



**SGX/MEDIA RELEASE  
For Immediate Release**

Company Registration Number 200413014R  
15 Hoe Chiang Road, #12-05 Tower Fifteen, Singapore 089316

**Singapore and Australia  
6 April 2018**

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**PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF UP TO 752,402,733  
NEW ORDINARY SHARES (“SHARES”) IN THE CAPITAL OF AUSGROUP LIMITED**

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**1 INTRODUCTION**

**1.1. Proposed Placement**

The board (the “**Board**”) of directors (the “**Directors**”) of AusGroup Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to its announcement to shareholders dated 29 March 2018 (“**Previous Announcement**”) relating to the entry into conditional subscription agreements (“**Subscription Agreements**” and each a “**Subscription Agreement**”) for the proposed placement of up to 750,000,000, 200,000,000 and 100,000,000 new ordinary shares (the “**Subscription Shares**”) in the capital of the Company to Asdew Acquisitions Pte. Ltd. (“**Asdew**”), Mr. Toh Bee Yong Bernard (“**Mr. Bernard Toh**”) and Mr. Poh Boon Kher Melvin (“**Mr. Melvin Poh**”), respectively (“**Proposed Placement**”), provided that the aggregate Subscription Shares allotted and issued to Asdew and its concert parties shall not exceed 29.9% of the enlarged issued and paid-up share capital of the Company immediately following the completion of the Proposed Placement and Rights Issue (as defined below) (“**Enlarged Share Capital**”).

As disclosed in the Previous Announcement, pursuant to the Subscription Agreement, Asdew shall, upon the incorporation of AOC Acquisitions Pte. Ltd. (“**AOC**”) as its 51% subsidiary, transfer all its rights, obligations and liabilities under the Subscription Agreement by way of novation, such that AOC shall be bound by the terms and conditions of the Subscription Agreement as if it were an original party to it in place of Asdew.

The Proposed Placement is subject to, *inter alia*, the receipt of the approval in-principle from the SGX-ST for the listing and quotation of the Rights Shares (as defined below) and the Company’s lodgement of an Offer Information Statement (as defined below).

Any capitalised but undefined terms used herein shall have the same meaning as ascribed to it in the Previous Announcement. Shareholders are advised to read this announcement and the Previous Announcement carefully in their entirety.

**1.2. Rights Issue**

The Board wishes to further announce that the Company is undertaking a proposed renounceable non-underwritten rights issue (the “**Rights Issue**”) of up to 752,402,733 new ordinary shares in the capital of the Company (the “**Rights Shares**”) at an issue price of S\$0.035 for each Rights Share (the “**Issue Price**”), on the basis of one (1) Rights Share for every two (2) existing ordinary shares in the capital of the Company (the “**Shares**”) held by the shareholders of the Company (the “**Shareholders**”) as at a time and date to be determined by the Directors on which the register of members and the share transfer books of the Company will be closed for the purpose of determining the Shareholders’ entitlements under the Rights

Issue (the “**Books Closure Date**”), fractional entitlements to be disregarded.

### 1.3. **Shareholders’ Approval**

Pursuant to Rule 816(2) of the listing manual (“**Listing Manual**”) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”), the Rights Issue is subject to, *inter alia*, the approval of Shareholders, which will be sought at an extraordinary general meeting (“**EGM**”) to be convened. Further to the Previous Announcement and this announcement, a circular to Shareholders (“**Circular**”) containing further information on the Rights Issue, the Proposed Placement, together with the notice of EGM, will be despatched to Shareholders in due course.

### 1.4. **Conditionality**

The proposed resolutions on the Rights Issue and the Proposed Placement are inter-conditional upon each other. This means that if any of the proposed resolutions are not approved by Shareholders at the EGM, the other proposed resolution shall not be duly approved.

Shareholders should note that both the resolutions for the Rights Issue and the Proposed Placement are conditional upon the consent of the holders (“**Noteholders**”) being obtained for the restructuring of the S\$110,000,000 8.45% notes due 2018 issued by the Company pursuant to its S\$350,000,000 Multicurrency Debt Issuance Programme established on 22 September 2014, as amended pursuant to the Company’s consent solicitation exercise in 2016 (“**Notes**”). As disclosed in the Previous Announcement, the Company will make further announcements on SGXNET as and when the Company proposes to convene any informal meetings with the Noteholders.

