



TSH Corporation Limited
(Company Registration Number: 200003865N)
(Incorporated in the Republic of Singapore)

PROPOSED ACQUISITION OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF SLOSHED! PTE. LTD.

1. INTRODUCTION

The Board of Directors (the “**Board**” or the “**Directors**”) of TSH Corporation Limited (the “**Company**”) refers to the announcement made by the Company on 28 February 2018 in relation to the Company entering into a non-binding memorandum of understanding (the “**MOU**”) in respect of the proposed acquisition of all the issued shares of certain companies which are in the business of operating pubs and bars and import, export and distribution of spirits, wines and liquors (the “**Announcement**”).

Further to the Announcement, the Board is pleased to announce that it has on 31 August 2018 entered into a conditional sale and purchase agreement (“**SPA**”) with Teo Kok Woon (“**TKW**”), Chua Khooon Hui (“**CKH**”) and Lim Kian Boon Charles (“**Charles**”) (collectively, the “**Vendors**”) to purchase all the ordinary shares in the issued and paid-up share capital of Slosed! Pte. Ltd. (the “**Target Company**”) held by the Vendors as at Completion (as defined below) comprising the entire issued and paid-up share capital of the Target Company (the “**Sale Shares**”), on the terms and subject to the conditions contained in the SPA (the “**Proposed Acquisition**”).

The purchase consideration for the Proposed Acquisition shall be satisfied by the allotment and issuance of new ordinary shares in the issued and paid-up share capital of the Company (“**Shares**”) at a pre-consolidation issue price of S\$0.03 (the “**Pre-Consolidation Issue Price**”) for each Share, to the Vendors. The Proposed Acquisition, if undertaken and completed, is expected to constitute a reverse takeover under Rule 1015 of the Listing Manual Section B: Rules of Catalist (the “**Catalist Rules**”) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) and will be subject to the approval of the SGX-ST and the approval of the shareholders of the Company (“**Shareholders**”) at an extraordinary general meeting to be convened.

2. INFORMATION ON THE TARGET COMPANY AND THE VENDORS

The information on the Target Company and the Vendors in this section 2 was provided by the Target Company and the Vendors. In respect of such information, neither the Company nor any of its Directors has independently verified the accuracy or correctness of the same and the responsibility of the Company and the Board is limited to ensuring that such information has been properly extracted and reproduced herein in the context that the information is being disclosed in this announcement.

2.1 Information on the Target Company

The Target Company is an investment holding company which was incorporated in Singapore on 27 August 2013 and has, at the date of the SPA, an issued and paid-up capital of S\$1,000, comprising 1,000 ordinary shares.

As at the date of the SPA, the Target Company holds:

- (i) 100% of the issued and paid-up capital of TWS Pte. Ltd. ("**TWS**") of S\$450,000, comprising 450,000 ordinary shares;
- (ii) 100% of the issued and paid-up capital of Quaich Pte. Ltd. ("**Quaich**") of S\$200,000, comprising 200,000 ordinary shares;
- (iii) 20% of the issued and paid-up capital of Timber Malt Pte. Ltd. ("**Timber Malt**") of S\$375,000, comprising 375,000 ordinary shares,

and TWS holds 100% of the issued and paid-up capital of Planet Spirits Pte. Ltd. ("**Planet Spirits**") of S\$200,000, comprising 200,000 ordinary shares and is the sole proprietor of Quaich Bar and The Whisky Store.

Pursuant to a restructuring exercise (the "**Restructuring Exercise**"), the Target Company shall acquire:

- (i) 100% of the issued and paid-up capital of Planet Spirits, comprising 200,000 ordinary shares, from TWS;
- (ii) 100% of the issued and paid-up capital of The Other Room Pte. Ltd. ("**The Other Room**"), comprising the 2 ordinary shares, from TKW; and
- (iii) 100% of the issued and paid-up capital of The Other Roof Pte. Ltd. ("**The Other Roof**"), comprising the 2 ordinary shares, from TKW.

