ITE ELECTRIC CO LTD
Company Registration No. 198201457Z
(Incorporated in Singapore)

INCREASE OF SHAREHOLDINGS IN SUBSIDIARY

The Board of Directors of ITE Electric Co Ltd (the "**Company**") wishes to announce that the Company has completed the acquisition of the remaining 22% equity interest, comprising 110,000 ordinary shares, in the capital of its 78%-owned Singapore subsidiary, ITE Lumens Pte. Ltd., for a cash consideration of S$15,000 from its other existing shareholders, who are all unrelated third parties. Subsequent to the above transaction, ITE Lumens Pte. Ltd. is now a wholly owned subsidiary of the Company.

The consideration was arrived on a willing buyer, willing seller basis, based on the net asset value of ITE Lumens Pte. Ltd. as at 31 May 2015, which is approximately S$100,000.

The acquisition of shares in ITE Lumens Pte. Ltd. was funded entirely through internal resources and is not expected to have any material impact on the Group's consolidated net tangible assets and earnings per share for the financial year ending 31 December 2015.

None of the Directors or Substantial Shareholders of the Company has any interest in the above transaction, save for their directorships and shareholdings in the Company.

By Order of the Board
ITE Electric Co Ltd

Aw Cheok Huat
Non-Executive Chairman

16 September 2015

This announcement has been prepared by the Company and reviewed by the Company's sponsor, Xandar Capital Pte Ltd (the "**Sponsor**"), for compliance with the Listing Manual (Section B: Rules of Catalist) of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). The Sponsor has not independently verified the contents of this announcement including the accuracy or completeness of any of the information disclosed or the correctness of any of the statements made, opinions expressed or reports contained in this announcement. This announcement has not been examined or approved by the SGX-ST. The SGX-ST and the Sponsor assume no responsibility for the contents of this announcement including the correctness of any of the statements made, opinions expressed or reports contained in this announcement.

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