



DISA Limited
 (formerly known as Equation Summit Limited)
 (Company Registration No. 197501110N)
 (Incorporated in the Republic of Singapore)
 (“Company” and together with its subsidiaries, the “Group”)

UPDATE ON THE PROPOSED SHARE CONSOLIDATION

Unless otherwise defined, all capitalised terms used herein shall bear the same meaning ascribed to them in the circular to shareholders dated 20 January 2017 (“Circular”).

1. INTRODUCTION

The board of directors (“Board”) of DISA Limited (“Company”, and together with its subsidiaries, the “Group”) refers to its announcements dated 27 December 2016 (“Announcement”), 17 February 2017 (“L&Q Announcement”) and the Circular. On 13 February 2017, the Company convened an extraordinary general meeting (“EGM”), where the Board sought and obtained the approval of the Company’s shareholders (“Shareholders”) for, *inter alia*, the Proposed Share Consolidation.

The Board wishes to announce that the Directors are now of the view that it is not an appropriate time for the Company to undertake the Proposed Share Consolidation and accordingly, the cancellation of the Proposed Share Consolidation.

As stated in the Circular, the main rationale for undertaking the Proposed Share Consolidation was, *inter alia*, (i) due to the relatively low prices of the Shares being traded; (ii) to reduce the percentage transaction cost for trading in each board lot of Shares, and (iii) to increase market interest and activity in the Shares and generally make the Shares more attractive to investors.

Since the Announcement and the EGM, the price of the shares of the Company (“Shares”) traded on Catalist has been closing at a consistently higher level than during the time before the Announcement. In addition, trading volume of the Shares has also been consistently higher than during the time before the Announcement, indicating a higher level of liquidity and market interest. The table below shows the highest and lowest market prices for the months from August 2016, up to the date immediately preceding this announcement, and the volume of traded Shares on Catalist for each month.

	Highest (S\$)	Lowest (S\$)	Volume of traded Shares (‘million)
August 2016	\$0.005	\$0.003	31
September 2016	\$0.005	\$0.002	78
October 2016	\$0.010	\$0.004	487
November 2016	\$0.013	\$0.009	760
December 2016	\$0.012	\$0.010	372
January 2017	\$0.035	\$0.013]	2,861
February 2017	\$0.037	\$0.025	3,794
March 2017	\$0.032	\$0.025	1,407
April 2017	\$0.031	\$0.026	501
1 May 2017 to the date immediately preceding this announcement	\$0.032	\$0.026	1,527

For the foregoing reasons, the Board is now of the view that the rationale for undertaking the Proposed Share Consolidation set out in the Circular is no longer as applicable under the current market circumstances. Accordingly, the Board has decided that it may not be in the best interests of the Company and the Shareholders to proceed with the Proposed Share Consolidation at this time.

For completeness, as the Shareholders had approved the resolution authorising the Proposed Share Consolidation at the EGM, the Company proposes to obtain the Shareholders' ratification of the Board's decision to not proceed with the Proposed Share Consolidation at the Company's forthcoming annual general meeting for the financial year ending 30 June 2017 ("**2017 AGM**").

2. LISTING AND QUOTATION NOTICE

As stated in the L&Q Announcement, the Company had received the listing and quotation notice ("**L&Q Notice**") from the SGX-ST in respect of the listing and quotation of the new shares arising from (i) up to 1,090,909,091 Conversion Shares and 196,363,636 Interest Shares pursuant to the Proposed Bond Subscription; and (ii) up to 277,863,588 Consolidated Shares pursuant to the Proposed Share Consolidation.

As the Company will not be proceeding with the Proposed Share Consolidation at this time, only the L&Q Notice in respect of the 277,863,588 Consolidated Shares pursuant to the Proposed Share Consolidation will lapse.

3. FURTHER ANNOUNCEMENTS

The Company will make further announcements, in compliance with the requirements of the Catalist Rules, as and when there are material developments in respect of the Proposed Share Consolidation, the 2017 AGM and other matters contemplated by this announcement.

4. DIRECTORS' 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 Proposed Share Consolidation and the Group, and the Board is 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.

5. CAUTION IN TRADING

Shareholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders are advised to refrain from taking any action in respect of their securities in the Company which may be prejudicial to their interests, and to exercise caution when dealing in the securities of the Company. In the event of any doubt, Shareholders should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

BY ORDER OF THE BOARD

CHNG WENG WAH

Executive Director

25 May 2017

*This announcement has been reviewed by the Company's sponsor, SAC Capital Private Limited ("**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**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.

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SAC Capital Private Limited is the parent company of SAC Advisors Private Limited.