



TEE INTERNATIONAL LIMITED

(Incorporated in Singapore with limited liability)

(Company registration number 200007107D)

PROPOSED DISPOSAL OF 282,777,678 SHARES IN TEE LAND LIMITED

1. INTRODUCTION

The Board of Directors ("**Board**") of TEE International Limited ("**Company**", and together with its subsidiaries, "**Group**") refers to:

- (i) the circular by the Company dated 20 April 2019 ("**Disposal Mandate Circular**") in relation to the proposed disposal, in whole or in part, of the Company's interest in TEE Land Limited ("**TEE Land**") ("**Disposal Mandate**"); and
- (ii) the pre-conditional mandatory cash offer announcement by Maybank Kim Eng Securities Pte. Ltd. for and on behalf of Amcorp Supreme Pte. Ltd. ("**Purchaser**") for all the issued and paid-up ordinary shares ("**TEE Land Shares**") in the capital of TEE Land other than those already owned, controlled or agreed to be acquired by the Purchaser at S\$0.179 per TEE Land Share dated the same date hereof ("**Offer**") ("**Pre-Conditional MGO Announcement**").

A copy of the Pre-Conditional MGO Announcement is annexed to this announcement and a copy of the Disposal Mandate Circular is available on the website of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") at www.sgx.com.

The Board wishes to announce that the Company has today entered into a conditional sale and purchase agreement ("**SPA**") with the Purchaser for the sale by the Company and the purchase by the Purchaser of 282,777,678 TEE Land Shares, representing 63.28% of the total issued and paid-up capital of TEE Land ("**Sale Shares**") ("**Proposed Disposal**"). In addition, Mr Phua Chian Kin, our Director, has entered into a conditional sale and purchase agreement ("**PCK SPA**") with the Purchaser for the sale by Mr Phua Chian Kin, and the purchase by the Purchaser, of 24,593,590 TEE Land Shares ("**PCK Shares**"), representing approximately 5.5% of the total issued and paid-up capital of TEE Land ("**Proposed PCK Disposal**"). The completion of the Proposed Disposal and the Proposed PCK Disposal are to take place together and contemporaneously.

The Proposed Disposal is undertaken in accordance with the terms of the Disposal Mandate approved by shareholders of the Company ("**Shareholders**") at the extraordinary general meeting held on 6 May 2019.

2. INFORMATION ON THE PURCHASER AND TEE LAND

2.1 Information on the Purchaser

The Purchaser is a special purpose vehicle incorporated under the laws of Singapore on 27 June 2018 for the purpose of investment holding. Its sole shareholder is Amcorp Group Berhad ("**Amcorp**"). The Purchaser has not carried on any business since its incorporation, except for matters in connection with the Proposed Disposal and the Offer.

Amcorp is an investment holding company incorporated in Malaysia and controlled by its Executive Chairman, Tan Sri Azman Hashim ("**TSAH**"). Amcorp is principally involved in the business of financial services, property development, property management and engineering. Its portfolio of investments includes interest in listed companies AMMB Holdings Berhad (12.97%), RCE Capital Berhad (54.53%) and Amcorp Properties Berhad (69.34%).

Additional information on the Purchaser and Amcorp can be found in the Pre-Conditional MGO Announcement.

For the avoidance of doubt, none of the Purchaser, Amcorp and/or TSAH is connected to any of the directors, executive officers or controlling shareholders of the Company.

2.2 Information on TEE Land

TEE Land is a subsidiary of the Company and was incorporated in Singapore on 18 December 2012. It was subsequently listed on the Main Board of the SGX-ST on 6 June 2013. TEE Land is a regional real estate developer and investor, with a presence in Singapore, Malaysia, Australia and New Zealand. TEE Land and its subsidiaries undertake residential, commercial and industrial property development projects, as well as invest in income-generating properties. As at the date of this announcement, the total paid-up capital of TEE Land is S\$142,238,075, comprising 446,876,000 TEE Land Shares. Based on the unaudited consolidated financial statements of the Group for the three months ended 31 August 2019, the cost of investment attributable to the Sale Shares in the Company's accounts is approximately S\$72.93 million. The latest available open market value of the Sale Shares, being the weighted average price of the TEE Land Shares of S\$0.166 attributable to the Sale Shares transacted on 9 January 2020, being the last market day preceding the date of this Announcement, is approximately S\$46.94 million.

Additional information on TEE Land can be found at its website at <https://www.teeland.com.sg/>.

As the Sale Shares represent the entire equity interest held by the Company in TEE Land, the Company will cease to have any interest in TEE Land and TEE Land will cease to be a subsidiary of the Company following Completion (as defined herein).

3. PRINCIPAL TERMS OF THE SPA

3.1 Consideration

Under the terms of the SPA, the Company shall sell and the Purchaser shall purchase the Sale Shares at a consideration of S\$0.179 per Sale Share. The aggregate consideration for the Sale Shares is accordingly S\$50.62 million ("**Consideration**"), payable in full in cash by the Purchaser.

The Consideration was negotiated between the parties at arm's length and arrived at on a willing buyer-willing seller basis, taking into account, amongst other things, the terms of the Disposal Mandate, the net tangible asset value of TEE Land and the prevailing market price of the Sale Shares. The Consideration per Sale Share represents (i) a premium of 9.1% to the closing price of the TEE Land Shares of S\$0.164 traded on the full market day of 8 January 2020 and (ii) a premium of 5.9% to the last transacted price of the TEE Land Shares of S\$0.169 traded on 9 January 2020 prior to the trading halt called by TEE Land in the course of the market day. Trading of TEE Land Shares has since been halted and will resume trading on 14 January 2020 subsequent to the release of this Announcement.