The completion of the Proposed Acquisition is conditional upon the completion of the Restructuring Exercise.

The group of companies comprising the Target Company, TWS, Quaich, Planet Spirits, The Other Room, The Other Roof and Timber Malt (collectively, the "**Target Group**") are in the business of operating pubs and bars and import, export and distribution of spirits, wines and liquors. As at the date of this announcement, the pubs and bars operated by the Target Group include:

- (a) Quaich Bar at Waterfront Plaza at Havelock Road;
- (b) Quaich Bar at South Beach Avenue at Beach Road; and
- (c) The Other Room at Marriott Tang Plaza Hotel at Orchard Road.

Further information on the business of the Target Group will be set out in the circular to be despatched to the Shareholders in due course.

2.2 Information on the Vendors

TKW, CKH and Charles are individuals who own the entire issued and paid-up share capital of the Target Company as at the date of the SPA and will own the entire issued and paid-up share capital of the Target Company as at the completion of the Proposed Acquisition (the "**Completion**"). The Vendors are the legal and beneficial owners of the Sale Shares.

TKW is a non-executive non-independent Director and an existing controlling shareholder of the Company, having a deemed interest¹ in 68,250,728 ordinary shares, representing 28.4% of the issued and paid-up share capital of the Company as at the date of this announcement. TKW is also a director of the Target Company.

CKH is currently the chief executive officer of the Target Group, responsible for the day-to-day management of the business of the Target Group. Upon the Completion, it is

¹ TKW is deemed to be interested in 60,567,262 shares held by Cockpit International Pte Ltd and 7,683,466 shares held by UOB Kay Hian Private Limited as nominee of TKW.

intended that CKH shall enter into a service agreement with the Company, pursuant to which he shall be appointed as the chief executive officer and an executive director of the Company, with effect from the Completion and for a minimum term of three years.

Charles is a non-executive director of TWS and Quaich and a passive investor in the Target Group. He is the creative director of a marketing and communications agency serving the food and beverage industry. There is currently no intention for Charles to be appointed as a director of the Company or to enter into any service agreement with the Company upon the Completion.

Save as disclosed above, the Vendors do not have any shareholding interests, direct or indirect, in the Company, and is not related to any of the Company's directors or controlling shareholder, or their respective associates.

3. THE PROPOSED ACQUISITION AS AN INTERESTED PERSON TRANSACTION

In view that TKW, the non-executive non-independent Director and an existing controlling shareholder of the Company, is one of the Vendors, the Proposed Acquisition is an "interested person transaction" under Chapter 9 of the Catalist Rules and subject to the approval of Shareholders.

The Audit Committee of the Company will be obtaining an opinion from an independent financial adviser on whether the Proposed Acquisition is on normal commercial terms and is not prejudicial to the interests of the Company and its minority Shareholders before forming its view, which will be set out in the circular to be despatched to the Shareholders in due course.

During the current financial year ending 31 December 2018 up to the date of this announcement, there has been no transaction between the Company and TKW as well as no interested person transactions, save for the Proposed Acquisition.

4. RATIONALE FOR THE PROPOSED ACQUISITION

As announced by the Company on 31 August 2016, pursuant to the completion of the disposal of Wow Technologies (Singapore) Pte. Ltd. and its subsidiaries, and Explomo Technical Services Pte Ltd, the Company has ceased to have any operating business and its assets comprise substantially cash. Accordingly, with effect from 31 August 2016, the Company is deemed a cash company under Rule 1017 of the Catalist Rules.

Under Rule 1017(2) of the Catalist Rules, the SGX-ST will proceed to remove an issuer from the Catalist if it is unable to meet the requirements for a new listing within 12 months from the date on which it becomes a "cash company". The issuer may apply to the SGX-ST through its sponsor for a maximum 6-month extension to the 12-month period if it has already signed a definitive agreement for the acquisition of a new business, of which the acquisition must be completed in the 6-month extension period.

