

**AEI CORPORATION LTD.**  
(the “**Company**”)  
(Company Registration No. 198300506G)  
(Incorporated in the Republic of Singapore)

**ANNOUNCEMENT**

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**AWARD OF CONTRACT FOR THE DEVELOPMENT OF LAND PARCEL  
SITUATED AT TUAS SOUTH STREET 13 (PLOT 38)**

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*Unless otherwise defined, all capitalised terms in this announcement shall bear the same meaning as in the circular to shareholders of AEI Corporation Ltd. dated 25 June 2014 (“**Circular**”).*

**1. INTRODUCTION**

The Board of Directors (“**Directors**”) of the Company refers to its announcements dated 15 April 2014 and 10 July 2014 and the Circular relating to the facility development of land parcel situated at Tuas South Street 13 (Plot 38) to accommodate its relocated office, manufacturing plant and construction of the necessary infrastructure (“**Proposed Development**”).

**2. APPROVAL OF PROPOSED DEVELOPMENT BY SHAREHOLDERS**

2.1 As announced by the Company on 10 July 2014, the shareholders of the Company had, *inter alias*, passed the resolution to approve, ratify and confirm the entry by the Company into the project relating to the Proposed Development at the Extraordinary General Meeting held on 10 July 2014.

2.2 Under the building agreement entered between the Company’s wholly-owned subsidiary, AEI (China) Holdings Pte. Ltd. (“**AEICH**”) and Jurong Town Corporation (“**JTC**”) dated 11 July 2014 (“**Building Agreement**”), AEICH shall, at its own cost and expense, build and complete or ensure the building and completion of the Proposed Development in accordance with the terms and conditions of Building Agreement, the Conditions of Tender and the Technical Conditions of Tender.

**3. ENGAGEMENT OF AEI CORPORATION (SINGAPORE) PTE. LTD. TO CARRY OUT THE CONSTRUCTION OF THE PROPOSED DEVELOPMENT**

Further to AEICH’s clarification with JTC, AEICH was informed that JTC’s consent is not required if AEICH wishes to engage the Company, or any other entity, to carry out the construction of the Proposed Development while AEICH continues to be liable for all the obligations under the Building Agreement, including the obligation to complete the Proposed Development. AEICH subsequently appointed AEI Corporation (Singapore) Pte. Ltd. (“**AEICS**”), a wholly-owned subsidiary of the Company, to carry out the construction of the Proposed Development.

**4. AWARD OF CONTRACT TO ZHENGDA CORPORATION PTE LTD AS THE MAIN CONTRACTOR**

The Proposed Development includes the erection of a part single/ part three-storey single-user general industrial development with ancillary office and temporary ancillary staff canteen (“**Project**”). AEICS sought tenders and has awarded the contract for the Project to Zhengda Corporation Pte Ltd as the main contractor at a sum of S\$8,180,000 (excluding goods and services tax). The Project is scheduled to commence on or about 2 July 2015.

## 5. UPDATE ON RELATIVE FIGURES UNDER RULE 1006 OF THE LISTING MANUAL

5.1 It was stated in paragraph 3.2 of the Circular that the relative figures for the Proposed Development computed on the base set out in Rule 1006(c) of the Listing Manual are as follows:

Rules 1006(c)	Consideration for the Proposed Development	The Company's market capitalisation	Relative Figures
	S\$15,038,888	S\$33,911,550	44.3%

5.2 The relative figures was computed based on the maximum amount of Building Consideration of S\$10 million. Given that final contractual sum for the Project is S\$8,180,000, the revised relative figures for the Proposed Development computed on the base set out in Rule 1006(c) of the Listing Manual are as follows:

Rules 1006(c)	Consideration for the Proposed Development	The Company's market capitalization <sup>(1)</sup>	Relative Figures
	S\$13,218,888	S\$29,696,027	44.5%

**Note:**

(1) The market capitalisation of the Company as at 18 May 2015, being 1 day preceding the date of the award of the contract for the Project to Zhengda Corporation Pte Ltd.

5.3 None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Project, save through his or her shareholding in the Company (if any).

## 6. CAUTION IN TRADING

Subject to applicable regulatory requirements, the Company will keep shareholders updated on material developments on the Proposed Development as and when appropriate. In the meantime, shareholders and other investors are advised to exercise caution when dealing or trading in the shares of the Company. Shareholders and other investors should consult their stockbrokers, bank managers, solicitors, accountants, or other professional advisers immediately, if they have any doubt about the actions they should take.

## BY ORDER OF THE BOARD

Ngiam Zee Moey  
Company Secretary

03 June 2015