



GKE CORPORATION LIMITED
(Company Registration No.: 200001941G)
Incorporated in the Republic of Singapore

NEWS RELEASE

GKE CONFIRMS FULL ACQUISITION OF TNS OCEAN LINES, EXPANDS INTO PORT OPERATIONS

- Executed SPA to acquire 100% stake in TNS for S\$9 million to be satisfied with S\$2.7 million cash and 52.5 million shares at an issue price of S\$0.12 per share
- Immediate and stable earnings contribution to GKE with profit guarantee of an aggregate of S\$3.5 million for three years

SINGAPORE, 28 October 2016 – GKE Corporation Limited (锦佳集团有限公司), together with its subsidiaries (“**GKE**” or the “**Group**”), a leading integrated warehousing and logistics solutions provider, today announced that it has executed a definitive sale and purchase agreement (the “**SPA**”) with the vendors of TNS Ocean Lines (S) Pte. Ltd. (“**TNS**”) to acquire 100% ownership of TNS for a purchase consideration of S\$9.0 million (the “**Acquisition**”). The Acquisition is expected to complete on 30 November 2016 and upon completion, TNS will become a wholly-owned subsidiary of GKE.

Mr. Neo Cheow Hui (梁鹏飞), CEO and Executive Director of GKE said, “Our expansion into port operations through the acquisition of TNS, a profitable and established port operations & logistics service provider, will strengthen GKE’s earnings base and further expand our logistics services as port operations is the first and last landing points for the import and export of goods. The Group believes that its established warehousing and logistics platform can be further broadened and deepened with this lateral expansion, and could also potentially lead the Group in expanding beyond Singapore.”

The purchase consideration of S\$9.0 million shall be satisfied with S\$2.7 million in cash and the balance of S\$6.3 million via issuance of 52.5 million shares in the capital of GKE to the vendors at an issue price of S\$0.12 per share (the “**Consideration Shares**”). These Consideration Shares will be subject to moratorium for a minimum of one year from the completion of the Acquisition.

The vendors (except for Tan Nam Seng and Sern Chia Lung) guarantee that the cumulative net profit before tax (excluding gains from exceptional or non-recurrent income and extraordinary items and excluding any performance bonus payable to the key personnel of TNS, if any) (“**NPBT**”) in the audited accounts of TNS shall not be less than the aggregate amount of S\$3.5 million for three years, starting from the date of completion. (“**Profit Guarantee**”).

In the event of any shortfall in the NPBT of the audited financial statements, the vendors (except for Tan Nam Seng and Sern Chia Lung) have undertaken to compensate GKE in cash on the difference between the Profit Guarantee and the actual NPBT achieved.

“The Group is mindful of the economic environment and will expand prudently and progressively, and continue to focus on the strengthening of our fundamentals for stable and sustainable growth,” added Mr. Neo.

About TNS Ocean Lines Pte Ltd

Established in 1995, TNS Ocean Lines (S) Pte. Ltd. (formerly known as Air Sea Consolidator Pte Ltd), is principally engaged in the business of providing stevedoring and lighterage services, lashing, wharf operation services and transportation of mariner materials by sea. As an established port operations and logistics service provider, TNS offers a wide array of port operations and logistics services within PSA’s Container Terminals & Multi Purposes Terminal and offers worldwide freight & logistics services through an integrated network of well-established agents and partners.

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This news release is to be read in conjunction with the Company’s announcement posted on the SGX website on 28 October 2016.

*This News Release has been prepared by GKE Corporation Limited (the “**Company**”) and its contents have been reviewed by the Company’s sponsor, RHT Capital Pte. Ltd. (the “**Sponsor**”), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). The Sponsor has not independently verified the contents of this News Release.*

This News Release has not been examined or approved by the SGX-ST. The SGX-ST and the Sponsor assume no responsibility for the contents of this News Release, including the correctness of any of the statements or opinions made or reports contained in this News Release.

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ABOUT GKE CORPORATION LIMITED

(Stock Codes – SGX: 595 | Bloomberg: GKEC SP | Thomson Reuters: GKEC.SI)

GKE Corporation Limited (锦佳集团有限公司) (“**GKE**” or together with its subsidiaries, the “**Group**”) is a leading integrated warehousing and logistics solutions provider offering one-stop, door-to-door multi-modal solutions for supply chain management. The business activities of GKE can be classified into two broad categories: (i) warehousing & logistics, and (ii) strategic investments.

The Group’s facilities host one of the best material handling equipment, and the most up-to-date safety and security features. It leverages on information technology to increase order visibility, maximise operational efficiency, minimise surplus inventory, and reduce overall supply chain costs for its customers.

GKE operates its third party warehousing and logistics business under the “**GKE**” brand name. It provides total integrated and comprehensive warehousing & logistics solutions and services that include general warehousing, inventory management, conventional transportation, container trucking, project logistics, international multi-modal sea and air freight forwarding services as well as non-ferrous metal storage. It is also a listed London Metal Exchange (“LME”) warehouse operator. The Group recently expanded its capabilities into marine logistics and chemical warehousing with the acquisition of a 70% stake in Marquis Services Pte Ltd.

The Group’s strategic investments include its marine and shipping logistics business through a 50% joint venture, Ocean Latitude Limited, which has constructed an 83,000m³ liquefied gas carrier vessel to ride on the demand for liquefied gas as a cleaner fuel for industrial and domestic uses. The liquefied gas carrier vessel is currently chartered and deployed in the Middle East and Far East regions.

Another strategic investment is the infrastructural materials and services business. This business is carried out through its wholly-owned subsidiary, Wuzhou Xing Jian Readymix Co., Ltd. (梧州星建混凝土有限公司) which is primarily engaged in the manufacturing and supplying of ready-mix concrete products to the domestic infrastructural, real estate development and construction sectors in Wuzhou City, China. It has commenced commercial production in June 2016.

For more information, please visit the company website at www.gke.com.sg.

Issued for and on behalf of **GKE CORPORATION LIMITED** by:



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