



GKE CORPORATION LIMITED
(Company Registration No. 200001941G)
(Incorporated in the Republic of Singapore)

**PROPOSED SALE OF 65% INTEREST IN VAN DER HORST LOGISTICS LIMITED
- EXECUTION OF DEFINITIVE SALE AND PURCHASE AGREEMENT**

Capitalised terms not defined herein shall have the meanings ascribed to them in the announcement dated 9 September 2020 (the “Announcement”).

1. INTRODUCTION

The Board of Directors (the “**Board**”) of GKE Corporation Limited (the “**Company**” and, together with its subsidiaries, the “**Group**”) refers to the Announcement in relation to the execution of a legally binding memorandum of understanding (“**MOU**”) with Hung King Holdings Limited, for the sale of the Company’s entire shareholding in Van Der Horst Logistics Limited (“**VDH**”), being 32,500 shares representing 65% of the total share capital of VDH (the “**Sale Shares**”), to the Purchaser (or such entity as may be nominated by the Purchaser in its discretion) (the “**Proposed Sale**”).

The Board wishes to update shareholders that the Company has on 8 March 2021 executed the Definitive SPA for the Proposed Sale with Hung King Holdings Limited’s nominee, GKEML Singapore Pte. Ltd. (the “**Purchaser**”). The Purchaser is unrelated to the Group.

2. INFORMATION ON THE PURCHASER

The Purchaser is a company incorporated in Singapore which has the same ultimate shareholder as Hung King Holdings Limited. The Purchaser is principally an investment holding company.

3. MATERIAL TERMS OF DEFINITIVE SPA

3.1 Conditions Precedent

The completion of the sale and purchase of the Sale Shares shall be subject to the following being fulfilled within three months from the date of the Definitive SPA:

- (a) The warranties of the Purchaser and the Company being true and correct in all respects as at the Completion Date (as defined in paragraph 3.5); and
- (b) (where required) the approval of the shareholders of the Company in an extraordinary general meeting being obtained.

3.2 Payment Terms

The Purchaser has paid a deposit of RMB 2,762,500 (“**Deposit**”) to the Company since the signing of the MOU. The payment of the Sale Consideration of RMB 58,500,000 shall be paid to the Company in the following manner:

- (a) 20% of the Sale Consideration less the Deposit to be paid on signing of the Definitive SPA;

- (b) 30% of the Sale Consideration to be paid on the Completion Date (as defined in section 3.5 of this announcement); and
- (c) the balance 50% of the Sale Consideration (“**Deferred Consideration**”) to be paid within one (1) year from the date of the Definitive SPA.

If the Company elects not to proceed with Completion without reasonable cause, an amount equivalent to 22% of the Purchase Consideration shall be refunded to the Purchaser.

If the Purchaser elects not to proceed with Completion without reasonable cause, the Company is entitled to forfeit and retain the Deposit paid by the Purchaser.

3.3 Security

As security for the payment of the Deferred Consideration within one (1) year from the date of the Definitive SPA, the Purchaser has procured the execution of a personal guarantee issued by its ultimate shareholder, Li Jing, in favour of the Company. The parties have agreed to remove the requirement to furnish the Cash Pledge and the promissory note in light of the change in payment terms set out in section 3.2 of this announcement.

3.4 Payment of Expenses and Cash in Bank

The Parties have agreed that (i) the Purchaser will bear all expenses incurred by VDH Group from 1 August 2019 up to 30 September 2020 (“**Aggregate Expenses**”) and (ii) the Company shall be entitled to receive 65% of the cash in the bank account of VDH (if any) as at the Completion Date (as defined herein).

The Purchaser shall pay 65% of the Aggregate Expenses and 65% of the cash in bank of VDH to the Company on the Completion Date (as defined herein).

3.5 Completion

Subject to the fulfilment of the conditions precedent set out in paragraph 3.1, completion shall take place no later three (3) months after the date of the Definitive SPA (the “**Completion Date**”).

4. DOCUMENTS FOR INSPECTION

A copy of the Definitive SPA is available for inspection at the registered office of the Company at 39 Benoi Road #06-01 Singapore 627725, during normal business hours for a period of three (3) months from the date of this announcement. Shareholders who wish to inspect the above documents shall make an appointment via the following email address enquiry@gkegroup.com.sg, so that the relevant arrangements can be made in compliance with the Singapore Government’s directives in relation to the ongoing COVID-19 outbreak.

BY ORDER OF THE BOARD

Neo Cheow Hui
Chief Executive Officer and Executive Director
8 March 2021

This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, RHT Capital Pte. Ltd. (the "Sponsor"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "SGX-ST"). The Sponsor has not independently verified the contents of this announcement.

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 details of the contact person for the Sponsor are:

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