The SGX-ST had previously on 31 August 2017 and 30 November 2017 granted to the Company extensions of time up to 28 February 2018 to enter into definitive agreement(s) to acquire businesses that meet the SGX-ST's listing requirements for a new listing.

Further to the execution of the MOU on 28 February 2018, the Company had applied to the SGX-ST to seek a further extension of time, and the SGX-ST had advised on 14 March 2018 that it had no objection in granting the Company a 6-month extension to enter into a definitive agreement for the Proposed Acquisition by 31 August 2018, to meet the requirements for a new listing under Rule 1017(2) of the Catalist Rules.

Further to the execution of the SPA on 31 August 2018, the Company will be submitting through its sponsor an application to the SGX-ST to seek a further extension of time to complete the Proposed Acquisition by 28 February 2019 to meet the requirements for a

new listing and will make the necessary announcements in relation to material developments in the Proposed Acquisition.

The Board believes that the Proposed Acquisition will provide the Company with operational and income generating businesses with growth prospects that would in turn enhance shareholder value, and meet the requirements for a new listing pursuant to Rule 1017(2) of the Catalist Rules.

5. PROPOSED SHARE CONSOLIDATION

Under Rule 1015(3)(c) of the Catalist Rules, where the consideration for the acquisition of assets by the issuer is to be satisfied by the issue of shares, the price per share after adjusting for any share consolidation must not be lower than S\$0.20.

Accordingly, in conjunction with the Proposed Acquisition and subject to the approval of Shareholders, the Company shall undertake a share consolidation exercise of existing Shares of the Company based on such consolidation ratio as may be determined by the Board in due course (the “**Proposed Share Consolidation**”) on or prior to completion of the Proposed Acquisition.

For the avoidance of doubt, the Consideration Shares (as defined below) shall be allotted and issued on a post-consolidation basis following the completion of the Proposed Share Consolidation.

6. PRINCIPAL TERMS OF THE PROPOSED ACQUISITION

6.1 Sale and Purchase

Subject to the terms and conditions of the SPA, the Vendors shall sell as legal and beneficial owners, and the Company relying on the warranties contained in the SPA shall purchase the Sale Shares, free from all encumbrances and together with all rights, dividends, entitlements and advantages attaching thereto as at and from the Completion Date (as defined below).

6.2 Purchase Consideration

The consideration for the purchase of the Sale Shares (the “**Consideration**”) shall be the sum of S\$18,800,000, provided that the final Consideration payable by the Company at Completion shall be the market value of the Target Group as determined by an independent business valuer appointed by the Company (the “**Independent Valuation**”). Based on the agreement between the Company and the Vendors at arm’s length and on a “willing buyer, willing seller” basis, the Consideration was arrived at taking into account the earnings and business prospects of the Target Group. The Consideration will be equivalent to the Independent Valuation.

The Consideration shall be satisfied in full by the Company by the allotment and issue of new Shares (the “**Consideration Shares**”) at the Pre-Consolidation Issue Price of S\$0.03 for each Consideration Share.

Pursuant to Rule 1015(3)(a) of the Catalist Rules, the Company will appoint a competent and independent valuer to conduct and furnish an independent valuation report on the value of the Target Group. Further information relating to the independent professional valuer to be appointed, together with the independent valuation report (which will include the basis and date of the valuation report), will be included in the circular to be despatched to Shareholders in due course.

