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TECHCOMP (HOLDINGS) LIMITED
天美(控股)有限公司*
(Incorporated in Bermuda with limited liability)
(Company Registration Number: 34778)
(Hong Kong Stock Code: 1298)
(Singapore Stock Code: T43)

INSIDE INFORMATION

IN-PRINCIPLE APPROVAL FOR PROPOSED CONVERSION OF THE COMPANY'S LISTING STATUS FROM A PRIMARY LISTING TO A SECONDARY LISTING ON THE MAIN BOARD OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED (THE PROPOSED CONVERSION)

This announcement is made pursuant to, amongst other applicable laws and listing rules (including the SGX-ST Listing Manual), Rule 13.09 of the Listing Rules and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Company has received in-principle approval from the SGX-ST for the proposed conversion in its listing status from a primary listing to a secondary listing on the Main Board of the SGX-ST while maintaining its primary listing status on the SEHK.

Shareholders and potential investors in the shares of the Company should note that the Proposed Conversion is subject to Shareholders' approval. There is no guarantee that such approval will be obtained from the Shareholders. Accordingly, Shareholders and potential investors are advised to exercise caution when dealing in the shares in the Company.

This announcement is made pursuant to, amongst other applicable laws and listing rules (including the listing manual of the Singapore Exchange Securities Trading Limited (the "**SGX-ST Listing Manual**"), Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**SEHK**") and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

1. INTRODUCTION

The board of directors (the "**Board**") of Techcomp (Holdings) Limited (the "**Company**") wishes to announce that the Company has been exploring the possibility of changing its listing status on the Main Board of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") from a primary listing to a secondary listing whilst maintaining its primary listing status on the SEHK.

2. THE PROPOSED CONVERSION

2.1 The Board has taken into account, *inter alia*, the following principal considerations in deciding to proceed with the Proposed Conversion:

(a) **Declining trading volume on the SGX-ST**

The trading volume of shares of the Company (the “**Shares**”) on the SGX-ST has declined since its listing on the SEHK, and the total and average daily trading volumes of the Shares on the SGX-ST have been consistently lower than the total and average daily trading volumes of the Shares on the SEHK. The Company has also observed that the share price of the Company on the SEHK has generally been higher than on the SGX-ST, and is of the view that such higher share price on the SEHK is mainly due to more active trading on the SEHK.

(b) **Shareholders profile of the Company**

The Company has noted a continuing trend where an increasing number and proportion of Shares are listed on the SEHK instead of the SGX-ST. As at 25 January 2016, 71.4% of the Shares of the Company are listed on the SEHK.

Furthermore, as at 25 January 2016, Mr. Lo Yat Keung, the President and Executive Director of the Company, has interests in 112,456,500 Shares (representing 40.8% of the total issued and paid up share capital of the Company), which comprises his direct interest in 104,956,500 Shares and his deemed interest in the 7,500,000 Shares held by his spouse, Ms Yung Yat. Out of the 104,956,500 Shares held directly by Mr. Lo, 41,833,500 Shares are listed on the SGX-ST and the remaining 63,123,000 Shares are listed on the SEHK. All of the 7,500,000 Shares held by his spouse, Ms. Yung Yat are listed on the SGX-ST. Mr. Lo is based in Hong Kong and has indicated that he may consider moving his Shares from the SGX-ST to the SEHK. Assuming that Mr. Lo and Ms. Yung had transferred their Shares to the SEHK previously, the percentage of Shares listed on the SEHK as at 25 January 2016 would have been 89.3%.

(c) **Differences in listing rules and compliance costs**

As the Company is dual primary listed on both the SGX-ST and the SEHK, the Company is required to comply with the listing rules of both exchanges, with the Company having to comply with the stricter requirement in the event of any conflict between the listing rules of both exchanges. The Company has committed significant resources to ensuring that it is in compliance with the listing rules of both the SGX-ST and SEHK.

As such, the Proposed Conversion will enable the Company to substantially reduce its compliance costs and devote its resources for other critical aspects of its business growth and operations.

(d) **Business profile of the company**

The Company’s management, business activities and operations are mainly carried out in the People’s Republic of China (the “**PRC**”), Hong Kong and Macau. The revenue of the Company and its subsidiaries (collectively, the “**Group**”) are also largely attributable to customers in the PRC, Hong Kong and Macau. In light of the foregoing, the Proposed Conversion will result in a more accurate reflection of the Group’s geographic business profile.

Details of the abovementioned principal considerations will be provided in a circular (“**Circular**”) to be despatched to shareholders of the Company (the “**Shareholders**”) in due course.

