NauticAWTLimited

(Company Registration Number: 201108075C)
(Incorporated in the Republic of Singapore)

PROPOSED ACQUISITION OF FREEHOLD LAND AND PRODUCTION FACILITY IN MALAYSIA

1. INTRODUCTION

The board of directors (the "**Board**" or the "**Directors**") of NauticAWT Limited ("**NauticAWT**" or the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that its wholly-owned subsidiary, Nautic Materials Sdn. Bhd. ("**Nautic Materials**"), had, on 4 April 2016, entered into a sale and purchase agreement ("**SPA**") in relation to the acquisition of a freehold land held under HSD 537341 PTD 199652 Mukim Pulai, District of Johor Bahru, State of Johor measuring approximately 0.6586 hectare together with a detached factory, laboratory and testing room erected thereon and bearing postal address of No. 12, Jalan Mega 1/8, Taman Perindustrian Nusa Cemerlang, 81550 Gelang Patah, Johor (the "**Acquired Facility**") in Malaysia (the "**Proposed Acquisition**") from Teraju Karisma Sdn. Bhd. (the "**Vendor**").

2. INFORMATION ON THE VENDOR

The Vendor is in the business of property leasing and it is substantially owned by a shareholder of the Company. As at the date of this announcement, he is not a substantial shareholder of the Company.

The Vendor and its shareholders are not related to the Directors, substantial shareholders of the Company and their respective associates.

3. INFORMATION ON THE ACQUIRED FACILITY

The Acquired Facility, currently rented by the Company, is a double storey industrial manufacturing facility located at Nusa Cemerlang Industrial Park ("**NCIP**") which is strategically along the Second Link Expressway to Tuas, Singapore from which Nautic Materials is currently producing its unique range of ultra high performance cementitious ("**UHPC**") and high performance cementitious ("**HPC**") materials for subsurface, subsea and surface applications in the renewable energy and oil and gas industries. The total floor area of the Acquired Facility is 6,586 square metres.

4. PRINCIPAL TERMS OF THE PROPOSED ACQUISITON

4.1 Completion

Completion ("**Completion**") of the Proposed Acquisition is conditional upon, *amongst other*, the fulfillment of the following:

(i) Nautic Materials obtaining a loan of RM14.8 million with an established local Malaysian bank (the "**Term Loan**");

(ii) payment of the Balance Consideration (as defined below) by Nautic Materials to the Vendor; and

(iii) all necessary approvals for the transaction contemplated under the SPA being obtained from the relevant government authorities, where applicable.

The Completion is expected to be within three (3) months from the date of the SPA.

4.2 Consideration

The aggregate consideration for the Proposed Acquisition is RM18.0 million (approximately S$6.2 million based on an exchange rate of S$1:RM2.8950 ("**Exchange Rate**")) ("**Consideration**") which shall be satisfied in full in the following manner:

(i) RM1.26 million in cash to the Vendor within 10 days from the date of the SPA;

(ii) RM0.54 million in cash to the Vendor's solicitors within 10 days from the date of the SPA; and

(iii) RM16.20 million ("**Balance Consideration**") in cash to the Vendor on the date of Completion.

The Consideration will be funded by (i) the Term Loan; (ii) a 3-year loan of RM1.5 million with an interest of 6.25% per annum provided by the Vendor; and (iii) internal resources.

No independent valuation on the Acquired Facility was commissioned by the Company for the purposes of the Proposed Acquisition. The Consideration was arrived at, on a willing buyer and willing seller basis, after negotiations which were conducted at arms' length between the parties, taking into account the market valuation done on the Acquired Facility by an established local Malaysian bank and the prices offered by potential sellers for similar type of properties around NCIP.

5. RATIONALE FOR THE PROPOSED ACQUISITION

The Acquired Facility is currently rented by the Nautic Materials to produce its unique range of UHPC and HPC materials for subsurface, subsea and surface applications in the renewable energy and oil and gas industries.

The Board believes that the Proposed Acquisition will:

(i) enable the Company to have continuous flexibility over the timing and volume of its NAX™ pre-mix production;

(ii) provide long term cost savings; and

(iii) provide the Company with long term security of tenure over its premises.

