

**NEW WAVE HOLDINGS LTD.**

(Incorporated in the Republic of Singapore)

(Company Registration Number: 199906870Z)

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**PROPOSED PLACEMENT OF UP TO 150,000,000 NEW ORDINARY SHARES IN THE CAPITAL OF NEW WAVE HOLDINGS LTD. AT AN ISSUE PRICE OF S\$0.0092 PER PLACEMENT SHARE**

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**1. INTRODUCTION**

- 1.1 The board of directors (the “**Board**”) of New Wave Holdings Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) is pleased to announce that the Company has on 3 December 2015 entered into a conditional placement agreement (the “**Placement Agreement**”) with DBS Vickers Securities (Singapore) Limited as placement agent (the “**Placement Agent**”).
- 1.2 Pursuant to the Placement Agreement, the Company has agreed to offer, by way of placement, and the Placement Agent has agreed to procure subscriptions on a best endeavours basis for, an aggregate of up to 150,000,000 new ordinary shares in the capital of the Company (the “**Placement Shares**”), at an issue price of S\$0.0092 per Placement Share (the “**Issue Price**”), amounting to an aggregate consideration of up to S\$1,380,000 (the “**Proposed Placement**”).
- 1.3 Assuming that the Placement Shares are fully subscribed, the Placement Shares represent approximately 10.3% of the existing issued and paid-up share capital of the Company of 1,457,469,695 ordinary shares as at the date of this announcement. Immediately after completion of the Proposed Placement and assuming that no further shares are issued prior thereto, the Proposed Placement will increase the issued and paid-up share capital of the Company to 1,607,469,695 ordinary shares and the Placement Shares represent approximately 9.3% of the enlarged issued and paid-up share capital of the Company. There are currently no treasury shares held by the Company.

**2. GENERAL MANDATE**

- 2.1 The Placement Shares will be allotted and issued pursuant to the general mandate granted by the shareholders of the Company (the “**Shareholders**”) at the annual general meeting of the Company held on 30 July 2015 (the “**General Mandate**”). As such, no circular will be issued by the Company in connection with the Proposed Placement.
- 2.2 Under the General Mandate, the Board is authorised to issue new shares in the capital of the Company, on the basis that the total number of issued shares and instruments to be issued other than on a *pro rata* basis to existing Shareholders must be not more than 50% of the total number of issued shares (excluding treasury shares) in the capital of the Company as at the time of the passing of the resolution approving the General Mandate (the “**Relevant Time**”), after adjusting for, amongst other, new shares arising from the conversion or exercise of any instruments.

The total number of ordinary shares (excluding treasury shares) in the capital of the Company as at the Relevant Time was 1,457,469,695. As at the date of this announcement, the Company has not issued any Shares under the General Mandate, and no event has occurred which would result in any adjustment in the number of Shares on which the General Mandate is based. As such, the maximum number of shares that may be issued pursuant to the General Mandate other than on a pro rata basis to existing shareholders is 728,734,847 ordinary shares.

### 3. PRINCIPAL TERMS OF THE PROPOSED PLACEMENT

#### 3.1 Issue Price

The Issue Price represents a discount of approximately 9.8% to the volume weighted average price of the Shares of S\$0.0102 per Share for trades done on the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) on 3 December 2015 (being the full market day on which the Placement Agreement was signed), and was commercially agreed between the Company and the Placement Agent after arm’s length negotiations. The discount of 9.8% is within the 10% discount limit as stated in Rule 811 of the SGX-ST Listing Manual Section B: Rules of Catalist (“**Rules of Catalist**”).

#### 3.2 Ranking

The Placement Shares, when allotted and issued, shall be issued free from all claims, charges, liens and other encumbrances whatsoever and shall rank *pari passu* in all respects with and carry all rights similar to the existing ordinary shares, except that they will not rank for any dividend, right, allotment or other distributions, the record date for which falls on or before the date of issue of the Placement Shares.