3.2 Completion

Completion of the Proposed Disposal is expected to take place within three (3) business days after the day on which the last of the Conditions (as defined below) of the SPA is fulfilled (or waived in accordance with the SPA) and by 13 April 2020 (the "**Long Stop Date**", being the date falling three months after the date of the SPA) or on such other date as the Purchaser and the Company may agree in writing) ("**Completion**").

3.3 Conditions Precedent

Completion is subject to the following conditions precedent ("**Conditions**") being fulfilled (or, where applicable, waived in accordance with the SPA):

- (a) the receipt of the following approvals, confirmations or consents from the following governmental or regulatory agencies (the "**Regulatory Approvals**"):
 - (i) if required, written consent from the Overseas Investment Office of New Zealand in a form reasonably acceptable to the Purchaser in relation to the deemed transfer of residential properties in New Zealand arising from the transfer of the Sale Shares; and
 - (ii) approval from Jurong Town Corporation for the sale and purchase of the Sale Shares pursuant to the SPA and the TEE Industrial Acquisition (as defined below), subject to any conditions reasonably acceptable to the Purchaser that Jurong Town Corporation may deem fit to impose;
- (b) the receipt of the following written consents from third parties for the transfer of the Sale Shares in a form reasonably acceptable to the Purchaser:
 - (i) consent from Australia and New Zealand Banking Group Limited pursuant to the facility documents entered into with Potts Point Hospitality Pty Ltd in its own right and as trustee for the Potts Point Hospitality Trust;
 - (ii) consent from Julpet Pty Ltd in its capacity as trustee for the Hotel Management Trust pursuant to the Larmont HMA;
 - (iii) consent from United Overseas Bank Limited pursuant to the mortgages in respect of 183 Longhaus and 24 One Residences; and
 - (iv) consent from United Overseas Bank Limited pursuant to the facility letter dated 25 October 2018 to TEE Vista Pte. Ltd.; and
- (c) TEE Land and its subsidiaries (collectively, "**TEE (L) Group Companies**") having

obtained all necessary approvals, consents, confirmations and waivers, where applicable, for the SPA, the PCK SPA and the transactions contemplated thereunder (including without limitation, the transfer of the Sale Shares and the PCK Shares and the Offer) (i) under applicable laws and regulations, and (ii) pursuant to agreements with third parties.

The SIC has on 10 January 2020 confirmed that:

- (i) the Lease Extensions do not constitute a special deal under Rule 10 of the Singapore Code on Take-overs and Mergers ("**Code**");
- (ii) the TEE Industrial Acquisition, the New Lease and the Transitional Services Agreement (each as defined herein) do not constitute a special deal under Rule 10 of the Code, subject to the independent financial advisor of TEE Land publicly stating in its opinion that the terms of these transactions are fair and reasonable so far as the TEE Land Shareholders are concerned in the context of Rule 10 of the Code;
- (iii) the TEE Industrial Acquisition will not be regarded as a frustrating action under Rule 5 of the Code requiring the approval of TEE Land Shareholders; and
- (iv) it has no objections to the making of the Offer subject to the Conditions.

Completion of the PCK SPA is subject to the fulfilment (or, where applicable, the waiver by the Purchaser) of the Conditions.

3.4 Change of Name

The Purchaser shall procure that as soon as practicable after Completion and in any event no later than six (6) months after the date of Completion, the TEE (L) Group Companies (where applicable) change their names, trade and service marks, domain names and logos so that they no longer include the word "TEE" or any combination containing the word "TEE" or any other word or words resembling the word "TEE" and will cease and desist from using, in any manner whatsoever the word "TEE" or any combination containing the word "TEE" or any other word or words resembling the word "TEE".

3.5 Commercial Arrangements

Immediately after Completion (whereupon the Purchaser will become the controlling majority shareholder of TEE Land in lieu of the Company), TEE Land will enter into the following ancillary agreements ("**Ancillary Agreements**") with the Company (which would by then cease to hold any TEE Land Shares):

- (a) sale and purchase agreement between the Company and TEE Land ("**TEE Industrial SPA**") for the purchase of the entire issued and paid-up share capital of TEE Industrial Pte. Ltd. ("**TEE Industrial**") by the Company from TEE Land ("**TEE Industrial Acquisition**"); and
- (b) transitional services agreement between the Company and TEE Land for the provision of certain transitional services by the Company to TEE Land ("**Transitional Services Agreement**").

The TEE Industrial Acquisition is envisaged to constitute a major transaction as defined under Chapter 10 of the Listing Manual of the SGX-ST ("**Listing Manual**") and will be subject to,

amongst others, the approval of Shareholders at an extraordinary general meeting to be convened. For the avoidance of doubt, the Completion of the Proposed Disposal is not conditional upon the completion of the TEE Industrial Acquisition. The Company will make further announcements as and when appropriate, including information required under Chapter 10 of the Listing Manual in relation to the TEE Industrial Acquisition upon entry into the TEE Industrial SPA.

Mr Phua Chian Kin, our Director, will on Completion provide an irrevocable undertaking to the Purchaser and TEE Land that with respect to the 293,822,746 ordinary shares in the capital of the Company held by him as at the date hereof, representing approximately 45.42% of the entire issued and paid-up share capital of the Company, he will, among other things, vote (or procure the voting) in favour of the TEE Industrial Acquisition.

TEE Industrial currently leases certain premises of a 6-storey industrial property located at 25 Bukit Batok Street 22, Singapore 659591 and known as TEE Building ("**TEE Building**") to TEE Land, the Company and the Company's two other wholly-owned subsidiaries, PBT Engineering Pte. Ltd. and Trans Equatorial Engineering Pte. Ltd.. Such leases expire on 31 January 2020 and, if not already extended before Completion, are to be extended up to and including the date of completion of the TEE Industrial Acquisition ("**Lease Extensions**"). On completion of the TEE Industrial Acquisition, a new lease is to be entered into between TEE Industrial and TEE Land for certain premises at TEE Building where TEE Land is currently operating at ("**New Lease**").

