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TOMO Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8463)

DISCLOSEABLE TRANSACTION ACQUISITION OF PROPERTIES

INTRODUCTION

The Board is pleased to announce that on 1 June 2018 (after trading hours), the Purchaser, an indirect wholly-owned subsidiary of the Company, has entered into the Option to Purchase I with the Vendor A in respect of the acquisition of the Property A, and has entered into the Option to Purchase II with the Vendor B in respect of the acquisition of the Property B, at an aggregate consideration of S\$3,300,000.

OPTION TO PURCHASE I

Date

1 June 2018

Parties

- (1) The Purchaser
- (2) The Vendor A

Assets to be acquired

Pursuant to the Option to Purchase I, the Purchaser has conditionally agreed to acquire and the Vendor A has conditionally agreed to sell the Property A, which is located at 8 KAKI BUKIT AVENUE 4 #02-03/04 PREMIER @ KAKI BUKIT SINGAPORE 415875. The Property A has in aggregate strata area of approximately 572 square metres.

The Vendor A entered into the Lease Agreement I with the Tenant on 4 August 2015 at a monthly rent of S\$8,774 (including GST). Upon completion of the acquisition of the Property A, the Purchaser shall take over all rights and obligations as the lessor under the Lease Agreement I. The Purchaser will continue to lease the Property A to the Tenant in accordance with the terms of the Lease Agreement I.

Consideration

The consideration of the Property A is S\$2,170,000 which is payable by the Purchaser to the Vendor A in cash. It will be funded by the Group's internal resources and IPO proceeds.

The consideration of the Property A was determined after arm's length negotiation between the Purchaser and the Vendor A after taking into account the market price of similar properties of similar size, character and location.

Terms of Payment

The consideration of the Property A shall be payable by the Purchaser in the following manners:

- (a) S\$20,000 payable upon the Vendor A granting the option to the Purchaser on 22 May 2018;
- (b) an initial deposit of S\$88,500 payable by the Purchaser upon exercising the option; and
- (c) the remaining balance of the consideration of the Property A of S\$2,061,500 should be satisfied in full by the Purchaser upon completion of the Acquisition.

As of the date of this announcement, S\$108,500 has been paid by the Purchaser pursuant to the Option to Purchase I.

Condition precedents

Completion of the Acquisition is subject to the Purchaser's solicitors receiving satisfactory replies to their legal requisitions and applications to the various Government Departments and Land Transport Authority in Singapore in relation to the Acquisition and if it is not fulfilled on or before completion, the Purchaser may rescind the Acquisition at its option and in such event the Vendor shall refund all monies paid by the Purchaser without interest.

Completion

Completion will take place on or before 28 August 2018.

OPTION TO PURCHASE II

Date

1 June 2018

Parties

- (1) The Purchaser
- (2) The Vendor B

Assets to be acquired

Pursuant to the Option to Purchase II, the Purchaser has conditionally agreed to acquire and the Vendor B has conditionally agreed to sell the Property B, which is located at 8 KAKI BUKIT AVENUE 4 #02-05 PREMIER @ KAKI BUKIT SINGAPORE 415875. The Property B has in aggregate strata area of approximately 283 square metres.

The Vendor B entered into the Lease Agreement II with the Tenant on 15 October 2017 at a monthly rent of S\$4,280 (including GST). Upon completion of the acquisition of the Property B, the Purchaser shall take over all rights and obligations as the lessor under the Lease Agreement II. The Purchaser will continue to lease the Property B to the Tenant in accordance with the terms of the Lease Agreement II.

Consideration

The consideration of the Property B is S\$1,130,000 which is payable by the Purchaser to the Vendor B in cash. It will be funded by the Group's internal resources and IPO proceeds.

The consideration of the Property B was determined after arm's length negotiation between the Purchaser and the Vendor B after taking into account the market price of similar properties of similar size, character and location.

Terms of Payment

The consideration of the Property B shall be payable by the Purchaser in the following manners:

- (a) S\$13,000 payable upon the Vendor B granting the option to the Purchaser on 22 May 2018;
- (b) an initial deposit of S\$43,500 payable by the Purchaser upon exercising the option; and
- (c) the remaining balance of the consideration of the Property B of S\$1,073,500 should be satisfied in full by the Purchaser upon completion of the Acquisition.

As of the date of this announcement, S\$56,500 has been paid by the Purchaser pursuant to the Option to Purchase II.