#### 3.3 Conditions

Completion under the Placement Agreement is conditional upon:

- (i) approval in-principle being obtained from the SGX-ST for the listing and quotation of the Placement Shares on the Official List of the Catalist (the “**Approval In-principle**”);
- (ii) the allotment, issue and subscription of the Placement Shares not being prohibited by any statute, order, rule, regulation or directive promulgated or issued after the date of the Placement Agreement by any legislative, executive or regulatory body or authority of Singapore or elsewhere which is applicable to the Company or the Placement Agent;
- (iii) there having been, as at the completion date of the Placement Agreement (the “**Completion Date**”), no occurrence of any event nor the discovery of any fact rendering untrue or incorrect in any respect any of the warranties of the Company and the Placement Agent as if they were repeated on and as of the Completion Date; and
- (iv) the approval by the Board being obtained for the issuance of the Placement Shares pursuant to the Placement Agreement and all transactions contemplated under the Placement Agreement.

(collectively, the “**Conditions Precedent**”).

The Company and the Placement Agent have agreed that in the event that any of the Conditions Precedent are not fulfilled on or before the Completion Date, the Placement Agreement shall *ipso facto* cease and neither the Company nor the Placement Agent shall have any claim against the other, save for any antecedent breach of the terms of the Placement Agreement. In such an event, the Company has undertaken to return to the Placement Agent all subscription monies in full (and free from any deductions) that had been paid by the Placement Agent to the Company within a period of seven (7) days.

#### 3.4 Completion

Completion under the Placement Agreement (“**Completion**”) is expected to take place on the date falling fourteen (14) business days after the Approval In-principle has been granted by the SGX-ST for the listing and quotation of the Placement Shares on the Official List of the Catalist and the condition precedents having been fulfilled.

#### 3.5 Additional Listing Application

The Sponsor of the Company, PrimePartners Corporate Finance Pte. Ltd., will be making an application on behalf of the Company to the SGX-ST for the listing and quotation of the Placement Shares on the Official List of Catalist. The Company will make the necessary announcement in due course upon obtaining the Approval In-principle from the SGX-ST.

#### 3.6 Commission

In consideration of the Placement Agent procuring subscribers for the Placement Shares, the Company shall pay a commission of 1.5% of the aggregate Issue Price in respect of the Placement Shares which the Placement Agent has successfully obtained subscriptions for.

#### 3.7 General

Pursuant to the Placement Agreement, the Placement Agent has undertaken, *inter alia*, that it will not offer the Placement Shares for sale to or procure subscriptions from persons who fall within the categories set out in Rule 812(1) of the Rules of Catalist unless Rule 812(3) of the Rules of Catalist applies.

In addition, the issuance of the Placement Shares will not be made without the prior approval of the Company’s shareholders in a general meeting if such issuance would bring about a transfer of controlling interest.

There is no moratorium imposed on the Placement Shares.

### 4. **RATIONALE AND USE OF PROCEEDS**

- 4.1 Based on the Issue Price and assuming the Placement Shares will be taken up in full, the Proposed Placement will allow the Company to raise net cash proceeds (after

deducting estimated expenses of approximately S\$50,000) of approximately S\$1,330,000 (the “**Net Proceeds**”), which will be utilised as follows:

- (i) 70% of the Net Proceeds will be used to support business development and provide liquidity for business expansion through acquisitions, joint ventures and collaborations; and
  - (ii) 30% of the Net Proceeds will be used as general working capital purposes for the purchase of merchandise for the aluminum products distribution division.
- 4.2 The Company will make periodic announcements on the utilisation of the Net Proceeds as and when such Net Proceeds are materially disbursed, and whether the use of Net Proceeds is in accordance with the stated use and in accordance with the percentage allocated. The Company will also provide a status report on the utilisation of such Net Proceeds in the Company’s interim and full-year financial statements and annual report(s).
- 4.3 Pending deployment of the Net Proceeds, such proceeds may be deposited with banks and/or financial institutions, invested in short-term money market instruments or debt instruments or used for any other purposes on a short-term basis, as the Directors may, in their absolute discretion, deem fit from time to time.
- 4.4 The Company has decided to undertake the Proposed Placement to strengthen the Group’s financial position and flexibility to capitalise on growth opportunities. The Proposed Placement will result in an injection of funds into the Company to fund the growth of the Group’s business and for general working capital purposes.