Further details on the Ancillary Agreements, Lease Extensions and the New Lease are set out in the Pre-Conditional MGO Announcement and will be announced following the Completion of the SPA.

4. RATIONALE FOR AND BENEFITS OF THE PROPOSED DISPOSAL

The Company had spun off TEE Land via a listing on the SGX-ST on 6 June 2013. Taking into account challenging industry developments, and adopting a pro-active approach towards managing its business divisions, assets and investments, the Company considers it an opportune time to realise its investment in TEE Land in order to realise valuable cash proceeds which may be applied to expand the engineering and infrastructure businesses of the Company and reduce the indebtedness of the Group. The Proposed Disposal provides an opportunity for the Company to accomplish the aforementioned realisation of investment in TEE Land.

Accordingly, the Board believes that the Proposed Disposal is in the best interests of the Company and the Shareholders, having regard to the terms of the Proposed Disposal.

5. USE OF PROCEEDS AND LOSS ON THE PROPOSED DISPOSAL

The proceeds from the Proposed Disposal of S\$50.62 million, after deducting estimated costs and expenses of S\$2.35 million, is approximately S\$48.27 million ("**Net Sale Proceeds**"). The Company intends to use the Net Sale Proceeds to repay loan/bank borrowings, for general working capital and/or for any strategic investments or acquisitions which are more likely to enhance shareholder value.

Based on the Group's unaudited consolidated financial statements for the three months ended 31 August 2019, the book value attributable to the Sale Shares, which constitutes approximately 63.28% interest in TEE Land as at the date of this Announcement, is approximately S\$82.11 million. Assuming that the Proposed Disposal had been completed on 31 August 2019, the Proposed Disposal would have resulted in an accounting loss of

approximately S\$31.49 million at the Group level and S\$22.31 million at the Company level as the Proposed Disposal is undertaken at a discount to the net asset value of TEE Land (amounting to S\$119.41 million as at 31 August 2019).

6. RELATIVE FIGURES UNDER RULE 1006 OF THE LISTING MANUAL

The relative figures computed pursuant to Rule 1006 of the Listing Manual in respect of the Proposed Disposal are set out below:

Bases in Rule 1006	Size of Relative Figure
(a) Net asset value of Sale Shares (S\$82.11 million), compared with the Group's net asset value as at 31 August 2019 (S\$78.54 million)	104.5%
(b) Net loss ⁽¹⁾ of S\$0.99 million attributable to the Sale Shares, compared with the Group's net loss ⁽¹⁾ as at 31 August 2019 of S\$2.19 million	45.2%
(c) Aggregate value of the consideration received from the Proposed Disposal compared with the Group's market capitalisation of S\$39.46 million ⁽²⁾	128.3%
(d) Number of equity securities issued by the Company as consideration for the Proposed Disposal, compared with the number of equity securities previously in the issue	N.A. ⁽³⁾
(e) Aggregate volume of proved and probable reserves to be disposed of compared with the Group's proved and probable reserves	N.A. ⁽⁴⁾

Notes:

- (1) "Net loss" means loss before income tax, minority interests and extraordinary items.
- (2) The Company's market capitalisation is determined by multiplying the number of ordinary shares in the capital of the Company ("**Shares**") in issue (being 646,882,476 Shares (excluding 1,270,400 treasury shares)) by the volume-weighted average price of the Shares (being S\$0.061 transacted on 9 January 2020 (being the last Market Day on which Shares were traded preceding the date of the SPA).
- (3) This is not applicable as the Proposed Disposal does not involve any issuance of consideration shares.
- (4) This is not applicable as the Company is not a mineral, oil and gas company.

As one or more of the relative figures above are more than 20%, the Proposed Disposal is considered a major transaction under Chapter 10 of the Listing Manual and is undertaken in accordance with the terms of the Disposal Mandate.

7. FINANCIAL EFFECTS

The pro forma financial effects of the Proposed Disposal are for illustrative purposes only and the pro forma financial effects have been prepared based on audited consolidated financial statements of the Group for the financial year ended 31 May 2019 ("**FY2019**"), being the most recently completed financial year, and on the following key bases and assumptions:

- (a) for the purposes of illustrating the financial effects of the Proposed Disposal on the net tangible assets ("**NTA**") per Share of the Group, it is assumed that the Proposed Disposal had been completed on 31 May 2019;
- (b) for the purposes of illustrating the financial effects of the Proposed Disposal on the Loss per Share ("**LPS**") of the Group, it is assumed that the Proposed Disposal had

been completed on 1 June 2018;

- (c) the NTA per Share is computed based on the 646,882,476 Shares (excluding 1,270,400 treasury shares) in issue as at 31 May 2019, and the LPS of the Group is computed based on the weighted average number of 554,077,058 Shares (excluding 1,270,400 treasury shares) Shares in issue for FY2019; and
- (d) transaction costs in relation to the Proposed Disposal amount to approximately S\$2.35 million.

For the avoidance of doubt, these pro forma financial effects do not take into account (i) any corporate actions announced and undertaken by the Group; and (ii) any issuance of new Shares, on or after 1 June 2019.

NTA

	Before the Proposed Disposal	After the Proposed Disposal
<i>NTA attributable to the Shareholders (S\$ million)</i>	80.87	56.43
<i>NTA per Share (cents)</i>	12.5	8.7

LPS

	Before the Proposed Disposal	After the Proposed Disposal
<i>Loss attributable to the Shareholders (S\$ million)</i>	18.17	52.73
<i>LPS (cents)</i>	3.28	9.52

8. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors and their respective associates has any interest, direct or indirect, in the Proposed Disposal (other than through their respective shareholding interests in the Company, if any).