6.3 Conditions Precedent

Completion of the Proposed Acquisition shall be conditional upon, *inter alia*, the following

conditions (the “**Conditions**”) having been fulfilled or waived:

- (a) the approval of the board of directors of the Company being obtained for the sale and purchase of the Sale Shares and the transactions contemplated in the SPA;
- (b) the completion of a due diligence exercise over the status, business, affairs, operations, condition and records of the Target Group and the results of the due diligence exercise being satisfactory to the Company in its sole and absolute discretion;
- (c) the Vendors supplying, or procuring the Target Group or their employees, officers, agents or representatives to supply to the Company, all of the information (in such detail as may be satisfactory to the Company) requested by the Company from time to time in connection with the due diligence exercise referred to in paragraph (b) above before the Completion Date (as defined below);
- (d) the approval for the acquisition of the Sale Shares by the Company as a very substantial acquisition or reverse takeover being granted by the SGX-ST and any other relevant authorities, and where such approval is subject to conditions, such conditions being reasonably acceptable to the Company and the Vendors;
- (e) the listing and quotation notice being obtained from the SGX-ST for the listing and quotation of the Consideration Shares on the Catalist of the SGX-ST and not having been revoked or amended, and where such notice is subject to conditions which are required to be fulfilled on or before the Completion Date (as defined below), they are so fulfilled;
- (f) the Securities Industry Council of Singapore (the “**SIC**”) having granted the Vendors and their concert parties (if applicable) a waiver of their obligations to make a mandatory general offer (in accordance with the Singapore Code on Takeovers and Mergers) for all the ordinary shares in the capital of the Company in issue not already owned, controlled or agreed to be acquired by the Vendors and their concert parties (if any) as a result of the allotment and issue of the Consideration Shares to the Vendors pursuant to Completion, subject to the approval by way of a poll by a majority of the independent Shareholders of the Company present and voting at a general meeting of the Company to waive their rights to receive such mandatory general offer from the Vendors and their concert parties (the “**Whitewash Waiver**”), and where such waiver is subject to other conditions, such conditions being reasonably acceptable to the Company and the Vendors and their concert parties;
- (g) the independent financial adviser appointed by the Company being of the opinion that (i) the purchase of the Sale Shares by the Company from TKW as an interested person transaction is on normal commercial terms and is not prejudicial to the interests of the Company and its minority shareholders, and (ii) the Whitewash Waiver is not prejudicial to the interests of the Shareholders other than the Vendors and their concert parties;
- (h) the approval of the Shareholders being obtained at an extraordinary general meeting (the “**EGM**”) for the purchase of the Sale Shares, the Whitewash Waiver, the change of name of the Company (if required by the Company), the consolidation of the issued shares of the Company (if required by the Company) and the transactions contemplated in the SPA or otherwise required in connection with the acquisition of the Sale Shares by the Company as a very substantial acquisition or reverse takeover;
- (i) the completion of the Restructuring Exercise;
- (j) there being no delisting of the existing shares of the Company from Catalist prior to the Completion Date (as defined below); and

- (k) all other consents and approvals required under any and all applicable laws for the sale and purchase of the Sale Shares and to give effect to the transactions contemplated under the SPA (including, without limitation, such waivers as may be necessary of terms which would otherwise constitute a default under any instrument, contract, document or agreement to which any of the Vendors is a party or by which any of the Vendors or their respective assets are bound) being obtained and where any consent or approval is subject to conditions, such conditions being satisfactory to the Company in its sole and absolute discretion.

6.4 Completion Date

Completion shall take place on the date falling seven business days after the date on which the Conditions have been fulfilled or waived but in any event, not later than 28 February 2019 or such other date as the parties may agree in writing (the "**Completion Date**"). If any of the Conditions has not been fulfilled on or before the Completion Date (or waived by the Company or Vendors, as the case may be), the SPA shall automatically terminate and neither party shall have any claim against the other for costs, damages, compensation or otherwise, save for any claim arising from antecedent breach of the terms of the SPA.

In the event that Completion does not occur due to reasons which may not be attributable to the fault of any party, the Vendors shall jointly and severally undertake to reimburse the Company half of the costs and expenses incurred by the Company in relation to the Proposed Acquisition.

