneficially owned by Mr. Ng Chee Tat Philip. Mr. Philip Ng is a controlling shareholder of the Company with deemed interests of 19.86% in the Company by virtue of his deemed shareholdings in Goodview Properties Pte. Ltd (“**Goodview Properties**”). Consequently, CCPL is an associate of Goodview Properties. Accordingly, the Offer Letter entered with CCPL would constitute an Interested Person Transaction (“**IP**T”) pursuant to Chapter 9 of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual Section B: Rules of Catalyst (“**Catalist Rules**”).

2 OFFER LETTER AS IPT AND CATALIST RULE 916(1)

The estimated rental fees of the Premise payable during the duration of the lease is approximately S\$800,000 which represents 5.34% of the latest audited net tangible assets (“**NTA**”) of the Company and its subsidiaries (collectively, the “**Group**”). The Group’s latest audited NTA as at 31 March 2019 was S\$14,979,424.

The lease is for a period not exceeding three (3) years and the terms of the Offer Letter are supported by an independent valuation report from TEHO Property Consultants Pte Ltd (“**TEHO**”) which is of the opinion that the rental values are within the reasonable range of the prevailing market rental as at 12 March 2020.

Accordingly, the Offer Letter and the lease thereunder will not require the approval of the shareholders of the Company (“**Shareholders**”) as it is exempted under Catalyst Rule 916(1).

3 DETAILS OF THE OFFER LETTER

Under the Offer Letter, the Premise occupies an estimated floor area of 3,025 square feet. The rental rates were arrived at after negotiation between the parties and are computed based on percentage of the gross monthly sales turnover generated from the Premise.

In accordance with the terms of the Offer Letter, security deposit amounting to S\$100,000 shall be maintained with CCPL by way of banker's guarantee.

4 RATIONALE FOR THE OFFER LETTER

The Premise will be used to operate a restaurant called "Qin".

5 TOTAL IPTS WITH THE SAME INTERESTED PERSON FOR THE FINANCIAL YEAR ENDING 31 MARCH 2021 ("FY2021") AND THE TOTAL IPTS FOR FY2021

The estimated value of the Offer Letter entered into by TLS with CCPL during the financial year-to-date amounts to approximately S\$800,000 (representing 5.34% of the Group's latest audited NTA as at 31 March 2019).

Save for the above Offer Letter, there was no other IPTs entered into between the Company and Goodview Properties and its associates (as defined in Catalist Rules) since the beginning of FY2021.

The total value during the current financial year-to-date of all transactions with Goodview Properties and its associates is S\$800,000 representing 5.34% of the Group's latest audited NTA as at 31 March 2019.

The Company has not during the current financial year-to-date, entered into any other transaction (excluding transactions less than S\$100,000) with any other interested persons.

6 DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the Offer Letter 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: 1 April 2020

*This announcement has been reviewed by the Company's sponsor ("**Sponsor**"), SAC Capital Private Limited. This announcement has not been examined or approved by the SGX-ST and the SGX-ST 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*

The contact person for the Sponsor is:-

Name: Mr Ong Hwee Li (Registered Professional, SAC Capital Private Limited)

Address: 1 Robinson Road, #21-00 AIA Tower, Singapore 048542

Tel: 6232 3210