The Directors have not received any notification of interest in the Proposed Disposal from any controlling shareholders of the Company and their respective associates, and are not aware of any controlling shareholders of the Company and their respective associates which has any interests, direct or indirect, in the Proposed Disposal (other than through their respective shareholding interests in the Company).

9. SERVICE CONTRACTS

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

10. DOCUMENTS FOR INSPECTION

A copy of the SPA is available for inspection at the Company's registered office at 25 Bukit Batok Street 22, TEE Building, Singapore 659591 for a period of three (3) months from the date of this announcement.

11. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors (including any who may have delegated detailed supervision of this announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this announcement are fair and accurate and, where appropriate, no material facts have been omitted, the omission of which would make any statement in this announcement misleading and they hereby collectively and individually accept full responsibility.

Where any information in this announcement has been extracted or reproduced from published or otherwise publicly available sources (including without limitation, the Pre-Conditional MGO Announcement), the sole responsibility of the Directors has been to ensure through reasonable enquiries that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

Shareholders are advised to exercise caution in trading their shares in the Company and TEE Land as there is no certainty or assurance that the Proposed Disposal and/or the Offer will be consummated. The Company will make the necessary announcements as and when there are further developments. Shareholders should consult their stock brokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions that they should take.

By Order of the Board

Yeo Ai Mei
Company Secretary
13 January 2020

ANNEX

Pre-Conditional MGO Announcement

PRE-CONDITIONAL MANDATORY CASH OFFER

by



MAYBANK KIM ENG SECURITIES PTE. LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No. 197201256N)

for and on behalf of

AMCORP SUPREME PTE. LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No. 201821717R)

to acquire all the issued and paid-up ordinary shares in the capital of

TEE LAND LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 201230851R)

other than those already owned, controlled or agreed to be acquired by the Offeror

PRE-CONDITIONAL OFFER ANNOUNCEMENT

1. INTRODUCTION

- 1.1 The Acquisitions.** Maybank Kim Eng Securities Pte. Ltd. ("**MKES**") wishes to announce, for and on behalf of Amcorp Supreme Pte. Ltd. (the "**Offeror**"), that the Offeror has today entered into two conditional sale and purchase agreements (the "**SPAs**") with TEE International Limited ("**TI**") and Phua Chian Kin ("**PCK**", and together with TI, the "**Sellers**") respectively for the purchase of an aggregate of 307,371,268 ordinary shares (the "**Sale Shares**") in the capital of TEE Land Limited (the "**Company**"), comprising 282,777,678 Sale Shares to be sold by TI (the "**TI Sale Shares**") and 24,593,590 Sale Shares to be sold by PCK, representing approximately 68.78% of the total number of issued and paid-up ordinary shares in the capital of the Company¹ (the "**Shares**"), for an aggregate cash consideration of S\$55,019,456.97 (the "**Consideration**"), being S\$0.179 for each Sale Share (the "**Acquisitions**").
- 1.2 Completion.** Completion of the acquisition of 282,777,678 Sale Shares from TI and completion of the acquisition of 24,593,590 Sale Shares from PCK are to take place together and contemporaneously ("**Completion**") upon the fulfilment (or waiver in accordance with the SPAs) of the Conditions (as defined in paragraph 2.1(c) below).

¹ All percentage shareholdings of Shares in this Announcement are computed on the basis of 446,876,000 Shares in issue as at the date of this Announcement, based on the business profile of the Company extracted from the Accounting and Corporate Regulatory Authority of Singapore on the date of this Announcement. Figures are rounded to the nearest 2 decimal places.

- 1.3 Pre-Conditional Offer.** Subject to the fulfilment (or waiver) of the Conditions, the Offeror is required to and will, upon the fulfilment (or waiver) of the Conditions, make a mandatory unconditional cash offer (the "**Offer**") for all the Shares, other than those already owned, controlled or agreed to be acquired by the Offeror, in accordance with Section 139 of the Securities and Futures Act, Chapter 289 of Singapore and Rule 14 of the Singapore Code on Take-overs and Mergers ("**Code**").

The Offer will not be made unless and until the Conditions are fulfilled (or waived). Accordingly, all references to the Offer in this Announcement refer to the possible Offer which will only be made if and when the Conditions are fulfilled (or waived) in accordance with the terms of the SPAs.

Shareholders of the Company ("Shareholders") should exercise caution and seek appropriate independent advice when dealing in the Shares.

2. THE ACQUISITIONS

- 2.1 Salient Terms of the SPAs.** The salient terms of the SPAs are set out below:

- (a) **Sale of Sale Shares.** The Sellers shall sell and the Purchaser shall purchase the Sale Shares free from all encumbrances and together with all rights, benefits and entitlements now or hereafter attaching to them.
- (b) **Consideration.** The aggregate consideration payable for the Sale Shares shall be S\$55,019,456.97 in cash, being S\$0.179 in cash for each Sale Share.
- (c) **Conditions.** Completion is subject to the following conditions precedent (the "**Conditions**") being fulfilled (or, where applicable, waived in accordance with the SPAs):
- (i) the receipt of the following approvals, confirmations or consents from the following governmental or regulatory agencies:
- (1) if required, written consent from the Overseas Investment Office of New Zealand in a form reasonably acceptable to the Offeror in relation to the deemed transfer of residential properties in New Zealand arising from the transfer of the Sale Shares; and
- (2) approval from Jurong Town Corporation for the sale and purchase of the TI Sale Shares pursuant to the terms of the SPA with TI and the Disposal, subject to any conditions reasonably acceptable to the Offeror that Jurong Town Corporation may deem fit to impose;
- (ii) the receipt of the following written consents from third parties for the transfer of the Sale Shares:
- (1) consent from Australia and New Zealand Banking Group Limited pursuant to the facility documents entered into with Potts Point Hospitality Pty Ltd in its own right and as trustee for the Potts Point Hospitality Trust;