6.5 Moratorium

Each of the Vendors has irrevocably and unconditionally undertaken not to sell, transfer, realise or otherwise dispose of:

- (a) any part of his interest, whether direct or deemed, in the Shares of the Company immediately after Completion for a period of six months from the Completion Date; and
- (b) 50% of his interest, whether direct or deemed, in the Shares of the Company immediately after Completion for a period of one year from the Completion Date.

6.6 Reconstitution of the Board

It is envisaged that the Company will, upon Completion, appoint new members to the Company's board of directors as may be nominated by the Vendors (subject to compliance with the requirements of the SGX-ST) and may enter into service contracts with such new directors.

As such arrangements have not been firmed up as at the date of this announcement, the details of such arrangements will be disclosed in the circular setting out information on, *inter alia*, the Proposed Acquisition.

7. RELATIVE FIGURES UNDER CHAPTER 10 OF CATALIST RULES

The relative figures for the Proposed Acquisition computed on the relevant bases of comparison set out in Rule 1006 of the Catalist Rules, based on the latest announced unaudited financial statements of the Company for the six-months financial period ended 30 June 2018 ("**HY2018**"), are as follows:

Rule 1006(a)

Net asset value of the assets to be disposed of, compared with the Company's net asset value

Not applicable⁽¹⁾

Rule 1006(b)

Net profits attributable to the Sale Shares, compared with the Company's net profits Not meaningful⁽²⁾

Rule 1006(c)

Aggregate value of the consideration given, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares

Aggregate value of the Consideration S\$18,800,000

The Company's market capitalisation as at 30 August 2018, based on the total number of issued shares excluding treasury shares S\$4,592,472⁽³⁾

Size of relative figure 409.4%

Rule 1006(d)

Number of equity securities issued by the Company as consideration for the Proposed Acquisition, compared with the number of equity securities previously in issue including treasury shares

Number of equity securities to be issued by the Company as consideration for the Proposed Acquisition on a pre-Share Consolidation basis 626,666,666

Total number of issued shares excluding treasury shares of the Company as at 31 August 2018 240,443,565

Size of relative figure 260.6%

Rule 1006(e)

Aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the group's proved and probable reserves. Not applicable⁽⁴⁾

Notes:-

- (1) Not applicable to an acquisition of assets.
- (2) Not meaningful as the relative figure is negative in view that the Company incurred a loss in HY2018.
- (3) Calculated based on the existing number of Shares of 240,443,565 and the volume weighted average price of the Shares of S\$0.0191 traded on the SGX-ST on 23 August 2018, being the last market day immediately preceding the date of the SPA on which Shares were traded on the Catalist.
- (4) This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not applicable to an acquisition of assets.

The relative figures under Rules 1006(c) and 1006(d) above exceed 100% and in view that the Consideration Shares to be issued and allotted to the Vendors will represent approximately 72.3% of the enlarged issued share capital of the Company upon Completion, the Proposed Acquisition will also result in a change of control of the Company. Pursuant to Rule 1015(1) of the Catalist Rules, the Proposed Acquisition constitutes a reverse takeover. Accordingly, the Proposed Acquisition is subject to, *inter alia*, the approval of the Shareholders at the EGM and the issue of a listing and quotation notice by the SGX-ST.

8. FINANCIAL INFORMATION OF THE TARGET GROUP

Based on the unaudited combined financial statements of the Target Group for the last three financial years ended 31 December 2015 ("FY2015"), 31 December 2016 ("FY2016") and 31 December 2017 ("FY2017"), a summary of the unaudited financial information of the Target Group for FY2015, FY2016 and FY2017 is set out below.

