

AMPLEFIELD LIMITED

(Company Registration Number 198900188N)

(Incorporated in the Republic of Singapore)

PROPOSED ASSIGNMENT OF DEPOSIT IN RELATION TO THE SUBSCRIPTION OF SHARES IN A SUBSIDIARY

The Board of Directors (“**Board**”) of Amplefield Limited (the “**Company**”) and together with its subsidiaries the “**Group**”) refers to the Company’s announcement dated 30 March 2012 and wishes to announce that the Company has entered into a binding agreement (“**Agreement**”) on 16 December 2016 with Regionaland Pte Ltd (the “**Assignor**”), pursuant to which the Assignor has agreed to assign and the Company has agreed to accept the assignment of a deposit for the subscription of 150,000 new shares (the “**Deposit**”) in its subsidiary, Amplefield Development, Inc. (“**ADI**”) free from all encumbrances and together with all the rights, dividends, benefits and entitlements from any issued shares attaching therefrom (the “**Proposed Assignment**”).

Information on the Deposit

The Deposit represents cash payments of Peso 15 million made by the Assignor to ADI for the subscription of 150,000 new shares in ADI representing approximately 60% of the enlarged share capital of ADI (“**Subscription**”), pursuant to a memorandum of agreement entered into on 30 March 2012 between the Assignor and CAM Mechatronic (Philippines), Inc., a former subsidiary of the Company.

Consideration of the Proposed Assignment

The consideration (“**Consideration**”) for the Proposed Assignment shall be the aggregate amount of Peso 15 million (approximately SGD 0.4 million), payable by the Company by way of cash or by offsetting against the outstanding amount owing by the Assignor to the Company

The Consideration is arrived at on a willing buyer willing seller basis after arm’s length negotiations, and taking into account the aggregate cash amounts made by the Assignor to ADI.

Rationale of the Proposed Assignment

The Group’s existing businesses consist principally of property development, construction and construction related activities as well as holding of investments in property-related assets.

The Company had on 16 December 2016 announced the proposed acquisition of 16 units of factory buildings situated at the Amplefield SME Park within Lima Technology Center-Special Economic Zone, Batangas, Philippines by ADI. Following the completion of the acquisition, ADI will be able to derive recurrent rental income and potential capital appreciation from the acquired factory buildings.

Given that the Proposed Assignment will enable the Company to increase its interest in the share capital of ADI from the existing 50.1% to approximately 98% post-subscription and consolidate its holding over ADI. As such, the Company will be able to ride on the benefits from aforementioned transaction.

Conditions precedent attached to the Proposed Assignment

Completion of the Proposed Assignment is subject to the following conditions precedent (“**Conditions Precedent**”):

- (a) approval of the board of directors of the Assignor and the Company; and
- (b) approval of the shareholders of the Company being obtained at an extraordinary general meeting, if necessary.

Completion of Proposed Assignment

Completion of the Proposed Assignment shall take place on the date on which all the Conditions Precedent have been fulfilled.

Source of Funds

The Group intends to fund the cash portion of the Consideration using internal funds.

Rule 1006 of the Catalist Rules

Based on the latest unaudited consolidated financial statements of the Group for the financial year ended 30 September 2016 (“FY2016”), the relative figures for the Subscription under the Proposed Assignment computed on the bases set out in Rule 1006 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the “Catalist Rules”) are as follows:

Rule 1006	Bases	Relative Figures (%)
(a)	Net asset value of the assets to be disposed of, compared with the Group's net asset value	Not applicable
(b)	Net profits attributable to the Subscription, compared with the Group's net profits	73.1 ⁽¹⁾
(c)	Aggregate value of the consideration given compared with the market capitalisation of the Company	4.4 ⁽²⁾
(d)	Number of equity securities issued by the Company as consideration for the Acquisitions, compared with the number of equity securities previously in issue	Not applicable
(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

Notes:

- (1) Computed based on the unaudited profit before tax of S\$1.895 million attributable to the Proposed Assignment, compared to the Group's unaudited profit before tax (excluding profit from discontinued operations) of approximately S\$2.593 million for FY2016.
- (2) Computed based on the Consideration of S\$0.4 million and the market capitalisation of the Company of approximately S\$8.99 million, which is determined by multiplying the issued share capital of the Company of 345,881,146 shares with the volume weighted average price of such shares transacted on 15 December 2016 of S\$0.026 per share.

Based on the above, the relative figures for the Subscription calculated on the bases set out in Rule 1006 of the Catalist Rules, exceed 5% but are less than 75%. Accordingly, the Proposed Assignment will be classified as a “disclosable transaction” within the meaning of Rule 1010 of the Catalist Rules and do not require the approval of the shareholders of the Company.

Financial Effects of the Proposed Assignment

The financial effects of the Proposed Assignment on the Group set out below are purely for illustrative purposes only and do not reflect the future financial position of the Group after the completion of the Proposed Assignment.

The financial effects have been prepared using the latest unaudited consolidated financial statements of the Group for FY2016

(a) Net Tangible Assets (“**NTA**”) per share

Assuming that the Proposed Assignment had been effected on 30 September 2016, the effect of the Proposed Assignment on the NTA per share of the Group would be as follows:

	Before Proposed Assignment	After Proposed Assignment
NTA	S\$38.4 million	S\$38.4 million
Number of shares	345,881,264	345,881,264
NTA per share (cents)	11.1	11.1

(b) Earnings per share (“**EPS**”)

Assuming that the Proposed Assignment had been effected on 1 October 2015, the effect of the Proposed Assignment on the EPS of the Group would be as follows:

	Before Proposed Assignment	After Proposed Assignment
Profit after tax	S\$3.3 million	S\$5.1 million
Number of shares	345,881,146	345,881,146
EPS (cents)	0.96	1.49

Interested Person Transaction under Chapter 9 of the Catalist Rules

The Assignor is a private limited company incorporated in Singapore. The principal activity of the Assignor is that of an investment holding company. Dato Sri Yap Teiong Choon, the controlling shareholder of the Company with 33.47% shareholding interest in the Company, is a director of and has a deemed interest in the shares of the Assignor. Accordingly, the Assignor is deemed to be the interested person within the meaning defined in Chapter 9 of the Catalist Rules.

Accordingly, the Proposed Assignment will constitute an interested person transaction under Chapter 9 of the Catalist Rules.

Based on the latest audited consolidated financial statements of the Group for FY2015, the NTA of the Group as at 30 September 2015 was S\$38.2 million (“**2015 NTA**”). The Deposit of S\$0.4 million represents approximately 1% of the 2015 NTA.

Material Conditions

There are no put, call or other option attaching to the Proposed Assignment.

Interest of Directors and controlling shareholders

Mr Yap Weng Yau, Executive Director of the Company is the son of Dato Sri Yap Teiong Choon. Save as disclosed above, none of the directors or controlling shareholder of the Company, and/or their respective associates has any interest, direct or indirect (other than through their shareholdings in the Company), in the Proposed Assignment.

Document for Inspection

Copy of the Agreement is 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

Woon Ooi Jin

19 December 2016

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor") for compliance with the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Ms Keng Yeng Pheng, Associate Director, Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone (65) 6229 8088.