- (2) consent from Julpet Pty Ltd in its capacity as trustee for the Hotel Management Trust pursuant to the hotel management agreement dated 5 March 2015 entered into between Julpet Pty Ltd in its capacity as trustee for the Hotel Management Trust and LPP Hospitality Pty Ltd (as amended from time to time);
 - (3) consent from United Overseas Bank Limited pursuant to the mortgages in respect of the commercial and residential development known as 183 Longhaus located at 183 Upper Thomson Road, Singapore 574429 and the residential development known as 24 One Residences located at 241 Pasir Panjang Road, Singapore 118596; and
 - (4) consent from United Overseas Bank Limited pursuant to the facility letter dated 25 October 2018 to TEE Vista Pte. Ltd.; and
- (iii) the Company and its subsidiaries (the "**Group**") having obtained all necessary approvals, consents, confirmations and waivers, where applicable, for the SPAs and the transactions contemplated thereunder (including without limitation, the transfer of the Sale Shares and the Offer) (1) under applicable laws and regulations, and (2) pursuant to agreements with third parties.
- (d) **Long Stop Date.** In the event that any of the Conditions shall not have been fulfilled (or waived in accordance with the SPAs) prior to the expiry of three (3) months from the date of the SPAs (the "**Long Stop Date**") (or such other date as the Offeror and the Sellers may agree in writing), then the Offeror shall not be bound to proceed with the purchase of the Sale Shares and the SPAs shall terminate and cease to have effect, except for certain provisions expressed to survive termination and save in respect of claims arising out of any antecedent breach of the SPAs.
- (e) **Completion.** Completion will take place within three (3) business days after the day on which the last of the Conditions is fulfilled (or waived in accordance with the SPAs) or on such other date as the Offeror and the Sellers may agree in writing. Completion of the purchase of the Sale Shares under each SPA is subject to the fulfilment (or, where applicable, the waiver by the Purchaser) of the Conditions. The completion of the two (2) SPAs are to take place together and contemporaneously.

2.2 Firm Offer Announcement. Upon the Conditions being fulfilled (or waived in accordance with the SPAs), MKES, for and on behalf of the Offeror, will announce a firm intention on the part of the Offeror to make the Offer (the "**Firm Offer Announcement**"). **However, if the Conditions are not fulfilled (or waived) on or before the Long Stop Date (or such other date as the Offeror and the Sellers may agree in writing), the Offer will not be made and MKES, for and on behalf of the Offeror, will issue an announcement confirming that fact as soon as reasonably practicable.**

Shareholders should note that there is no certainty that the Conditions will be satisfied and that the Offer will be made. Shareholders are advised to exercise caution when dealing in the Shares.

2.3 Commercial Arrangements with TI. In connection with the Acquisitions, the Company and TEE Industrial Pte. Ltd. ("**TEE Industrial**"), a wholly owned subsidiary of the Company, will enter into the following arrangements with TI and certain of its subsidiaries:

- (a) **Disposal SPA.** The Company and TI will immediately after Completion enter into a sale and purchase agreement (the "**Disposal SPA**") for the sale of TEE Industrial by the Company to TI (the "**Disposal**"). TEE Industrial is the registered proprietor of the leasehold estate in the building known as TEE Building located at 25 Bukit Batok Street 22, Singapore 659591 ("**TEE Building**"). Other than the holding and leasing of TEE Building, TEE Industrial does not have any other business.

In addition, PCK will at Completion provide an irrevocable undertaking to the Offeror and the Company in respect of the 293,822,746 ordinary shares in the capital of TI held legally and/or beneficially by PCK ("**PCK's TI Shares**"), representing approximately 45.42% of the total number of issued and paid-up ordinary shares in the capital of TI, to, among others, vote, or procure the voting of, all of PCK's TI Shares in favour of TI's purchase of TEE Industrial (the "**TEE Industrial Purchase**") at the extraordinary general meeting of TI to be convened to seek the approval of shareholders of TI for the TEE Industrial Purchase.

- (b) **Lease Extensions.** TEE Industrial currently leases certain premises of TEE Building to TI, PBT Engineering Pte. Ltd. and Trans Equatorial Engineering Pte. Ltd., wholly owned subsidiaries of TI, and the Company. These leases will continue up to and including the date of completion of the Disposal (the "**Lease Extensions**").
- (c) **New Lease.** On completion of the Disposal, TEE Industrial will enter into a new lease with the Company in relation to the premises at TEE Building currently leased by the Company (the "**New Lease**"). The New Lease will be at arm's length and have a term of six (6) months with an option to renew for a further term of six (6) months.
- (d) **Transitional Services Agreement.** The Company and TI will immediately after Completion enter into a transitional services agreement (the "**TSA**") in relation to certain transitional services to be provided by TI to the Company. The TSA will have a term of six (6) months with an option to extend the term for a further six (6) months.

2.4 SIC Confirmation. The SIC has on 10 January 2020 confirmed that:

- (a) the Lease Extensions do not constitute a special deal under Rule 10 of the Code;
- (b) the Disposal, the New Lease and the TSA do not constitute a special deal under Rule 10 of the Code, subject to the independent financial adviser to the Company publicly stating in its opinion that the terms of these transactions are fair and reasonable so far as Shareholders are concerned in the context of Rule 10 of the Code;
- (c) the Disposal will not be regarded as a frustrating action under Rule 5 of the Code requiring Shareholders' approval; and
- (d) it has no objections to the making of the Offer subject to the Conditions.