Income Statement

	Unaudited	Unaudited	Unaudited
S\$	FY2015	FY2016	FY2017
Revenue	1,969,355	2,607,965	5,103,665
Profit/(loss) before tax	182,543	(280,495)	1,196,701
Profit/(loss) after tax	165,618	(230,827)	1,043,982

Statement of Financial Position

	As at	As at	As at
S\$	31 December 2015	31 December 2016	31 December 2017
Non-current assets	54,460	1,044,116	849,395
Current assets	2,121,690	2,470,764	4,037,554
Current liabilities	151,663	1,541,777	1,850,642
Non-current liabilities	1,115,598	1,293,484	1,318,582
Shareholders' equity	908,889	679,619	1,717,725

9. PRO FORMA FINANCIAL INFORMATION OF THE COMPANY AND THE TARGET GROUP (COLLECTIVELY, THE "ENLARGED GROUP")

The unaudited pro forma financial information of the Enlarged Group is for illustrative purposes only and has been prepared based on a mere summation of the audited financial statements of the Company for FY2017 and the unaudited combined financial statements of the Target Group for FY2017. The pro forma statement of financial position of the Enlarged Group below has been prepared on the assumption that the acquisition of the Target Group took place on 31 December 2017.

The pro forma financial information below does not take into account any expenses of or gain arising from the Proposed Acquisition.

Income Statement

	Unaudited
S\$	FY2017
Revenue	5,103,665
Profit/(loss) before tax	631,474
Profit/(loss) after tax	478,755

Statement of Financial Position

	As at
S\$	31 December 2017
Non-current assets	849,395
Current assets	9,995,664
Current liabilities	2,170,636
Non-current liabilities	1,318,582
Shareholders' equity	7,355,841

10. FINANCIAL EFFECTS OF THE PROPOSED ACQUISITION

10.1 Bases and Assumptions

The financial effects of the Proposed Acquisition on the share capital, earnings, net tangible assets (“NTA”) and gearing of the Enlarged Group have been prepared based on the audited financial statements of the Company for FY2017 and the unaudited combined financial statements of the Target Group for FY2017.

The pro forma financial effects of the Proposed Acquisition are for illustrative purposes only and do not necessarily reflect the actual results and financial position of the Enlarged Group following Completion.

For the purposes of illustrating the financial effects of the Proposed Acquisition, the financial effects have been prepared based on, *inter alia*, the following assumptions:

- (a) the financial effects of the Proposed Acquisition on the earnings and earnings per Share of the Enlarged Group are computed assuming that the Proposed Share Consolidation and Proposed Acquisition were completed on 1 January 2017;
- (b) the financial effects of the Proposed Acquisition on the NTA and gearing of the Enlarged Group are computed assuming that the Proposed Share Consolidation and Proposed Acquisition were completed on 31 December 2017;
- (c) the Consideration is S\$18,800,000 and shall be satisfied by the allotment and issue of Shares at the Pre-Consolidation Issue Price of S\$0.03 per share;
- (d) the Proposed Share Consolidation involves the consolidation of every 10 existing Shares of the Company into one consolidated Share;
- (e) the costs relating to the Proposed Acquisition amount to approximately S\$1.50 million; and
- (f) the net loss attributable to owners of the parent after the Proposed Share Consolidation and Proposed Acquisition includes a gain on reverse takeover of approximately S\$0.83 million. This amount represents the difference between the effective consideration transferred, which is determined based on the number of outstanding Shares of 240,443,565 prior to the Proposed Share Consolidation and Proposed Acquisition multiplied by S\$0.02 per share, being the last traded price on the SGX-ST on 23 August 2018, and the fair value of net identifiable assets acquired and liabilities assumed of the Company as at 31 December 2017, amounting to approximately S\$5.64 million.

10.2 Share Capital

	Before Proposed Share Consolidation and Proposed Acquisition	After Proposed Share Consolidation and Proposed Acquisition
Number of Shares	240,443,565	86,711,023
Issue and paid-up share capital (S\$'000)	259	4,810

10.3 NTA

	Before Proposed Share Consolidation and Proposed Acquisition	After Proposed Share Consolidation and Proposed Acquisition
NTA as at 31 December 2017 (S\$'000)	5,638	5,856
Number of Shares in issue	240,443,565	86,711,023
NTA per Share as at 31 December 2017 (cents)	2.34	6.80

