

**DECLOUT LIMITED**  
(Incorporated in the Republic of Singapore on 21 August 2010)  
(Company Registration No. 201017764W)

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**ACQUISITION OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF PLAYWORKS PTE. LTD.**

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**1. INTRODUCTION**

The board of directors (the “**Directors**” or the “**Board**”) of DeClout Limited (“**DeClout**” or the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that Epicsoft Asia Pte. Ltd. (“**Epicsoft**”), a joint venture company between Corous360 Pte. Ltd. (“**C360**”), a subsidiary of DeClout, and Mr. Choo See Wee (“**JV Partner**”), has acquired the entire issued and paid-up share capital of Playworks Pte. Ltd. (“**Playworks**”) today from the JV Partner for a cash consideration (the “**Consideration**”) of US\$1.0 million (the “**Acquisition**”).

Following the Acquisition, Playworks has become a wholly owned subsidiary of Epicsoft. C360 and the JV Partner hold 51% and 49% shareholding interest in Epicsoft, respectively.

**2. INFORMATION ON PLAYWORKS**

As at the date of this announcement, Playworks has an issued and paid-up share capital of S\$100,000 comprising 100,000 ordinary shares.

Incorporated in Singapore in 2002, Playworks is a web and mobile portal development and marketing services provider focused on the technology and gaming industries.

Based on the management accounts of Playworks as at 13 October 2014, the net tangible asset value of Playworks is approximately S\$273,000. No independent valuation was conducted on Playworks.

**3. THE RATIONALE FOR THE ACQUISITION**

The Board believes that the Acquisition will:

- (i) improve the future financial performance of the Group’s Vertical Domain Clouds business segment;
- (ii) enable C360 and Epicsoft to accelerate the development of its mobile and online games distribution platform targeted at premium users; and
- (iii) enhance C360’s and Epicsoft’s consumer marketing capabilities and optimize the user experience on all relevant platforms operated by the C360 group.

**4. CONSIDERATION**

The Consideration was arrived at on a willing seller and willing buyer basis, after negotiations which were conducted at arm’s length between the parties, and takes into account, *inter alia*, the net asset value and net profit before tax of Playworks based on its management accounts as at 13 October 2014.

The Consideration is funded using internal resources. The Acquisition is not expected to have any material impact on the consolidated net tangible assets and earnings per share of the Group for the current financial year ending 31 December 2014.

As none of the relative figures computed based on Rule 1006 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities trading Limited (the “**SGX-ST**”) is more than 5%, the Acquisition constitutes a non-disclosable transaction.

## 5. INSPECTION OF DOCUMENT

The sale and purchase agreement for the Acquisition is available for inspection during normal business hours from 9.00 a.m. to 5.00 p.m. at DeClout’s registered office at 29 Tai Seng Avenue, #05-01 Natural Cool Lifestyle Hub, Singapore 534119 for a period of 3 months from the date of this announcement.

## 6. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors or the controlling shareholders of the Company or their respective associates has any interest, direct or indirect, in the Acquisition, other than through their respective shareholdings in the Company.

## 7. RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm, after making all reasonable enquiries, that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Acquisition, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

BY ORDER OF THE BOARD  
**DECLOUT LIMITED**

Wong Kok Khun  
Chairman and Group Chief Executive Officer  
4 December 2014

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*This announcement has been prepared by the Company and its contents have been reviewed by the Company’s sponsor (“**Sponsor**”), Canaccord Genuity Singapore Pte. Ltd., for compliance with the relevant rules of the SGX-ST.*

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

*The contact person for the Sponsor is Ms Karen Soh, Managing Director, Corporate Finance, Canaccord Genuity Singapore Pte. Ltd. at 77 Robinson Road #21-02 Singapore 068896, telephone (65) 6854-6160.*