## 2 **PRINCIPAL TERMS OF THE RIGHTS ISSUE**

### 2.1 **Basis of Provisional Allotment**

The Company is proposing to issue up to 752,402,733 Rights Shares at the Issue Price pursuant to the Rights Issue, in order to raise gross proceeds of up to S\$26,334,095.66. The Rights Issue is proposed to be made on a renounceable non-underwritten basis to Entitled Shareholders (as defined below) on the basis of one (1) Rights Share for every two (2) existing Shares held by Shareholders as at the Books Closure Date, fractional entitlements to be disregarded.

### 2.2 **Size of the Rights Issue**

As at the date of this announcement, the issued share capital of the Company (excluding treasury shares) comprises 1,504,805,466 Shares (the “**Existing Share Capital**”).

Based on the Existing Share Capital as at the date of this announcement and assuming that the maximum amount of Subscription Shares are issued pursuant the terms of the Proposed Placement:

- (a) assuming that none of the Entitled Shareholders (as defined below) except for the Undertaking Shareholders (as defined below) subscribe and pay for their pro rata entitlements of Rights Shares under the Rights Issue pursuant to the Irrevocable Undertakings (as defined below), the Company will issue:
  - (i) 141,406,737 Rights Shares to the Undertaking Shareholders;
  - (ii) 732,800,000 Subscription Shares to Asdew or AOC (as the case may be) pursuant to the Proposed Placement;
  - (iii) 200,000,000 Subscription Shares to Mr. Bernard Toh pursuant to the Proposed Placement; and

- (iv) 100,000,000 Subscription Shares to Mr. Melvin Poh pursuant to the Proposed Placement,

(“**Minimum Subscription Scenario**”). Upon the completion of the allotment and issuance of the Rights Shares pursuant to the Minimum Subscription Scenario, the Enlarged Share Capital of the Company will increase to 2,679,012,203 Shares; and

- (b) assuming that all Entitled Shareholders (as defined below) subscribe for their respective pro rata entitlements to Rights Shares under the Rights Issue, the Company will issue:

- (i) 752,402,733 Rights Shares;
- (ii) 750,000,000 Subscription Shares to Asdew or AOC (as the case may be) pursuant to the Proposed Placement;
- (iii) 200,000,000 Subscription Shares to Mr. Bernard Toh pursuant to the Proposed Placement; and
- (iv) 100,000,000 Subscription Shares to Mr. Melvin Poh pursuant to the Proposed Placement,

(“**Maximum Subscription Scenario**”). Upon the completion of the allotment and issuance of the Rights Shares pursuant to the Maximum Subscription Scenario, the Enlarged Share Capital of the Company will increase to 3,307,208,199 Shares.

Pursuant to the Irrevocable Undertakings (as defined below), Asdew will hold an aggregate of 68,326,974 Shares after subscribing and paying for all of its provisional allotments under the Rights Issue, being 22,775,658 Rights Shares. For illustrative purposes only, under the Minimum Subscription Scenario, AOC will subscribe for 732,800,000 Subscription Shares, and will collectively with Asdew hold 801,126,974 Shares representing approximately 29.90% of the Enlarged Share Capital pursuant to the Rights Issue and Proposed Placement comprising 2,679,012,203 Shares. For further illustrative purposes, under the Maximum Subscription Scenario, AOC will subscribe for 750,000,000 Subscription Shares, and will collectively with Asdew hold 818,326,974 Shares representing approximately 24.74% of the Enlarged Share Capital pursuant to the Rights Issue and Proposed Placement comprising 3,307,208,199 Shares.

**Pursuant to the terms and conditions of the Proposed Placement, in the event of the Minimum Subscription Scenario, the Company shall not allot and issue, and AOC shall not subscribe for the aggregate number of 750,000,000 Subscription Shares, but instead will only subscribe for 732,800,000 Subscription Shares under the Subscription Agreement, such that AOC and its concert parties shall not exceed 29.90% of the Enlarged Share Capital pursuant to the Minimum Subscription Scenario.**

For illustrative purposes, Appendix A to this announcement sets out an indicative shareholding interests of directors, substantial shareholders and the Subscribers of the Company in the event of a Minimum Subscription Scenario and the Maximum Subscription Scenario.

