

## **DISPOSAL OF A SUBSIDIARY, PORTWELL INVESTMENTS LIMITED**

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### **1. INTRODUCTION**

Pursuant to Rule 704(18) of the Listing Manual of the Singapore Exchange Securities Trading Limited (“**Listing Manual**”), the Board of Directors of Attilan Group Limited (the “**Company**”) wishes to announce that its wholly-owned subsidiary, Asiasons Investment Ltd (“**AIL**”), has on 25 May 2015, entered into a sale and purchase agreement (“**SPA**”) with TAP Investments Ltd. (“**TAP**”) for the disposal (“**Disposal**”) of 10,000 ordinary shares (“**Sale Shares**”) constituting the entire issued and paid-up share capital of Portwell Investments Limited (“**Portwell**”).

The objective of the Disposal is to enable the Company and its subsidiaries (the “**Group**”) to procure liquidity for its long term assets and at the same time reduce both the short and long term debt and liabilities.

### **2. ABOUT PORTWELL**

Portwell is a private company incorporated in the British Virgin Islands on 12 August 2010 with an issued and paid-up share capital of US\$10,000 comprising 10,000 ordinary shares, and is an investment holding company. As of the date of this announcement, AIL owns the entire issued and paid-up share capital of Portwell.

By way of an internal restructuring of the assets and liabilities of the Group prior to the Disposal, Portwell (a subsidiary of the Company) took over certain long term assets together with certain short and long term debts and liabilities of the Group. Its assets comprise: (i) 58.93% of certain economic rights and entitlement to the future proceeds to be derived from the sale and disposal of the shares in Chaswood Resources Holdings Ltd. (a Catalist listed company) (“**Chaswood Shares**”) that are currently legally and beneficially owned by the Group; and (ii) AIL’s fund subscription in Dragonrider Opportunity Fund II L.P.. As Portwell has only taken over certain economic rights and entitlement to the future proceeds to be derived from the sale and disposal of Chaswood Shares, the entire legal and beneficial ownership of the Chaswood Shares and all the voting rights attached thereto have been wholly retained by the Group, which will continue to control such Chaswood Shares and exercise its rights over these voting shares at its absolute discretion.

In respect of the short and long term debts and liabilities taken over by Portwell, they amount to an aggregate of approximately S\$30 million. *As at 31 March 2015 (being the latest available financial information at the date of this announcement)*, Portwell is in a net liability position of S\$574,179 based on the Group’s unaudited financial statement as at 31 March 2015.

### **3. THE CONSIDERATION**

- 3.1 The purchase consideration payable by TAP for the Sale Shares is Singapore Dollar One (S\$1) and will be satisfied in cash (“**Consideration**”) on completion. The Consideration was arrived at on a willing buyer, willing seller basis taking into account, inter alia, the unaudited net liability position of Portwell of S\$574,179 as at 31 March 2015 (being the latest available financial information of Portwell at the date of this announcement).
- 3.2 In regard to Rule 1006(b) of the Listing Manual, both Portwell and the Company have recorded a loss as at 31 March 2015, hence the calculation of the relative figures under Rule

1006 is not applicable. Save as aforesaid, none of the relative figures computed based on Rule 1006 of the Listing Manual exceeds 5%.

- 3.3 As the Company has announced its unaudited consolidated financial results for the first quarter ended 31 March 2015, the financial effects of the Disposal on the Group as at 31 March 2015 is set out in paragraph 4 below.

#### 4. FINANCIAL EFFECTS OF THE DISPOSAL

For illustration purposes only, the financial effects of the Disposal are calculated on the following bases and assumptions:-

- (i) The latest announced unaudited consolidated financial statements of the Company as at 31 March 2015;
- (ii) In relation to the Company's consolidated net tangible assets ("**NTA**") per Share, the financial effect is computed on the assumption that the Disposal was completed on 31 March 2015, and in relation to the Company's consolidated earnings per Share ("**EPS**"), the financial effect is computed on the assumption that the Disposal was completed on 1 January 2015; and
- (iii) Transaction costs are assumed to be at S\$30,000 for computational purposes.

##### 4.1 Share Capital

No Change.

##### 4.2 NTA per Share

	Before the Disposal	Change	After the Disposal
NTA (S\$)	(3,041,310)	530,968	(2,510,342)
Number of Shares	1,097,505,101	-	1,097,505,101
NTA per Share (cents)	(0.28)	0.05	(0.23)

##### 4.3 EPS

	Before the Disposal	Change	After the Disposal
Loss after tax attributable to owners of the Company (S\$)	(1,470,755)	464,290	(1,006,465)
Number of Shares	1,097,505,101	-	1,097,505,101
EPS (cents)	(0.13)	0.04	(0.09)

Both Portwell and the Company have recorded a loss as at 31 March 2015, hence the calculation of the relative figures under Rule 1006 is not applicable.

##### 4.4 Gearing

No Change.

Overall, the Disposal reduces the net liability position of the Company as illustrated above, which in turns improves the financial position of the Company.

**5. COMPLETION**

The completion of the Disposal will take place within 60 days from the date of the signing of the SPA or any other date mutually agreed by both parties. As the Sale Shares constitute the entire issued share capital of Portwell, the Disposal will result in Portwell ceasing to be a subsidiary of the Company upon completion.

**6. INTEREST OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS**

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

By Order of the Board

Datuk Jared Lim Chih Li  
Managing Director  
25 May 2015