

SAPPHIRE CORPORATION LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 198502465W)

DISPOSAL OF A DORMANT SUBSIDIARY

The Board of Directors (the “**Board**”) of Sapphire Corporation Limited (the “**Company**”) wishes to announce that the Company has entered into a sale and purchase agreement dated 12 December 2017 (the “**Agreement**”) with an unrelated third party (the “**Purchaser**”), pursuant to which the Company has agreed to sell 23,300,000 ordinary shares (the “**Sale Shares**”) in its wholly owned dormant subsidiary, Sapphire Construction & Development Pte. Ltd. (“**SCD**”), representing 100% of the issued and paid up capital of SCD, to the Purchaser for the consideration of S\$1 (the “**Disposal**”).

Upon completion of the Disposal, SCD will cease to be a subsidiary of the Company.

The Consideration was determined by the Company and the Purchaser at arm’s length and on a willing-buyer willing-seller basis, taking into account the net assets value of SCD, which is zero as at the date of the Agreement.

Rationale for the Disposal

The sale of SCD is part of the Company’s efforts to continually streamline its corporate structure following the exit of its non-core businesses.

Rule 1006 Computation

SCD has been dormant since 1 January 2017 and has zero net assets value as of 30 September 2017.

As all of the relative figures for the Disposal computed on the bases set out in Rule 1006 of the Listing Manual amount to less than 5%, or are “not meaningful” or “not applicable”, the Disposal is not a disclosable transaction for the purposes of the Listing Manual.

Financial Effects of the Disposal

The transaction is not expected to have a material impact on the Company’s net tangible assets per share but the Group will recognize a foreign exchange translation gain on disposal that will increase the Company’s consolidated earnings per share for the financial year ending 2017.

Interests of Directors and Substantial Shareholders

None of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in the Disposal (other than through their shareholdings in the Company).

BY ORDER OF THE BOARD

Teh Wing Kwan
Group Chief Executive Officer and Managing Director

12 December 2017