

AMPLEFIELD LIMITED
(Company Registration Number 198900188N)
(Incorporated in the Republic of Singapore)

PROPOSED ACQUISITION OF 25% EQUITY INTEREST IN CITYBUILDERS PTE. LTD.

The Board of Directors (“**Board**”) of Amplefield Limited (the “**Company**” and together with its subsidiaries the “**Group**”) wishes to announce that it has entered into a binding sale and purchase agreement (“**Agreement**”) with Regional Connexion Limited. (the “**Vendor**” or “**RC**”), pursuant to which the Purchaser has agreed to buy and the Vendor has agreed to sell 37,500,000 ordinary shares (“**Sale Shares**”) representing 25% of equity interest in Citybuilders Pte. Ltd. (“**CBS**”), 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

As at the date of this announcement, the Vendor is the registered and beneficial owner of the Sale Shares and none of the Directors or the controlling shareholders has any relationship or is related to the Vendor. The Vendor is an independent third party from the Company, Directors and its controlling shareholders.

Information on Citybuilders Pte. Ltd.

CBS is a company incorporated in the Republic of Singapore with a subscribed share capital of 150,000,000 shares and a paid-up share capital of S\$30,000,000. CBS is principally engaged in construction services and property development through its wholly owned subsidiary in Vietnam, Citybuilders (Vietnam) Co. Ltd. The Company currently holds 112,500,000 ordinary shares in CBS, comprising 75% of its paid-up share capital.

Based on its unaudited financial statements as at 31 December 2018, the unaudited net asset value of CBS and its subsidiary (the “**Target Group**”) was approximately S\$30.5 million. As such, the unaudited net asset value based on the Sale Shares as at 31 December 2018 would be approximately S\$7.6 million. The unaudited profit before tax of the Target Group was approximately S\$120,000. As such, the profit before tax attributable to the Sale Shares was approximately S\$30,000.

Consideration of the Proposed Share Acquisition

The consideration (“**Consideration**”) for the Sale Shares shall be the aggregate amount of S\$7.5 million payable by the Company in the manner as further elaborated below:

Pursuant to a deed of assignment and agreement (“**DOA**”) to be entered into by 30 June 2019 between the Company, the Vendor and an associate of the Company’s controlling shareholder (“**Assignee**”), have agreed that the Consideration of S\$7.5 million payable by the Company for the Proposed Share Acquisition shall be settled and satisfied in the following manner:

- (a) the Vendor shall assign the amount owing by the Company in respect of the Consideration of S\$7.5 million (“**Amplefield Outstanding Amount**”) to the Assignee for purposes of setting off certain amounts owing by the Vendor to the Assignee;
- (b) the Company agrees and undertakes to pay the Amplefield Outstanding Amount to the Assignee in place of the Vendor, in consideration of the Vendor agreeing to release and discharge the Company from its obligation and liability to pay the Consideration to the Vendor; and
- (c) the Company and Assignee agree to the set-off of the Amplefield Outstanding Amount assigned by the Vendor to the Assignee against an equivalent amount owing by the Assignee to the Company.

The Consideration was arrived at on a willing buyer willing seller basis after arm’s length negotiations, and taking into account, *inter alia*, the net asset value of the Target Group and historical profitability.

The Company did not commission a third-party valuation of the Target Group in connection with the Proposed Share Acquisition as the Company has management and control of CBS and is familiar with the financial condition of the Target Group.

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. In this respect, the Group has sought business opportunities that closely complements its existing line of business.

The Board is of the view that the Proposed Share Acquisition would be beneficial to the Group as it would better position the Group to facilitate funding of the Target Group for its businesses, and derive 100% of the profits and value of the Target Group.

Salient Terms and Conditions of the Proposed Share Acquisition

Condition Precedent

The Agreement is subject to the approval of: (1) the Board, (2) the Company and the Vendor; and (3) the execution and delivery of the DOA by the relevant parties thereto by 30 June 2019. (the "**Condition Precedent**").

Completion of the Proposed Share Acquisition

Completion of the Proposed Share Acquisition shall take place on the date on which the Condition Precedent has been fulfilled. Upon the completion of the Proposed Share Acquisition, CBS will become a wholly owned subsidiary of the Company.

Relative figures computed on the bases set out in Rule 1006 of the Catalist Rules

Based on the unaudited consolidated financial statements of the Group and the Target Group for the latest announced three months financial period ended 31 December 2018 ("**1Q2019**"), 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 profit attributable to the Sale Shares of approximately S\$30,000 compared with the Group's net profits of approximately S\$329,000 ⁽¹⁾	9.1%
(c)	Aggregate value of the consideration given of S\$7.5 million compared with the Company's market capitalisation of approximately S\$20.71 million as at 10 April 2019 based on the total number of issued shares excluding treasury shares ⁽²⁾	36.2%
(d)	Number of equity securities issued as consideration for an acquisition, compared with the number of securities previously in issue	Not applicable ⁽³⁾
(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) Net profit refers to profit before income tax, minority interests and exceptional items.
- (2) Computed based on the Consideration of S\$7.5 million and the market capitalization of the Company of approximately S\$20.71 million, which is determined by multiplying the issued share capital of the Company of 900,617,536 shares with the volume weighted average price of such shares transacted

on 11 April 2019 of S\$0.023 per share, being the last trading day of the shares before the signing of the Agreement.

- (3) Not applicable as there is no issuance of Shares as consideration for the Proposed Share Acquisition.

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 2019.

The Group is expected to make a gain from acquisition of the Sale Shares of approximately S\$100,000.

Service Contracts

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

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 months from the date of this announcement.

By Order of the Board

Woon Ooi Jin
Executive Director

12 April 2019

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 Catalyst. 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 Mr Joseph Au, Associate Director, Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: sponsorship@ppcf.com.sg).