



## Media Release

# Profitable B2B FinTech oCap Management signs reverse takeover with CPH

- S\$61.8 million<sup>1</sup> acquisition involving the issuance of 5.15 billion new shares at S\$0.012 per share
- Technology-enabled digital oCap platform specialises in alternative financing solutions for SMEs
- Proven and highly scalable business model with positive operating cash flow

**Singapore, 22 November 2018** - SGX Catalist-listed CPH Ltd. (the “**Company**” or “**CPH**” and together with its subsidiaries, the “**Group**”) announced that it has entered into a conditional sale and purchase agreement with Delphinium Capital PLC (“**Vendor**”) for the proposed acquisition of its wholly-owned subsidiary, oCap Management Pte. Ltd. (“**oCap**”) (the “**Proposed Acquisition**”) for a purchase consideration of S\$61,815,400.

Headquartered in Singapore, oCap is a specialist alternative financing solution provider serving directly and indirectly the needs of small and medium enterprises (“**SMEs**”) locally and beyond. oCap applies artificial intelligence (“**AI**”) / machine learning algorithms in its risk management platform to provide loans to corporates against their payment receivables, trade and supplier invoices. This platform is extended through smart contracts on blockchain to finance commodity trades.

On the Proposed Acquisition:

- Consideration shall be fully satisfied by an issuance and allotment of 5,151,283,333 new shares at S\$0.012 per share in CPH to the Vendor
- Vendor will become the single largest shareholder with 80.34% stake in CPH upon Completion prior to the Proposed Compliance Placement, if any
- Application for Whitewash Waiver (as defined below) to be filed with the Securities Industry Council (“**SIC**”)<sup>2</sup>

**Mr. Lee Teong Sang, Independent Non-Executive Chairman of CPH**, commented: “This Proposed Acquisition allows us to penetrate the fast-growing FinTech industry with an operating business that is profitable<sup>3</sup> and has high growth potential. We believe that the Proposed Acquisition will revive investors’ interest in our shares and will enhance the Group’s long-term shareholder value.

We will be working closely with the dynamic and experienced management team of oCap, to ensure a seamless transition for all our stakeholders. As we diversify our business with this acquisition, we look forward to a new era of financial growth for the Group.”

**Mr. Carlos Haeuser, Chief Executive Officer of oCap**, remarked: “We are delighted to have found the right platform for us to accelerate our growth trajectory. Singapore’s vibrant FinTech landscape and supportive regulatory framework provides us with a springboard into the region which will help us realise our ambition of becoming a leading player in Asia. Our proprietary products address the needs of a largely underserved market<sup>4</sup>, where traditional lending systems do not meet the working capital demands of SMEs.

In the face of such opportunities, the ability to provide instant and barrier-free access to liquidity for SMEs with accommodative and flexible payment terms is key to our success. Operating trades on a blockchain platform, all transactions are transparent with traceability of relevant documents.

<sup>1</sup> Equivalent to US\$45.0 million based on the exchange rate of USD:SGD of 1.373675 as at 17 September 2018.

<sup>2</sup> Vendor will own an aggregate interest of 80.34% of the enlarged share capital of the Company and will incur an obligation to make a mandatory general offer for all remaining issued shares, hence the need for application to the SIC to waive the obligation to make a general offer (“**Whitewash Waiver**”).

<sup>3</sup> Vendor represents and warrants to the Group that oCap shall achieve a minimum profit before tax of US\$5.0 million based on the audited accounts for the financial year ending 31 December 2018.

<sup>4</sup> A report by the International Finance Corporation in 2017 estimates that 65 million enterprises, or 40% of formal micro, small and medium businesses in developing countries, have an unmet financing need of \$5.2 trillion every year.



The high degree of automation for real time customer on-boarding and credit underwriting is reinforced with an AI-enhanced risk management system. We provide capital to SMEs instantly, efficiently and safely.

We look forward to a successful future ahead with our new and existing shareholders.”

The Proposed Acquisition is subject to the respective conditions precedent as outlined in the accompanying SGX announcement.

- End -

*All capitalised terms which are used in this press release but not otherwise defined herein shall have the meanings ascribed to them in the Company’s announcement in relation to the conditional sale and purchase agreement dated 22 November 2018 (“**Announcement**”). This press release should be read in conjunction with the full text of the aforesaid Announcement and presentation slides which are available on [www.sgx.com](http://www.sgx.com).*

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#### **About CPH Ltd. (“CPH”)**

Founded in 1981, CPH is based in Singapore with operations in Malaysia. CPH’s core business is in the manufacturing of printed circuit boards (“**PCBs**”). It offers single-sided, double-sided, and multi-layered PCBs, as well as advanced interconnect substrates for the telecommunications, automotive, industrial equipment and instruments, consumer electronics, PCs and PC peripherals, healthcare, and government and defence industries. The Group was formerly known as Circuits Plus Holdings Ltd. and later changed its name to CPH Ltd. in 2008.

For more information: <http://www.circuitsplus.com.sg/>

#### **About oCap Management Pte. Ltd. (“oCap”)**

Headquartered in Singapore, oCap is a specialist alternative financing solution provider serving directly and indirectly the needs of small and medium enterprises (“**SMEs**”) locally and beyond. oCap applies artificial intelligence (“**AI**”) / machine learning algorithms in its risk management platform to provide loans to corporates against their payment receivables, trade and supplier invoices. This platform is extended through smart contracts on blockchain to finance commodity trades.

For more information: <http://www.ocap.com/>