3. THE OFFER

3.1 **Offer Terms.** Subject to and contingent upon the fulfilment (or waiver in accordance with the SPAs) of all the Conditions, and the terms and conditions to be set out in the formal offer document to be issued by MKES, for and on behalf of the Offeror, in respect of the Offer ("**Offer Document**"), the Offeror will make the Offer in accordance with Section 139 of the Securities and Futures Act, Chapter 289 of Singapore and Rule 14 of the Code on the following basis:

- (a) **Offer Shares.** The Offer will be made for all the Shares, other than those already owned, controlled or agreed to be acquired by the Offeror, its related corporations and their respective nominees (the "**Offer Shares**").

For the avoidance of doubt, the Offer will be extended, on the same terms and conditions, to all Shares owned, controlled or agreed to be acquired by parties acting or deemed to be acting in concert with the Offeror (other than its related corporations and their respective nominees) in connection with the Offer. For the purpose of the Offer, the expression "**Offer Shares**" shall include such Shares.

- (b) **Offer Price.**

For each Offer Share: S\$0.179 in cash (the "Offer Price")

The Offeror DOES NOT intend to increase the Offer Price. Therefore, in accordance with Rule 20.2 of the Code, the Offeror will not be allowed to subsequently amend the terms of the Offer, including the Offer Price, in any way.

- (c) **No Encumbrances.** The Offer Shares will be acquired:

- (i) fully paid-up;
- (ii) free from all claims, liens, equities, mortgages, charges, pledges, encumbrances, rights of pre-emption and other third party rights or interests of any nature whatsoever; and
- (iii) together with all rights, benefits and entitlements attached thereto as at the date of this Announcement (the "**Pre-Conditional Offer Announcement Date**") and hereafter attaching thereto, including but not limited to the right to receive and retain all dividends, rights, returns of capital and other distributions (if any) which may be announced, declared, made or paid thereon by the Company on or after the Pre-Conditional Offer Announcement Date.

If any dividend, right, return of capital or other distribution is announced, declared, paid or made by the Company on or after the Pre-Conditional Offer Announcement Date, the Offeror reserves the right to reduce the Offer Price by the amount of such dividend, right, return of capital or other distribution.

- (d) **Unconditional Offer.** The Offer, if and when made, will be **unconditional in all respects.**

4. INFORMATION ON THE OFFEROR

4.1 The Offeror. The Offeror is a special purpose vehicle incorporated under the laws of Singapore on 27 June 2018 for the purpose of investment holding. Its sole shareholder is Amcorp Group Berhad ("**Amcorp**"). The Offeror has not carried on any business since its incorporation, except for matters in connection with the Acquisitions and the Offer.

As at the Pre-Conditional Offer Announcement Date:

- (a) the Offeror has an issued and paid-up share capital of USD1 comprising 1 ordinary share; and
- (b) the directors of the Offeror are (i) Mr. Soo Kim Wai, (ii) Mr. Lum Sing Fai, and (iii) Ms. Hooi Toong Wan.

4.2 Amcorp. Amcorp is an investment holding company incorporated in Malaysia and controlled by Tan Sri Azman Hashim via his Malaysia-incorporated private limited company, Clear Goal Sdn Bhd ("**Clear Goal**"). Amcorp's primary focus is on financial services, property development, property management and engineering. Its portfolio of investments includes interests in listed companies AMMB Holdings Berhad (12.97%), RCE Capital Berhad (54.53%) and Amcorp Properties Berhad (69.34%).

5. INFORMATION ON THE COMPANY

5.1 Introduction. The Company was incorporated in Singapore on 18 December 2012 and was listed on the Mainboard of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") on 6 June 2013. The Company is a regional real estate developer and investor, with a presence in Singapore, Malaysia, Australia and New Zealand. The Group undertakes residential, commercial and industrial property development projects, as well as invests in income-generating properties such as hotels in Australia and short-term workers' accommodation in New Zealand.

5.2 Share Capital. As at the Pre-Conditional Offer Announcement Date², the Company has an issued and paid-up share capital of S\$142,238,075 comprising 446,876,000 Shares. Based on publicly available information, the Company does not have any outstanding instruments convertible into, rights to subscribe for, and options in respect of, securities which carry voting rights.

² Based on the business profile of the Company extracted from the Accounting and Corporate Regulatory Authority of Singapore on the Pre-Conditional Offer Announcement Date.

5.3 Directors. As at the Pre-Conditional Offer Announcement Date, based on publicly available information, the directors of the Company are as follows:

- (a) Er. Dr. Lee Bee Wah (Non-Executive Chairman and Independent Director);
- (b) Mr. Phua Cher Chew (Executive Director and CEO);
- (c) Dr. Tan Khee Giap (Independent Director);
- (d) Mr. Chin Sek Peng (Independent Director);
- (e) Dato Paduka Timothy Ong Teck Mong (Non-Executive Director); and
- (f) Mr. Neo Weng Meng, Edwin (Non-Executive Director).

6. RATIONALE FOR THE OFFER AND THE OFFEROR'S INTENTIONS FOR THE COMPANY

6.1 Compliance with the Code. As set out in paragraph 1.3 of this Announcement, as a result of the Acquisitions, the Offeror is required to make the Offer in compliance with the requirements of the Code.

6.2 Offeror's Intentions for the Company. Pursuant to the terms of the SPA with TI, TI shall procure:

- (a) the resignation of all of its representatives as directors, officers or employees of each member of the Group; and
- (b) the board of directors of each member of the Group to approve the appointment of such persons as the Purchaser may nominate as directors of such member of the Group,

in each case as soon as may be required by the Offeror and as permitted under the Code and all other applicable laws and regulations.

Save for the Disposal and as described in the foregoing, the Offeror presently has no intention to (i) introduce any major changes to the business of the Company, (ii) re-deploy the fixed assets of the Group, or (iii) discontinue the employment of the employees of the Group, other than in the normal course of business. However, the Offeror retains the flexibility at any time to consider any options or opportunities which may present themselves and which the Offeror regards to be in the interests of the Offeror and/or the Company. Following the close of the Offer, the Offeror will undertake a comprehensive review of the businesses of the Company and the review will help the Offeror to determine the optimal business strategy for the Company.

