



TRIYARDS HOLDINGS LIMITED
(Incorporated in Singapore)
(Company Registration Number: 201210555Z)

PROPOSED PLACEMENT OF UP TO 29,500,000 NEW ORDINARY SHARES IN THE CAPITAL OF TRIYARDS HOLDINGS LIMITED

1. BACKGROUND

The Board of Directors (the "**Board**") of Triyards Holdings Limited (the "**Company**") and together with its subsidiaries, the "**Group**") wishes to announce that the Company has on 17 September 2014 entered into a placement agreement (the "**Placement Agreement**") with UOB Kay Hian Private Limited as placement agent (the "**Placement Agent**"). Pursuant to the Placement Agreement, the Company has agreed to allot and issue up to 29,500,000 new ordinary shares (the "**Placement Shares**") in the capital of the Company at a placement price of S\$0.70 (the "**Placement Price**") for each Placement Share, and the Placement Agent has agreed to procure the subscription and payment for the Placement Shares at the Placement Price for each Placement Share on a best endeavours basis (the "**Placement**").

The Company shall pay to the Placement Agent a commission comprising a placement commission of 2.0% of the gross proceeds raised from the Placement (the "**Gross Proceeds**") and an incentive fee of up to 1.0% of the Gross Proceeds to be determined by the Company in its sole discretion pursuant to the Placement Agreement.

2. THE PLACEMENT

2.1 The Placement Shares

The Placement Shares will be placed by the Placement Agent to placees pursuant to Section 272B of the Securities and Futures Act (Cap 289) of Singapore (the "**SFA**"), institutional investors pursuant to Section 274 of the SFA, and/or accredited investors pursuant to Section 275 of the SFA.

The Company will be making an application to the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for the admission of the Placement Shares to the Official List of the SGX-ST and for the listing of and quotation for the Placement Shares on the SGX-ST. The Company will make the necessary announcement once the in-principle approval for the listing of and quotation for the Placement Shares has been obtained from the SGX-ST.

The Placement Price of S\$0.70 for each Placement Share was arrived at pursuant to discussions with the Placement Agent, taking into account, among others, the prevailing market price of the shares of the Company ("**Shares**"), and represents a discount of approximately 8.33% to the volume weighted average price of S\$0.7636 per Share for trades done on the Shares on the Official List of the SGX-ST on 15 September 2014, being the preceding full market day during which the Shares were traded prior to the trading halt of the Shares with effect from 9.00 a.m. on 16 September 2014.

*The Company's admission to and listing on the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") was sponsored by Oversea-Chinese Banking Corporation Limited (the "**Issue Manager**"). The Issue Manager assumes no responsibility for the contents of this announcement.*

The Placement Shares are intended to be issued at the Placement Price pursuant to the general mandate obtained at the annual general meeting of the Company held on 16 December 2013 which authorises the Directors of the Company pursuant to Section 161 of the Companies Act (Chapter 50), Rule 806 of the Listing Manual of the SGX-ST and the Articles of Association of the Company, to allot and issue new shares of up to 20% of the Company's issued share capital if such shares are not issued on a pro-rata basis to existing shareholders (the "**Share Issue Mandate**").

Assuming that the Placement is fully subscribed, the Placement Shares represent approximately 10.0% of the issued and paid up share capital of the Company of 295,008,913 Shares at the time the approval for the Share Issue Mandate was granted and when issued and fully paid, will rank *pari passu* in all respects with the existing Shares save that they shall not rank for any entitlements, distributions, dividends or rights (if any), the record date in respect of which falls on or prior to the date of completion of the Placement.

Upon completion of the Placement and assuming that the Placement is fully subscribed, the Company's issued and paid up share capital will increase from 295,008,913 Shares as at the date of this announcement, to 324,508,913 Shares. The Placement Shares represent approximately 10.0% of the existing issued and paid up share capital of the Company as at the date of this announcement, and approximately 9.1% of the enlarged issued and paid up share capital of the Company after the Placement.

