

TAI SIN ELECTRIC LIMITED

(Company Registration No. 198000057W)

(Incorporated in the Republic of Singapore)

ACQUISITION OF ALL THE ORDINARY SHARES OF CAST LABORATORIES PTE. LTD. NOT ALREADY OWNED BY TAI SIN ELECTRIC LIMITED

1. ACQUISITION OF SHARES IN CAST LABORATORIES PTE. LTD.

- 1.1 The Board of Directors of Tai Sin Electric Limited (the “**Tai Sin**”) wishes to announce that Tai Sin had on 1 July 2016 acquired all the 737,542 fully paid-up ordinary shares of Cast Laboratories Pte. Ltd. (“**Cast Lab**”) not already owned by Tai Sin, at \$4.609907 per ordinary share, representing approximately 20.9% of the total number of issued and fully paid-up ordinary shares of Cast Lab (the “**Acquisition**”) held by the following shareholders (the “**Vendors**”) for an aggregate consideration of \$3,400,000 (the “**Consideration**”) :-

Name	No. of ordinary shares	Purchase Consideration
Mr. Tian Mong Ching	397,117	\$1,830,672.42
Mdm Lye Cheng Wai	227,293	\$1,047,799.58
Mr. Lim Eng Heng	113,132	\$521,528.00
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	737,542	\$3,400,000.00
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- 1.2 Mr. Tian Mong Ching is an Executive Director of Cast Lab and Mr. Lim Eng Heng is its Chief Executive Officer/Director. Mdm Lye Cheng Wai is the wife of Mr. Tian Mong Ching.
- 1.3 The Acquisition results in in Cast Lab becoming a wholly owned subsidiary of Tai Sin.

2. RATIONALE FOR THE ACQUISITION

- 2.1 The Acquisition will enable Tai Sin to control 100% of Cast Lab and solely determine its corporate strategies. Cast Lab will consequently be able to take measured risks it desires (without the need to consult with minority shareholders) to grow its business and reap better returns.

3. THE CONSIDERATION

- 3.1 The Consideration was arrived at on arm’s length negotiations between Tai Sin and the Vendors, taking into account the unaudited financial statements of the Cast Lab for the period ended the 31 December 2015, showing a net asset value of \$13.26 million.
- 3.3 The Purchase Consideration was funded from internal resources of Tai Sin.

4. RELATIVE FIGURES UNDER CHAPTER 10 OF THE LISTING MANUAL

- 4.1 The relative figures for the Acquisition computed on the relevant bases set out in Rule 1006 of the listing manual of the Singapore Exchange Securities Trading Limited (“**Listing Manual**”) are as

follows:-

Rule 1006	Base	Relative figure computed in accordance with the bases set out in Rule 1006
(a)	The net asset value of the assets to be disposed of, compared with the Group's net asset value	Not applicable as this is an acquisition
(b)	The net profits attributable to the assets acquired or disposed of, compared with the Group's net profits	1.7 %
(c)	The aggregate value of the consideration given or received, compared with the Company's market capitalisation ⁽ⁱ⁾	2.25 %
(d)	The 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 as no equity securities were issued

Notes:

(i) Purchase Consideration of \$3,400,000 is compared to the market capitalisation of Tai Sin on 30 June 2016 of S\$150,861,367

4.2 As the relative figures under Rule 1006 do not exceed 5%, the Acquisition constitutes a non-disclosable transaction pursuant to Rule 1010 of the Listing Manual.

5. FINANCIAL EFFECTS

5.1 The Acquisition is not expected to have any material effect on the earnings per share and net tangible assets per share of the Tai Sin Group in the current financial year ending 30 June 2017.

6. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

6.1 None of the directors or substantial shareholders of Tai Sin has any interest, direct or indirect (other than through Tai Sin), in the Acquisition.

BY ORDER OF THE BOARD

Mr. Tan Shou Chieh
Secretary

Singapore, 1 July 2016