7. LISTING STATUS AND COMPULSORY ACQUISITION

7.1 Listing Status. Under Rule 1105 of the Listing Manual of the SGX-ST (the "**Listing Manual**"), upon an announcement by the Offeror that acceptances have been received pursuant to the Offer that bring the holdings owned by the Offeror and parties acting in concert with it to above 90% of the total number of issued Shares (excluding treasury shares), the SGX-ST may suspend the trading of the Shares on the SGX-ST until such time when it is satisfied that at least 10% of the total number of issued Shares (excluding treasury shares)

are held by at least 500 Shareholders who are members of the public. Under Rule 1303(1) of the Listing Manual, where the Offeror succeeds in garnering acceptances exceeding 90% of the total number of issued Shares (excluding treasury shares), thus causing the percentage of the total number of issued Shares (excluding treasury shares) held in public hands to fall below 10%, the SGX-ST will suspend trading of the Shares only at the close of the Offer.

In addition, under Rule 724(1) of the Listing Manual, if the percentage of the total number of issued Shares (excluding treasury shares) held in public hands falls below 10%, the Company must, as soon as practicable, announce that fact and the SGX-ST may suspend the trading of all the Shares. Rule 724(2) of the Listing Manual states that the SGX-ST may allow the Company a period of three (3) months, or such longer period as the SGX-ST may agree, to raise the percentage of Shares in public hands to at least 10%, failing which the Company may be delisted from the SGX-ST.

It is the current intention of the Offeror to maintain the listing status of the Company on the SGX-ST following completion of the Offer. In the event that the percentage of Shares (excluding treasury shares) held in public hands falls below 10% and the SGX-ST suspends trading of the Shares, the Offeror intends to undertake and/or support any action as may be necessary for any such trading suspension by the SGX-ST to be lifted. However, the Offeror reserves the right to re-evaluate its position, taking into account, among other things, the level of acceptances received by the Offeror and the prevailing market conditions at the relevant time. Accordingly, there is no assurance that the Offeror will take steps to preserve the listing status of the Company on the SGX-ST if the percentage of Shares (excluding treasury shares) held in public hands falls below 10%.

7.2 Compulsory Acquisition. Pursuant to Section 215(1) of the Companies Act, Chapter 50 of Singapore (the "**Companies Act**"), if the Offeror receives valid acceptances of the Offer and/or acquires such number of Offer Shares from the date of the despatch of the Offer Document otherwise than through valid acceptances of the Offer in respect of not less than 90% of the total number of issued Shares (excluding treasury shares and other than those already held by the Offeror, its related corporations or their respective nominees as at the date of the Offer), the Offeror will be entitled to exercise the right to compulsorily acquire all the Shares of Shareholders who have not accepted the Offer ("**Dissenting Shareholders**") on the same terms as those offered under the Offer.

As stated above, it is the current intention of the Offeror to maintain the listing status of the Company. Accordingly, the Offeror presently has no intention of exercising its right of compulsory acquisition under Section 215(1) of the Companies Act, should such right be available to it. However, as set out in paragraph 7.1 above, the Offeror reserves the right to re-evaluate its position, taking into account, among other things, the level of acceptances received by the Offeror and the prevailing market conditions at the relevant time.

Dissenting Shareholders have the right under and subject to Section 215(3) of the Companies Act, to require the Offeror to acquire their Shares at the Offer Price in the event that the Offeror, its related corporations or their respective nominees acquire, pursuant to the Offer, such number of Shares which, together with the Shares held by the Offeror, its related corporations or their respective nominees, comprise 90% or more of the total number of issued Shares. Dissenting Shareholders who wish to exercise such right are advised to seek their own independent legal advice.

8. FINANCIAL EVALUATION OF THE OFFER

The Offer Price represents the following premia over the historical transacted prices of the Shares on the SGX-ST:

Description	Benchmark Price (S\$) ⁽¹⁾	Premium over the Benchmark Price (%) ⁽²⁾
Last transacted price per Share on 8 January 2020, being the last full trading day on which the Shares were traded on the SGX-ST prior to the trading halt and the Pre-Conditional Offer Announcement Date (the " Last Full Trading Day ")	0.164	9.1
Last transacted price per Share on 9 January 2020 prior to the trading halt on that day	0.169	5.9
Volume-weighted average price (" VWAP ") of the Shares for the 1-month period up to and including the Last Full Trading Day	0.160	12.1
VWAP of the Shares for the 3-month period up to and including the Last Full Trading Day	0.149	19.7
VWAP of the Shares for the 6-month period up to and including the Last Full Trading Day	0.149	20.5
VWAP of the Shares for the 12-month period up to and including the Last Full Trading Day	0.156	14.8

Notes:

(1) Based on data extracted from Bloomberg L.P. and with the figures rounded to the nearest 3 decimal places.

(2) Figures rounded to the nearest 1 decimal place.

9. DISCLOSURE OF HOLDINGS AND DEALINGS

9.1 Holdings and Dealings in Relevant Securities. As at the Pre-Conditional Offer Announcement Date, based on the latest information available to the Offeror and save for the Sale Shares to be acquired by the Offeror pursuant to the Acquisitions (subject to the Conditions), none of:

- (a) the Offeror and its directors;
- (b) Amcorp and its directors;
- (c) Clear Goal and its directors; and
- (d) MKES,

(collectively, the "**Relevant Persons**"),

- (i) owns, controls or has agreed to acquire any (a) Shares, (b) securities which carry voting rights in the Company, or (c) convertible securities, warrants, options or derivatives in respect of the Shares or securities which carry voting rights in the Company (collectively, the "**Relevant Securities**"); or
- (ii) has dealt for value in any Relevant Securities during the 6-month period preceding the Pre-Conditional Offer Announcement Date ("**Reference Period**").