6. RELATIVE FIGURES UNDER RULE 1006 OF THE CATALIST RULES

The relative figures for the Proposed Acquisition 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 ("**SGX-ST**") ("**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. This basis is not applicable to an acquisition of assets	Not applicable
(b)	Net profits attributable to the assets acquired, compared with the Group's net profits	Not applicable as there is no profit or loss attributable to the Acquired Facility
(c)	Aggregate value of consideration given compared with the Company's market capitalisation	20.4%(1)
(d)	Number of equity securities issued by the Company as consideration for an acquisition, 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

Note:

(1) Based on the Consideration of S$6.2 million based on the Exchange Rate and the Company's market capitalisation of approximately S$30.4 million (based on the Company's existing issued share capital of 190,965,893 shares and the volume-weighted average price of the Company's shares ("**Shares**") of S$0.1590 traded on Catalist on 28 March 2016, being the last market day preceding the date of the SPA on which trades were recorded on Catalist).

Having regard to the above, as the relative figure computed based on Rule 1006 (c) of the Catalist Rule exceed 5% but do not exceed 75%, the Proposed Acquisition constitutes a "discloseable transaction" under Rule 1010 of the Catalist Rules.

7. FINACIAL EFFECTS OF THE PROPOSED ACQUISITION

The financial effects of the Proposed Acquisition are presented for illustrative purposes only and are not intended to reflect the actual future financial position of the Company following completion of the Proposed Acquisition.

The pro forma financial effects have been computed based on the unaudited consolidated financial statements of the Group for the financial year ended 31 December 2015 ("**FY2015**") and based on the following assumptions:

(i) the financial effects of the Proposed Acquisition on the loss per Share ("**LPS**") of the Group are computed assuming that the Proposed Acquisition was completed on 1 January 2015;

(ii) the financial effects of the Proposed Acquisition on the net tangible assets ("**NTA**") per Share of the Group are computed assuming that the Proposed Acquisition was completed on 31 December 2015;

(iii) the issued share capital of the Company comprise 189,200,000 Shares as at 1 January 2015;

(iv) an exchange rate for FY2015 of US$1:S$1.3742;

(v) a closing exchange rate as at 31 December 2015 of US$1:S$1.4138; and

(vi) estimated expenses incurred in relation to the Proposed Acquisition is approximately S$57,000.

7.1 LPS

	Before the Proposed Acquisition	**After the Proposed Acquisition**
Loss attributable to owners of the Company (S$)	9,262,053	9,468,152
Weighted average number of Shares	174,462,950	174,462,950
LPS (S$ cents)	5.31	5.43

7.2 NTA per Share

	Before the Proposed Acquisition	**After the Proposed Acquisition**
NTA (S$)	8,254,813	8,198,004
Number of Shares	190,965,893	190,965,893
NTA per Share (S$ cents)	4.32	4.29

8. INTEREST OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the Directors or substantial shareholders of the Company and their respective associates has any interest, direct or indirect, in the Proposed Acquisition (other than through their shareholdings in the Company, if any).

9. SERVICE CONTRACTS

No person is proposed to be appointed as a Director in connection with the Proposed Acquisition. Accordingly, no service contract is proposed to be entered into between the Company and any such person in connection with the Proposed Acquisition.

10. 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, the Company and its subsidiaries, 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, 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.

11. DOCUMENT FOR INSPECTION

A copy of the SPA is available for inspection from 9 a.m. to 6 p.m. at the registered office of the Company at 300 Beach Road, #13-02 The Concourse, Singapore 199555 for a period of three (3) months from the date of this announcement.

12. ANNOUNCEMENTS

Further announcements in relation to the Proposed Acquisition will be made in due course as and when appropriate.

By Order of the Board

John Grønbech
Executive Director and CEO
4 April 2016

Overview of NauticAWT Limited

NauticAWT Limited is a Singapore headquartered firm offering subsurface, subsea and surface facilities engineering services and contracting solutions to the oil and gas industry. The Group is engaged in field exploration, field development and field refurbishments including design life extensions and production enhancement for ageing and mature assets for its clients. It was listed on the Catalist board of the Singapore Exchange Securities Trading Limited on 23 July 2015.

With a global reach of 12 offices across Southeast Asia, Australasia, Middle East, Latin America and India, NauticAWT Limited provides a comprehensive range of technical and commercial solutions to the oil and gas industry. Through its multi-disciplined offerings, the Group is able to deliver customised technical greenfield development services and brownfield enhancement and extension solutions, either stand-alone or as an integrated package. The Group also produces a unique range of UHPC and HPC materials for subsurface, subsea and surface applications, which is marketed under its NAX™ trademark.

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*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, Canaccord Genuity Singapore Pte. Ltd. ("**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 contact person for the Sponsor is Ms Leong Huey Miin, Director, Corporate Finance, Canaccord Genuity Singapore Pte. Ltd. at 77 Robinson Road #21-02 Singapore 068896, telephone (65) 6854 6160.
