

AMPLEFIELD LIMITED

(Company Registration Number 198900188N)

(Incorporated in the Republic of Singapore)

ACQUISITION OF 40% EQUITY INTEREST IN AMPLEFIELD LAND (PHILIPPINES) INC.

The Board of Directors (“**Board**”) of Amplefield Limited (the “**Company**” and together with its subsidiaries the “**Group**”) wishes to announce that its 98%-owned subsidiary company, **Amplefield Development Inc.** (the “**Purchaser**” or “**ADI**”), has entered into a binding agreement (“**Agreement**”) with **CAM Mechatronic (Philippines) Inc.** (the “**Vendor**” or “**CAM**”), pursuant to which the Purchaser has agreed to buy and the Vendor has agreed to sell 4,997 ordinary shares (“**Shares**”) representing 40% of equity interest in Amplefield Land Philippines Inc. that is registered in the Vendor’s name free from all encumbrances and together with all the rights, dividends, benefits and entitlements from any issued shares attaching therefrom (the “**Proposed Share Acquisition**”).

Information on the Vendor

The Vendor is a company incorporated in the Republic of the Philippines. It was formerly a subsidiary of the Company before the Company disposed of its entire equity interest in the Vendor to CMP Mechatronics Inc on 30 May 2016.

Dato’ Sri Yap Teiong Choon, the controlling shareholder of the Company and Mr Woon Ooi Jin, an Executive Director of the Company are both directors of the Vendor. In addition, each of Dato’ Sri Yap and Mr Woon is the registered holder of 1 ordinary share in the issued and paid up share capital of the Vendor. The issued and paid up share capital of the Vendor comprised of 48 million ordinary shares of par value Peso 1 (approximately S\$0.028) each.

Mr Woon has abstained from any discussion relating to the Proposed Share Acquisition.

Information on Amplefield Land (Philippines) Inc. (“ALI”)

ALI is a company incorporated in the Republic of the Philippines and is principally engaged in investment in real estate properties in the Philippines. ALI is the owner of land parcels totaling 48,000 square meters in Amplefield SME Park within Lima Technology Center, Lipa City, Batangas, Philippines.

ALI has a subscribed share capital of 12,500 shares of par value Peso 100 each, of which 6,875 shares have been fully paid up. The Vendor is the registered owner of 4,997 issued and paid-up ordinary shares in ALI representing approximately 40% of the total subscribed shares.

As at 28 February 2017, the net asset value of ALI was negative Peso 2 million (approximately S\$57,000). As such, the net asset value of the Shares representing 40% equity interest in ALI was negative Peso 800,000 (approximately S\$23,000). The book value of the land as at 28 February 2017 was Peso 94.1 million (approximately S\$2.7 million) and based on the latest available valuation conducted by CBRE Philippines on 11 January 2016, the value of the land was Peso 201.6 million (approximately S\$5.7 million).

The loss before tax of ALI for the 3 months ended 31 December 2016 was Peso 670,000 (approximately S\$19,000). As such, the loss before tax attributable to the Shares representing 40% equity interest in ALI was Peso 268,000 (approximately S\$7,600).

Consideration of the Proposed Share Acquisition

The consideration (“**Consideration**”) for the Shares shall be the aggregate amount of Peso 499,700 (approximately S\$14,000), payable by the Company by way of cash. The Consideration is arrived at on a willing buyer willing seller basis after arm’s length negotiations, and taking into account, *inter alia*, the par

value of the Shares amounting to Peso 499,700, the negative net asset value of ALI, and the loss before tax incurred by ALI.

Rationale for the Proposed Share Acquisition

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 in May 2016 disposed its 40% equity interest in ALI, together with 99.9% equity interest in CAM and 40% equity interest in CAM Ventures Development Inc, and ("**CAM VD**") ("**May 2016 Disposal**"). CAM and CAM VD were part of the manufacturing operations of the Group which had been ceased since June 2014. The 40% equity interest in ALI was held through CAM.

Subsequent to the May 2016 Disposal, ALI owed ADI an amount of Peso 836 million (equivalent to S\$23.9million) for the construction of the 16 units of factory buildings in the Amplefield SME Park ("**SME units**"). To mitigate any risk of non-payment by ALI, the Company acquired the SME units from ALI. The acquisition will enable the Group to generate recurring rental income from the SME units and to benefit from any potential future capital appreciation.

Following the proposed acquisition of the SME units by ADI from ALI on 16 December 2016, the Board is of the view that it would be beneficial to acquire a 40% stake in ALI which owns the land that the SME units are located. With the Proposed Share Acquisition, the Company will be able to appoint 2 directors to the board of ALI.

Upon the completion of the Proposed Share Acquisition, ALI will become an indirect associated company of the Company.

Condition precedent attached to the Proposed Share Acquisition

Completion of the Proposed Assignment is subject to the approval of the board of directors of the Purchaser and the Vendor, regulatory and/or shareholders' approval, if required ("**Condition Precedent**").

Completion of Proposed Share Acquisition

Completion of the Proposed Share Acquisition shall take place on the date on which the Condition Precedent has been fulfilled.

The Vendor will be holding the Shares in trust of the Purchaser until the Shares are formally transferred and registered in the name of the Purchaser.

The Group intends to fund the Consideration using internal funds.

Relative figures computed on the bases set out in Rule 1006 of the Listing Manual

Based on the unaudited consolidated financial statements of the Group for the quarter ended 31 December 2016 ("**1Q2017**"), the relative figures for the Proposed Share 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 (the "**Catalist Rules**") are as follow:

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 loss attributable to the assets acquired of approximately S\$7,600 compared with the Group's net profits of approximately S\$18,000 ⁽¹⁾	(42.2%)

(c)	Aggregate value of the consideration received of S\$14,000, compared with the Company's market capitalisation of approximately S\$31.48 million as at 3 April 2017 based on the total number of issued shares excluding treasury shares ⁽²⁾	0.04%
(d)	Number of equity securities issued as consideration for an acquisition, compared with the number of 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. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets	Not applicable

Notes:

- (1) Computed based on the loss before tax of approximately S\$7,600 attributable to the Shares, compared to the Group's unaudited profit before tax (excluding profit from discontinued operations) of approximately S\$18,000 for 1Q2017.
- (2) Computed based on the Consideration of S\$14,000 and the market capitalization of the Company of approximately S\$31.48 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 3 April 2017 of \$0.091 per share.

As the computation of the relative figure under Rule 1006(b) of the Catalist Rule is negative, the Company and the Sponsor are in the midst of consulting the SGX-ST pursuant to Rule 1007(1) on the applicability of Chapter 10 of the Catalist Rule to the Proposed Share Acquisition. The Company will make the relevant announcement on the outcome of the consultation in due course.

Financial Effects of the Proposed Share Acquisition

The Proposed Share Acquisition is not expected to have any material impact on the net tangible assets and earnings per share of the Group for the financial year ending 30 September 2017.

Interest of Directors and controlling shareholders

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 Share Acquisition.

Document for Inspection

A copy of the Agreement is available for inspection at the Company's registered office at 101A, Upper Cross Street #11-16 People's Park Centre, Singapore 058358, for a period of three (3) months from the date of this announcement.

By Order of the Board

Woon Ooi Jin
Executive Director

4 April 2017

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.