

**NEW SILKROUTES GROUP LIMITED**  
(Formerly known as Digiland International Limited)  
(Company Registration No. 199400571K)

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**UPDATE IN RELATION TO THE PROPOSED INVESTMENT IN THAI GENERAL NICE COAL AND COKE CO., LTD. – SUPPLEMENTAL AGREEMENTS**

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**1. INTRODUCTION**

The Board of Directors (the “**Board**”) of New Silkroutes Group Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the Company’s announcements dated 13 May 2011, 18 June 2013, 21 June 2013, 5 July 2013, 2 August 2013 and 16 December 2014 relating to the proposed investment in Thai General Nice Coal and Coke Co., Ltd. (“**Thai GNCC**”) (the “**Proposed Investment**”).

Unless specified herein or whether the context otherwise requires, all capitalised terms shall have the same meanings as defined in the Company’s announcement dated 13 May 2011 relating to the Proposed Investment.

**2. SUPPLEMENTAL AGREEMENT TO THE SALE AND PURCHASE AGREEMENT**

The Board wishes to announce that the Company has on 25 August 2015 entered into a supplemental agreement (the “**Supplemental SPA**”) to the sale and purchase agreement dated 13 May 2011 (the “**SPA**”) relating to the Proposed Investment. Pursuant to the Supplemental SPA, the key amendments to the SPA include the following:

- (a) instead of a registered capital of 700 million Thai Baht consisting of 7,000,000 shares, Thai GNCC currently has a registered capital of 5 billion Thai Baht, consisting of common stock of 50,000,000 shares of par value of 100 Thai Baht each. References to the registered capital of Thai GNCC in the SPA have been amended accordingly;
- (b) instead of acquiring a 15% stake in Thai GNCC, the Company shall acquire 6% stake, comprising 3,000,000 shares (the “**Sale Shares**”), in Thai GNCC;
- (c) accordingly, the purchase consideration for the Sale Shares shall be an amount equivalent to 6%, instead of 15%, of the fair market value of Thai GNCC as set out in a valuation report to be obtained from an independent valuer. Based on the valuation report that has been obtained, the purchase consideration for the Sale Shares shall be US\$30 million (equivalent to approximately S\$40,503,000 based on an exchange rate of US\$1.00:S\$1.3501 as at 30 June 2015);
- (d) the SPA previously contained a condition precedent that the fair market value of Thai GNCC stated in the valuation report to be obtained in relation to Thai GNCC shall not exceed S\$300 million. This condition precedent has been removed;
- (e) the SPA previously provided that at completion, the Company shall be entitled to nominate a person to be appointed as the director of Thai GNCC. This clause has been removed;
- (f) the Option Shares previously represented a 15% stake in Thai GNCC and comprised 1,050,000 shares. The Option Shares have been amended to represent a 14% stake

in Thai GNCC, comprising 7,000,000 shares in Thai GNCC (taking into account the change in registered capital of Thai GNCC (as detailed in paragraph (a) above));

- (g) the SPA previously provided that the option period for the exercise of the Option shall be the period commencing from the date of the SPA and expiring on the date of completion of the SPA. The option period has been amended to mean the period commencing from the date of completion of the SPA and expiring at 5.00 p.m. on the date falling 36 months thereafter (or such later date as the parties may agree in writing);
- (h) due to the change in number of Option Shares, the SPA now provides that the price for the Option Shares shall be the value of the Option Shares, being an amount equivalent to 14% of the fair market value of the Company as stated in a valuation report to be obtained from an independent valuer. As the option period has been extended to up to 36 months after completion, it has been clarified that the valuation report on which the price for the Option Shares is based shall be a valuation report to be obtained from an independent valuer during the three months' period before the exercise of the Option (the "**Option Valuation Report**");
- (i) a new condition precedent is inserted into the SPA such that completion is also conditional upon Thai GNCC having obtained an electricity licence from the Industrial Department in Thailand and having secured an electricity supply agreement with the power grid operator in Thailand in order to supply electricity to the power grid; and
- (j) a new condition precedent is inserted into the SPA such that the Vendor shall on or prior to completion execute an irrevocable letter of undertaking in a form acceptable to the Company providing the following:
  - (i) the Vendor shall procure that Thai GNCC shall not issue any additional equity securities or debt securities which are convertible or exchangeable for any equity security unless the prior approval of the Company is obtained;
  - (ii) in the event that the Vendor proposes to transfer, sell or dispose of its shares in Thai GNCC resulting in the Vendor holding less than a 50% stake in Thai GNCC (the "**Vendor's Exit**"), the Vendor shall unconditionally and irrevocably grant to the Company a right of first refusal to purchase such shares proposed to be transferred, sold or disposed of, at the same price and on the same terms and conditions as those offered to or by any person to whom the Vendor proposes to transfer the shares (whose identity shall be notified in writing to the Company); and
  - (iii) subject to the pre-emption provisions set out in the preceding paragraph having first been followed and the Company not exercising its pre-emptive rights to purchase the shares in Thai GNCC, the Company shall have the right to elect to participate in the Vendor's Exit by requiring the Vendor to ensure that the Company may sell its shares in Thai GNCC to the same transferee on the same terms and conditions as those of the proposed Vendor's Exit; and
  - (iv) any purported issue of shares by Thai GNCC or transfer of shares in Thai GNCC by the Vendor in violation of any of paragraphs (i)-(iii) shall be null and void and of no force and effect and the purported allottee and transferee of the shares shall have no rights or privileges in or with respect to Thai GNCC or the shares purported to have been so allotted or transferred.

**3. SUPPLEMENTAL AGREEMENT TO THE OPTION AGREEMENT**

The Company had on 13 May 2011 entered into an option agreement pursuant to the SPA in relation to the Option and the Option Shares (the “**Option Agreement**”). Accordingly, the Company has on 25 August 2015 also entered into a supplemental agreement to the Option Agreement, which incorporates the amendments relating to the Option and/or Option Shares as set out above.

**4. DESPATCH OF CIRCULAR**

The Company intends to convene an extraordinary general meeting (“**EGM**”) to seek the approval of the Shareholders for the Proposed Investment. The circular containing, *inter alia*, the notice of the EGM and details of the Proposed Investment will be despatched to the Shareholders in due course.

Shareholders are advised that completion of the Proposed Investment is subject to conditions precedents being fulfilled and there is no certainty or assurance that the Proposed Investment will be completed or that no further changes will be made to the terms of the SPA. Accordingly, Shareholders are advised to exercise caution in dealings with the Shares, to read this announcement and any further update announcement(s) released by the Company carefully and should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

**5. DOCUMENTS AVAILABLE FOR INSPECTION**

A copy of the Supplemental Agreement and the supplemental agreement to the Option Agreement, together with the SPA, is available for inspection during normal business hours at the registered office of the Company for three (3) months from the date of this announcement.

**BY ORDER OF THE BOARD**

Lim Koon Hock  
Company Secretary  
25 August 2015