10.4 Earnings per share ("EPS")

	Before Proposed Share Consolidation and Proposed Acquisition	After Proposed Share Consolidation and Proposed Acquisition
Net (loss)/profit attributable to owners of the parent for FY2017 (S\$'000)	(565)	(192)
Weighted average number of Shares – basic/diluted	240,443,565	86,711,023
EPS for FY2017 – basic/diluted (cents)	(0.24)	(0.22)

10.5 Gearing

	Before Proposed Share Consolidation and the Proposed Acquisition	After Proposed Share Consolidation and Proposed Acquisition
Total bank borrowings (S\$'000)	-	100
Total shareholders' equity (S\$'000)	5,638	5,856
Gearing ratio	Not applicable	1.7%

11. APPLICATION FOR WAIVER FROM RULE 14 OF THE SINGAPORE CODE ON TAKEOVERS AND MERGERS (THE "TAKEOVER CODE")

The Vendors will collectively hold more than 50% of the enlarged issued share capital of the Company immediately after Completion upon the allotment and issue of the Consideration Shares by the Company to them. The shareholding of TKW in the Company will increase from 28.4% of the existing issued share capital of the Company to more than 30% of the enlarged issued share capital of the Company immediately after Completion upon the allotment and issue of the Consideration Shares by the Company to him.

Accordingly, the Vendors and their concert parties will, under Rule 14 of the Takeover Code, be required to make a mandatory offer for all the remaining Shares of the Company in issue not already owned or controlled by the Vendors and their concert parties or agreed to be acquired by them arising from the allotment and issue of the Consideration Shares. It is a condition precedent to the Proposed Acquisition, *inter alia*, that the SIC grants the Vendors and their concert parties (if applicable) a waiver of their obligation to

make a mandatory general offer (in accordance with the Takeover Code) and that a majority of the independent Shareholders of the Company approve at the EGM the resolution for the waiver of the rights of the Shareholders to receive a mandatory offer from any or all of the Vendors and their concert parties under Rule 14 of the Takeover Code.

12. INTEREST OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Save as disclosed in this announcement and their respective shareholdings, if any, in the Company, none of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Proposed Acquisition.

13. FINANCIAL ADVISER

The Company has appointed SAC Capital Private Limited as its financial adviser in respect of the Proposed Acquisition.

14. INDEPENDENT FINANCIAL ADVISER

The Company will be appointing an independent financial adviser to the independent directors of the Company in connection with the Proposed Acquisition as an interested person transaction and the Whitewash Resolution, and the advice of the independent financial adviser will be set out in the circular to be despatched to the Shareholders in due course.

15. CIRCULAR

The circular setting out information on, *inter alia*, the Proposed Acquisition, together with a notice of the EGM to be convened will be despatched by the Company to the Shareholders in due course.

In the meantime, Shareholders are advised to refrain from taking any action in relation to their Shares in the Company, which may be prejudicial to their interests until they or their advisers have considered the information and the recommendations to be set out in the circular.

16. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the SPA will be made available for inspection during normal business hours at the registered office of the Company at 51 Changi Business Park Central 2, The Signature #04-05, Singapore 486066 for a period of three months from the date of this announcement.

17. RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility 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 and the Company 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, including without limitation information on the Target Group and the Vendors, 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.

18. CAUTION IN TRADING

The Directors would like to advise the Shareholders that, although the SPA has been entered into, Completion is subject to conditions precedent to be fulfilled and there is no assurance that Completion will take place. Accordingly, Shareholders are advised to exercise caution before making any decision in respect of their dealings in the Shares.

Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully. Shareholders and potential investors should consult their stock brokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions that they should take.

By Order of the Board

Wong Weng Foo John
Non-Executive Chairman
31 August 2018

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, SAC Capital Private Limited ("**Sponsor**"), for compliance with the relevant rules of 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 contact person for the Sponsor is Ms Alicia Sun (Tel: (65) 6532 3829) at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.