## 5. **FINANCIAL EFFECTS OF THE PROPOSED PLACEMENT**

**For illustrative purposes only**, the financial effects of the Proposed Placement on the Group, as set out below, are prepared based on the audited consolidated financial statements of the Company and the Group for the financial year ended 31 March 2015 (“**FY2015**”), and are subject to the following assumptions:

- (i) the computations are purely for illustrative purposes only and do not reflect the actual financial results and financial position of the Group after completion of the Proposed Placement;
- (ii) for purposes of computing the effect of the Proposed Placement on the net asset value (“**NAV**”) per Share, it is assumed that the Proposed Placement had been completed on 31 March 2015; and
- (iii) for purposes of computing the effect of the Proposed Placement on the loss per Share (“**LPS**”), it is assumed that the Proposed Placement had been completed on 1 April 2014.

### 5.1 NAV per Share

The effect of the Proposed Placement on the NAV per Share of the Group for FY2015 is as follows:

	<b>Before the Proposed Placement</b>	<b>After the Proposed Placement</b>
Consolidated NAV attributable to Shareholders (S\$'000)	20,629	21,959
Number of Shares	1,457,469,695	1,607,469,695
Consolidated NAV per Share attributable to Shareholders (Singapore cents)	1.42	1.37

### 5.2 LPS

The effect of the Proposed Placement on the LPS of the Group for FY2015 is as follows:

	<b>Before the Proposed Placement</b>	<b>After the Proposed Placement</b>
Loss attributable to equity holders of the Company (S\$'000)	(721)	(721)
Weighted average number of Shares	1,457,469,695	1,607,469,695
LPS (Singapore cents)	(0.05)	(0.04)

## 6. **DIRECTORS' CONFIRMATION**

The Directors are of the opinion that, after taking into consideration the present bank facilities, the working capital available to the Group is sufficient to meet its present requirements.

Notwithstanding the above, the Company has decided to undertake the Proposed Placement as explained in Clause 4.4 above.

## 7. **NO PROSPECTUS OR OFFER INFORMATION STATEMENT TO BE ISSUED**

The Proposed Placement will be undertaken by way of a private placement to institutional investors and accredited investors in accordance with Sections 272B, 274 and 275 of the Securities and Futures Act (Chapter 289) of Singapore. As such, no prospectus or offer information statement will be lodged with the Monetary Authority of Singapore in connection with the Proposed Placement.

## **8. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS**

None of the Directors or, to the best of the Company's knowledge, the substantial shareholders of the Company, as well as their respective associates, has any interest, direct or indirect, in the Proposed Placement (other than through their respective shareholdings in the Company) except that the Placement Agent may elect to place the Placement Shares to substantial shareholders as permitted under Rule 812(3) of the Rules of Catalyst.

## **9. DOCUMENTS AVAILABLE FOR INSPECTION**

A copy of the Placement Agreement may be inspected at the registered office of the Company at 101 Kitchen Road, #02-17, Jalan Besar Plaza, Singapore 208511 during normal business hours for a period of three (3) months from the date of this announcement.

## **10. TRADING CAUTION**

Shareholders are advised to exercise caution in trading their shares in the Company. The Proposed Placement is subject to certain conditions. There is no certainty or assurance as at the date of this announcement that the Proposed Placement will be completed or that no changes will be made to the terms thereof. The Company will make the necessary announcements as and when there are further developments. Shareholders should consult their stock brokers, bank managers, solicitors or other professional advisors if they have any doubt as to the actions they should take.

## **11. 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 Placement and the Group, 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

Ong Kian Soon  
Chief Executive Officer  
3 December 2015

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*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**"), for compliance with the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalyst. The Sponsor has not verified the contents of this announcement.*

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

*The contact person for the Sponsor is Ms. Gillian Goh, Director, Head of Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone (65) 6229 8088.*