Condition precedents

Completion of the Acquisition is subject to the Purchaser's solicitors receiving satisfactory replies to their legal requisitions and applications to the various Government Departments and Land Transport Authority in Singapore in relation to the Acquisition and if it is not fulfilled on or before completion, the Purchaser may rescind the Acquisition at its option and in such event the Vendor shall refund all monies paid by the Purchaser without interest.

Completion

Completion will take place on or before 28 August 2018.

INFORMATION OF THE GROUP AND THE PURCHASER

The Group is principally engaged in the (i) design, manufacture, supply and installation of passenger vehicle leather upholstery; and (ii) supply and installation of vehicle electronic accessories.

The Purchaser is an indirect wholly-owned subsidiary of the Company and is principally engaged in the (i) design, manufacture, supply and installation of passenger vehicle leather upholstery; and (ii) supply and installation of vehicle electronic accessories in Singapore.

INFORMATION OF THE VENDOR A

The Vendor A is a company incorporated in Singapore with limited liability and is wholly owned by the Vendor B. Its principal business activity is general wholesale trade and crane services.

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, the Vendor A and its ultimate beneficial owner are independent from the Company and its connected persons (as defined in the Listing Rules).

INFORMATION OF THE VENDOR B

The Vendor B is a citizen of Singapore and the ultimate owner of the Vendor A.

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, the Vendor B is independent from the Company and its connected persons (as defined in the Listing Rules).

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Company is acquiring new premises to serve as showroom, workshop and warehouse which are ideally located in automotive zone and they are in close proximity to our existing customers in Ubi and Kaki Bukit.

The Directors are of the view that the terms of the Option to Purchase I and the Option to Purchase II are fair and reasonable, and the Acquisition is in the interests of the Company and the Shareholders as a whole.

IMPLICATION UNDER THE GEM LISTING RULES

As one or more of the applicable percentage ratios as defined under Rule 19.07 of the GEM Listing Rules in respect of the Acquisition is more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 19 of the GEM Listing Rules.

DEFINITIONS

In this announcement, the following terms have the meanings set out below unless the context requires otherwise:

“Acquisition”	acquisition of the Property A and the Property B
“Board”	the board of Directors
“Company”	TOMO Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the GEM of the Stock Exchange
“Directors”	director(s) of the Company
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM of the Stock Exchange
“Group”	the Company and its subsidiaries
“GST”	Goods and services tax in Singapore
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Lease Agreement I”	the lease agreement dated 4 August 2015 and entered into between the Vendor A and the Tenant in respect of the leasing of the Property A
“Lease Agreement II”	the lease agreement dated 15 October 2017 and entered into between the Vendor B and the Tenant in respect of the leasing of the Property B
“PRC”	the People’s Republic of China
“Property A”	the property located at 8 KAKI BUKIT AVENUE 4 #02-03/04 PREMIER @ KAKI BUKIT SINGAPORE 415875
“Property B”	the property located at 8 KAKI BUKIT AVENUE 4 #02-05 PREMIER @ KAKI BUKIT SINGAPORE 415875
“Purchaser”	TOMO-CSE AUTOTRIM PTE LTD, a company incorporated in Singapore with limited liability and an indirect wholly-owned subsidiary of the Company
“Option to Purchase I”	the option to purchase dated 1 June 2018 and entered into by the Company and the Vendor A in respect of the acquisition of the Property A

“Option to Purchase II”	the option to purchase dated 1 June 2018 and entered into by the Company and the Vendor B in respect of the acquisition of the Property B
“Shareholder(s)”	Holder(s) of the ordinary share(s) of HK\$0.01 each in the share capital of the Company
“S\$”	Singapore dollars, the lawful currency of Singapore
“Singapore”	the Republic of Singapore
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tenant”	an independent third party of the Company, which is Detail Lab
“Vendor A”	BES-GRO ENTERPRISE PTE LTD, a company which is not connected with the Company and its connected person, and is a company incorporated in Singapore with limited liabilities and is wholly-owned by the Vendor B
“Vendor B”	PEI BOON GEE, a person who is not connected with the Company and its connected persons
“%”	per cent.

By order of the Board
TOMO Holdings Limited
Siew Yew Khuen
Chairman

Hong Kong, 1 June 2018

As at the date of this announcement, the executive Directors are Mr. Siew Yew Khuen, Ms. Lee Lai Fong, Mr. Siew Yew Wai and Mr. Zha Jianping; and the independent non-executive Directors are Mr. Clarence Tan Kum Wah, Mr. Gary Chan Ka Leung and Mr. Lim Cher Hong.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of the Stock Exchange for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Company Information” page of the GEM website at www.hkgem.com for at least 7 days from the date of its posting. This announcement will also be published on the Company’s website at www.thetomogroup.com.