



TUNG LOK RESTAURANTS (2000) LTD

(Incorporated in Singapore)
(Registration No. 200005703N)

INTERESTED PERSON TRANSACTION – TENANCY AGREEMENT ENTERED INTO WITH ORCHARD CENTRAL PTE. LTD. ("OCPL")

1 INTRODUCTION

The Board of Directors of the Company (the "**Board**") wishes to announce that its wholly-owned subsidiary, Tung Lok Millennium Pte Ltd ("**TLM**"), which operates in the Premise (defined herein) under the name of "Tung Lok Seafood" has entered into a tenancy agreement (the "**Tenancy Agreement**") with OCPL. Pursuant to the Tenancy Agreement, TLM will lease Unit #11-05 at 181 Orchard Road Singapore 238896 known as Orchard Central (the "**Premise**") for a term of three (3) years.

OCPL is 54% and 36% beneficiary owned by the Estate of Ng Teng Fong ("**ENTF**") and Mr Philip Ng Chee Tat ("**NCT**") respectively. ENTF and NCT are controlling shareholders of the Company as defined in the Listing Manual Section B: Rules of Catalist ("**Catalist Rules**") of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"):

- ENTF is a controlling shareholder of the Company as it has a controlling interest in Goodview Properties Pte Ltd ("**Goodview Properties**") which in turn holds 19.69% shareholding interest in the Company.
- NCT is a controlling shareholder of the Company as he is a beneficiary of ENTF.

OCPL would be considered an "interested person" for the purposes of Chapter 9 of the Catalist Rules, as it is an associate of the Company's controlling shareholders – ENTF and NCT.

Accordingly, the Tenancy Agreement would constitute an Interested Person Transaction ("**IPT**") pursuant to Chapter 9 of the Catalist Rules.

2 TENANCY AGREEMENT AS IPT AND CATALIST RULE 916(1)

The estimated rental fees of the Premise payable during the duration of the lease is approximately S\$1,682,000 which represents 10.65% of the latest audited net tangible assets ("**NTA**") of the Company and its subsidiaries (collectively, the "**Group**"). The Group's latest audited NTA as at 31 March 2018 was S\$15,792,184.

The lease is for a period not exceeding three (3) years and the terms of the Tenancy Agreement are supported by an independent valuation report from TEHO Property Consultants Pte Ltd ("**TEHO**") dated 1 December 2018, which is of the opinion that the rental values are within the reasonable range of the prevailing market rental.

Accordingly, the Tenancy Agreement and the lease thereunder will not require the approval of the shareholders of the Company (“**Shareholders**”) as it is exempted under Catalist Rule 916(1).

3 DETAILS OF THE TENANCY AGREEMENT

Under the Tenancy Agreement, the Premise occupies a floor area of 4,714 square feet. The rental rates were arrived at after negotiation between the parties and are computed based on a combination of fixed rates and percentage of the gross monthly sales turnover generated from the Premise.

In accordance with the terms of the Tenancy Agreement, security deposit amounting to S\$106,079 shall be maintained with OCPL by way of banker’s guarantee.

4 RATIONALE FOR THE TENANCY AGREEMENT

The Premise will be used to operate “Tung Lok Seafood” restaurant.

5 TOTAL IPTS WITH THE SAME INTERESTED PERSON FOR THE FINANCIAL YEAR ENDING 31 MARCH 2019 (“FY2019”) AND THE TOTAL IPTS FOR FY2019

The estimated value of the Tenancy Agreement entered into by TLM with OCPL during the financial year-to-date amounts to approximately S\$1,682,000 (representing 10.65% of the Group’s latest audited NTA as at 31 March 2018).

Save for the above Tenancy Agreement, the other IPTs entered into between the Company and Goodview Properties and its associates (as define in Catalist Rules) since the beginning of FY2019 is as follows:

- A tenancy agreement (as announced by the Company on 5 November 2018) entered into with Far East Hospitality Real Estate Investment Trust for tenancy of Unit #02-18/19 at 1 Tanglin Road Orchard Rendezvous Hotel Singapore 247905. The estimated value of this tenancy agreement to the Company amounted to approximately S\$2,566,500 (representing 16.25% of the Group’s latest audited NTA).

The total value during the current financial year-to-date of all transactions with Goodview Properties and its associates is S\$4,248,500 representing 26.90% of the Group’s latest audited NTA.

The Company has not during the current financial year-to-date, entered into any other transaction (excluding transactions less than S\$100,000) with any other interested persons apart from those IPTs with Tee Yih Jia Food Manufacturing Pte Ltd (“**TYJ**”) and its associates covered by the IPT mandate granted by the Shareholders during the Company’s Annual General Meeting on 31 July 2018. The total approximate



value of transactions entered with TYJ and its associates pursuant to the IPT mandate during the financial year-to-date is S\$2,461,000.

6 DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the Tenancy Agreement and the independent valuation report issued by TEHO are 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

Tjioe Ka Men
President/Chief Executive Officer
Date: 22 March 2019

This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, SAC Capital Private Limited (the "Sponsor"), for compliance with the relevant rules of the SGX-ST. The Company's Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by SGX-ST and 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 details of the contact person for the Company's Sponsor are set out below:
Name: Mr Ong Hwee Li (Registered Professional, SAC Capital Private Limited)
Address: 1 Robinson Road, #21-00 AIA Tower, Singapore 048542
Tel: 6232 3210*