9.2 Other Arrangements. The Sale Shares to be acquired by the Offeror pursuant to the Acquisitions will be charged to RHB Bank Berhad, being the security agent, as part of the security arrangements for the financing for the Offer. As at the Pre-Conditional Offer Announcement Date, based on the latest information available to the Offeror and save as described in the foregoing, none of the Relevant Persons has:

- (a) entered into an arrangement (whether by way of option, indemnity or otherwise) in relation to any Relevant Securities which might be material to the Offer;
- (b) received any irrevocable undertaking from any party to accept the Offer;
- (c) granted any security interest in respect of any Relevant Securities in favour of another person, whether through a charge, pledge or otherwise;
- (d) borrowed any Relevant Securities from another person (excluding borrowed Relevant Securities which have been on-lent or sold); and
- (e) lent any Relevant Securities to another person.

9.3 Further Enquiries. In the interests of confidentiality, the Offeror has not made enquiries in respect of certain persons other than the Relevant Persons who are or may be presumed to be acting in concert with the Offeror in connection with the Offer. Similarly, MKES has not made enquires in respect of certain persons who are or may be presumed to be acting in concert with MKES in connection with the Offer. Further enquiries will be made of such persons and the relevant disclosures will be made in due course and in the Offer Document.

9.4 Disclosure of Dealings. In accordance with the Code, the associates (as defined under the Code, and which includes all substantial shareholders) of the Company and the Offeror are hereby reminded to disclose their dealings in any securities of the Company under Rule 12 of the Code.

10. OFFER DOCUMENT

If and when the Offer is made, the Offer Document setting out the full terms and conditions of the Offer and enclosing the appropriate form(s) of acceptance of the Offer will be despatched to the Shareholders not earlier than 14 days and not later than 21 days from the date of the Firm Offer Announcement, or such other date permitted by the SIC. The Offer will remain open for acceptances by Shareholders for a period of at least 28 days from the date of posting of the Offer Document.

Shareholders are advised to exercise caution and seek appropriate independent professional advice when dealing in the Shares.

11. OVERSEAS SHAREHOLDERS

11.1 Overseas Jurisdictions. This Announcement does not constitute an offer to sell or the solicitation of an offer to subscribe for or buy any security, nor is it a solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issuance or transfer of the securities referred to in this Announcement in any jurisdiction in contravention of applicable laws. The Offer will be made solely by the Offer Document and the relevant form(s) of acceptance accompanying the Offer Document, which will contain the full terms and conditions of the Offer, including details of how the Offer may be accepted.

The release, publication or distribution of this Announcement in certain jurisdictions may be restricted by law and therefore persons in any such jurisdictions into which this Announcement is released, published or distributed should inform themselves about and observe such restrictions.

Copies of this Announcement and any formal documentation relating to the Offer are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any jurisdiction where the making of or the acceptance of the Offer would violate the law of that jurisdiction ("**Restricted Jurisdiction**") and the Offer will not be made to, nor will the Offer be capable of acceptance by, any person within any Restricted Jurisdiction if the offer to and/or acceptance by such person will violate the laws of the Restricted Jurisdiction. Persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction.

The Offer (unless otherwise determined by the Offeror and permitted by applicable law and regulation) will not be made, directly or indirectly, in or into, or by the use of mails of, or by any means or instrumentality (including without limitation, telephonically or electronically) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of, any Restricted Jurisdiction and the Offer will be not capable of acceptance by any such use, means, instrumentality or facilities.

11.2 Overseas Shareholders. The availability of the Offer to Shareholders whose addresses are outside Singapore as shown in the register of members of the Company or in the records of The Central Depository (Pte) Limited, as the case may be (each, an "**Overseas Shareholder**") may be affected by the laws of the relevant overseas jurisdictions in which they are located. Accordingly, Overseas Shareholders should inform themselves of, and observe, any applicable legal requirements in the relevant overseas jurisdictions. **For the avoidance of doubt, the Offer is open to all Shareholders holding Offer Shares, including those to whom the Offer Document and relevant form(s) of acceptance may not be sent.** Further details in relation to Overseas Shareholders will be contained in the Offer Document.

12. RESPONSIBILITY STATEMENT

The directors of the Offeror (including those who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Announcement are fair and accurate and that no material facts have been omitted from this Announcement, the omission of which would make any statement in this Announcement misleading, and they jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources (including without limitation, information relating to the Company and its subsidiaries), the sole responsibility of the directors of the Offeror has been to ensure, through reasonable enquiries, that such information is accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this Announcement.

Issued by
MAYBANK KIM ENG SECURITIES PTE. LTD.

For and on behalf of
AMCORP SUPREME PTE. LTD.

13 January 2020

Any enquiries relating to this Announcement or the Offer should be directed during office hours to the following:

Maybank Kim Eng Securities Pte. Ltd.
Investment Banking and Advisory

Forward-Looking Statements

All statements other than statements of historical facts included in this Announcement are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as "aim", "seek", "expect", "anticipate", "estimate", "believe", "intend", "project", "plan", "strategy", "forecast" and similar expressions or future or conditional verbs such as "will", "would", "should", "could", "may" and "might". These statements reflect the Offeror's current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results or outcomes may differ materially from those described in such forward-looking statements. Shareholders and investors should not place undue reliance on such forward-looking statements, and none of the Offeror or MKES undertakes any obligation to update publicly or revise any forward-looking statements, subject to compliance with all applicable laws and regulations and/or rules of the SGX-ST and/or any other regulatory or supervisory body or agency.