2.2 **Conditions**

Completion of the Placement is conditional upon, among others:

- (i) in-principle approval for the additional listing application for the listing and quotation of the Placement Shares on the SGX-ST being obtained from the SGX-ST and not having been revoked or amended and, where such approval is subject to conditions, such conditions being acceptable to the Placement Agent, and to the extent that any conditions for the listing and quotation of the Placement Shares on the SGX-ST are required to be fulfilled on or before the date of completion of the Placement, they are so fulfilled;
- (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 which is applicable to the Company or the Placement Agent;
- (iii) the Company having the full authority for the allotment and issuance of the Placement Shares and such authority being in full force and effect and not having been revoked, cancelled, terminated or varied on the date of completion of the Placement;
- (iv) there not having occurred, on or before the date of completion date of the Placement, in the opinion of the Placement Agent, any material adverse change or any development involving a prospective material adverse change, whether or not arising from transactions in the ordinary course of business, subsequent to the date of the Placement Agreement which is or is likely to be materially adverse in the context of the Placement or is likely to prejudice materially the success of the Placement or dealings in the Placement Shares in the secondary market; and
- (v) the representations, warranties and undertakings in the Placement Agreement remaining true and correct in all respects as at the date of completion of the Placement and the Company having performed all of its obligations under the Placement Agreement to be performed on or before the date of completion of the Placement.

If any of the conditions set out in the Placement Agreement are not satisfied or waived on or before the date falling six (6) weeks after the date of the Placement Agreement or such other date

as the parties may mutually agree, the Placement Agreement shall terminate and shall be of no further effect and no party shall be under any liability to the other in respect of the Placement Agreement.

3. FINANCIAL EFFECTS OF THE PLACEMENT

The table illustrates the financial effects of the Placement, which are strictly for illustrative purposes and do not necessarily reflect the actual future financial position and results of the Group following the completion of the Placement, on (i) the net tangible asset (“**NTA**”) per Share (assuming the Placement had been completed at the end of that financial year); and (ii) the earnings per Share (“**EPS**”) (assuming that the Placement had been completed at the beginning of that financial year) based on the audited financial statements of the Group for the financial year ended 31 August 2013 (whose reporting currency is in US\$) are set out below:

	Before the Placement	After the Placement
NTA per Share (US cents) ⁽¹⁾	47.46	48.01
EPS (US cents) ⁽²⁾	11.71	10.55

Notes:

- (1) Based on the exchange rate of S\$1:US\$0.7903 as at 15 September 2014, the NTA per Share before and after the Placement are 60.05 cents and 60.74 cents respectively.
- (2) Based on the exchange rate of S\$1:US\$0.7903 as at 15 September 2014, the EPS before and after the Placement are 14.82 cents and 13.35 cents respectively.

4. RATIONALE OF THE PLACEMENT AND USE OF PROCEEDS

The Board is of the view that the Placement is beneficial to the Group as it will support future growth of the Group and augment its working capital.

Assuming that the Placement is fully subscribed, the estimated net proceeds from the Placement (the “**Net Proceeds**”), after deducting estimated expenses pertaining to the Placement of approximately S\$0.69 million, will be approximately S\$19.96 million. The Company intends to utilise the Net Proceeds in the following manner:

- (a) Up to 90% of the Net Proceeds will be used to fund business expansion, including but not limited to capital expenditure, expansion of markets in relation to the Group’s existing business, its product range and acquisition(s); and
- (b) the balance will be utilised for general corporate purposes and working capital.

Pending the deployment of the Net Proceeds for the purposes mentioned above, such Net Proceeds may be placed as deposits with financial institutions and/or invested in short-term money market or debt instruments and/or for any other purposes on a short-term basis, as the Directors may deem appropriate in the interests of the Group.

The Company will make periodic announcements on the utilisation of the Net Proceeds as and when such funds are materially disbursed and whether such utilisation is in accordance with the utilisation and percentage allocated stated in this announcement. Where there is any material deviation from the stated use of Net Proceeds in this announcement, the Company will announce the reasons for such deviation. The Company will also provide a status report on the utilisation of

the Net Proceeds in the Company's annual report.

5. GENERAL

None of the Placement Shares will be offered or placed to any person who is a director or a substantial shareholder of the Company, or any other person in the categories as set out in Rule 812(1) of the Listing Manual of the SGX-ST.

None of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in the Placement.

By order of the Board

Yeo Keng Nien
Company Secretary
17 September 2014