- 2.2 Accordingly, the Company has submitted an application to seek the SGX-ST’s approval in principle for the Proposed Conversion. The Board is pleased to announce that the SGX-ST has on 27 January 2016 given its approval in principle for the Proposed Conversion. The conditions are set out in paragraph 3 below.
- 2.3 As Shareholders who trade their Shares on the Main Board of the SGX-ST can continue to do so and enjoy the same rights as Shareholders who trade their Shares on the SEHK, the Board considers that Shareholders registered in Singapore will not be adversely affected by the Proposed Conversion. The Board believes that Shareholders’ ability to trade the Shares on the SGX-ST and on the SEHK would not be in any way prejudiced by the Proposed Conversion.

3. IN-PRINCIPLE APPROVAL FROM THE SGX-ST

The in-principle approval by the SGX-ST for the Proposed Conversion is subject to, among others, the following conditions:

- (a) Shareholders’ approval on the Proposed Conversion;
- (b) compliance with the SGX-ST’s listing requirements and other such requirements that the SGX-ST may impose from time to time;
- (c) the Company maintaining its primary listings on the SEHK; and
- (d) submission of a written undertaking from the Company that in the event that the Company is delisted from the Official List of the SGX-ST within three (3) years of the Proposed Conversion:
 - (i) the Company would offer a reasonable exit alternative, which should normally be in cash, to the (ia) Shareholders and (ib) holders of any other classes of the listed securities to be delisted; and
 - (ii) the Company should normally appoint an independent financial adviser to advise on the exit offer;
- (e) proper disclosure in the Circular that the requirement for a reasonable exit offer to be provided to the Shareholders and holders of any other classes of the listed securities is not applicable should the Company decide to delist after three (3) years of the Proposed Conversion;
- (f) submission of a written undertaking from the Company that it would provide arrangements such as video conference for Singapore-based Shareholders to attend, speak and vote at Shareholders’ meetings;
- (g) submission of a written undertaking from the Company that it would comply with the following as set out in Rule 217 of the SGX-ST Listing Manual:
 - (i) to release all information and documents in English to the SGX-ST via SGXNET at the same time as they are released to the SEHK;

- (ii) to inform the SGX-ST of any issue of additional Shares and the decision of the SEHK on the listing and quotation of the additional Shares issued by it; and
 - (iii) to comply with such other listing rules as may be applied by the SGX-ST from time to time (whether before or after listing);
- (h) submission of a written undertaking from the Company that it would comply the following as set out in Rule 751 of the SGX-ST Listing Manual:
 - (i) maintain its primary listing on the SEHK;
 - (ii) be subject to all the applicable listing rules of the SEHK (unless a waiver has been obtained for any non-compliance); and
 - (iii) provide an annual certification in the form prescribed at Appendix 7.6 of the SGX-ST Listing Manual that it has complied with the applicable continuing listing obligations in the SGX-ST Listing Manual;
- (i) submission of a written undertaking by the Company that an announcement via SGXNET will be made as soon as there is any change in the law of its country of incorporation, which may affect or change Shareholders' rights or obligations over its securities, including:
 - (i) the right to attend, speak, vote at Shareholders' meetings and the right to appoint proxies;
 - (ii) the right to receive rights offering and any other entitlements;
 - (iii) withholding taxes on its securities;
 - (iv) stamp duties on its securities; and
 - (v) obligations to file documents or make declarations in respect of its securities; and
- (j) submission of a written undertaking from the Company that in the event of a need for a trading halt in the Shares, the Company would request for a trading halt on all exchanges at the same time; and
- (k) submission of an undertaking from the Company in the form set out in Appendix 2.3.2 of the SGX-ST Listing Manual.

Please note that the in-principal approval received from the SGX-ST is not to be taken as an indication of the merits of the Proposed Conversion, the Company, or its subsidiaries or their securities. Further announcement(s) in relation to the Proposed Conversion will be made as and when appropriate.

A Circular containing, among other things, further details on the Proposed Conversion, proposed amendments to the bye-laws of the Company, together with a notice of the special general meeting to be convened by the Company for the purpose of seeking Shareholders' approval in connection with the Proposed Conversion will be despatched to the Shareholders in due course.

In the meantime, the Board wishes to advise Shareholders to exercise caution in their dealings in Shares and to refrain from taking any action in relation thereto, until they have sought their own financial and legal advice where appropriate. Persons who are in doubt as to any of the matters referred to in this announcement and/or the course of action they should take should consult their stockbroker, bank manager, solicitor, accountant, tax adviser or other professional advisers.

By Order of the Board of
Techcomp (Holdings) Limited
Lo Yat Keung
President

Hong Kong and Singapore, 27 January 2016

As at the date of this announcement, the executive directors of the Company are Mr. Lo Yat Keung and Mr. Chan Wai Shing; and the independent non-executive directors of the Company are Mr. Ho Yew Yuen, Mr. Seah Kok Khong, Manfred, and Mr. Teng Cheong Kwee.

**for identification purpose only*