ELEKTROMOTIVE GROUP LIMITED
(Registration No. 199407135Z)
(Incorporated in Singapore)

THE PROPOSED ISSUE OF 0% EQUITY LINKED REDEEMABLE STRUCTURED CONVERTIBLE NOTES DUE 2018 IN AGGREGATE PRINCIPAL AMOUNT OF UP TO S$20,000,000 ("PROPOSED ISSUE")

– **CONVERSION AND ALLOTMENT OF CONVERSION SHARES OF THE SEVENTEENTH SUB-TRANCHE OF TRANCHE 1 NOTES**

*This announcement has been reviewed by the Company's Sponsor, RHT Capital Pte. Ltd. ("**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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*All capitalized terms used in this announcement, unless otherwise defined herein, shall have the same meanings as ascribed thereto in the Company's circular to shareholders dated 4 May 2013 relating to the Proposed Issue of 0% Equity Linked Redeemable Structured Convertible Notes Due 2018 In Aggregate Principal Amount of Up To S$20,000,000 ("**Proposed Issue**") (the "**Circular**").*

The board of directors (the "**Board**" or "**Directors**") of the Company refers to the Circular and the announcements dated 10 July 2013, 11 July 2013, 17 July 2013, 31 July 2013, 1 August 2013, 14 August 2013, 15 August 2013, 20 August 2013, 23 August 2013, 10 September 2013, 17 September 2013, 18 September 2013, 25 September 2013, 30 September 2013, 14 November 2013, 19 November 2013, 27 November 2013, 5 December 2013, 13 December 2013, 27 December 2013, 7 January 2014, 15 January 2014, 23 January 2014, 3 February 2014, 11 February 2014, 19 February 2014, 28 March 2014 and 7 April 2014 in relation to the Proposed Issue.

The Company wishes to announce that the Subscriber, Advance Opportunities Fund, has on 3 June 2014 ("**Conversion Date**") exercised its right to convert the seventeenth sub-tranche of Tranche 1 Notes of a principal amount of $200,000 into 20,202,020 Conversion Shares, at the Floating Conversion Price of S$0.0099 for each Conversion Share in accordance with the terms and conditions of the Subscription Agreement.

The Floating Conversion Price of S$0.0099 was determined by taking 90% of the average of three consecutive closing prices per share as selected by the Noteholder, Advance Opportunities Fund, during the forty-five (45) Business Days on which Shares were traded on the SGX-ST, immediately preceding the Conversion Date.

The 20,202,020 Conversion Shares represent 3.84% of the total issued share capital of the Company as at the date of announcement, and 3.70% of the total enlarged issued share capital of the Company. With the issue of the 20,202,020 Conversion Shares, the total issued share capital of the Company shall increase from 525,423,956 ordinary shares to 545,625,976 ordinary shares.

The 20,202,020 Conversion Shares will be issued and allotted on 3 June 2014 and will be listed and quoted on SGX-ST on or about 6 June 2014. The Conversion Shares rank *pari passu* in all respects with the existing shares of the Company except that they do not rank for any dividend, rights, allotment or other distributions the record date for which is before the conversion date of the Notes.

By Order of the Board

Ricky Ang Gee Hing
Executive Vice-Chairman and Managing Director
3 June 2014