### 2.3 Issue Price

The Issue Price of S\$0.035 per Rights Share represents a discount of approximately 25.37% to the weighted average price of S\$0.0469 per Share (“**Closing Price**”) for trades done on the SGX-ST on 28 March 2018, being the full Market Day (as defined herein) immediately preceding the release of the Previous Announcement on which Shares were traded on the SGX-ST. For the purposes of this announcement, a “**Market Day**” means a day on which the SGX-ST is open for trading in securities.

## 2.4 **Ranking**

The Rights Shares are payable in full upon acceptance and application by Entitled Shareholders (as defined below). The Rights Shares will, upon allotment and issue, rank *pari passu* in all respects with the then existing Shares, save for any dividends, rights, allotments or other distributions, the record date for which falls before the date of issue of the Rights Shares. For this purpose, a “**record date**” means, in relation to any dividends, rights, allotments or other distributions, the date as at the close of business (or such other time as may have been notified by the Company) on which the Shareholders must be registered with the Company or The Central Depository (Pte) Limited (the “**CDP**”), as the case may be, in order to participate in such dividends, rights, allotments or other distributions.

## 2.5 **Provisional Allotments and Excess Applications**

Entitled Shareholders (as defined below) will be at liberty to accept (in full or in part), decline, or otherwise renounce or trade (during the provisional allotment trading period prescribed by the SGX-ST) their provisional allotment of Rights Shares and will be eligible to apply for additional Rights Shares in excess of their provisional allotments under the Rights Issue.

Fractional entitlements to the Rights Shares will be disregarded in arriving at the Entitled Shareholders’ provisional allotments of Rights Shares and will, together with the provisional allotments of Rights Shares which are not taken up or allotted for any reason, be aggregated and allotted to satisfy excess applications for Rights Shares (if any), or disposed of or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interest of the Company.

It is hereby disclosed and confirmed that, in the allotment of excess Rights Shares, preference will be given to the rounding of odd lots, and the Directors and substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation (direct or through a nominee) on the board of the Company, will rank last in priority for rounding of odd lots and allotment of excess Rights Shares. The Company will also not make any allotment and issue of any excess Rights Shares that will result in a transfer of controlling interest in the Company unless otherwise approved by Shareholders in a general meeting.

## 2.6 **Non-Underwritten Rights Issue**

In view of the savings enjoyed for not having to bear underwriting fees, the Company has decided to proceed with the Rights Issue on a non-underwritten basis.

## 2.7 **Option to Scale Down**

Pursuant to Rule 820 of the Listing Manual, depending on the level of subscription for the Rights Shares, the Company may at its discretion, with the approval of the SGX-ST, scale down the subscription for the Rights Shares by any of the Shareholders to avoid placing the relevant Shareholder in the position of incurring a mandatory general offer obligation under the Singapore Code on Take-overs and Mergers (the “**Takeover Code**”) as a result of other Shareholders not taking up their Rights Shares entitlement fully.

Shareholders who are in doubt as to their obligations, if any, to make a mandatory general offer under the Takeover Code as a result of any acquisition of Rights Shares pursuant to the Rights Issue or the acceptance of the provisional allotment of Rights Shares or the application for Excess Rights Shares, should consult the Council and/or their professional advisers immediately.

## 2.8 **Offer Information Statement**

The terms and conditions of the Rights Issue are subject to such changes as the Directors may in their absolute discretion deem fit. The final terms and conditions of the Rights Issue will be

contained in the Offer Information Statement (as defined below) and its accompanying documents to be lodged with the Monetary Authority of Singapore (the “**MAS**”). The Offer Information Statement (as defined below) will be dispatched by the Company to Entitled Shareholders (as defined below) in due course.

### **3 ELIGIBILITY TO PARTICIPATE IN THE RIGHTS ISSUE**

The Company proposes to provisionally allot the Rights Shares to the Entitled Shareholders, comprising Entitled Depositors and Entitled Scripholders (each as defined below and collectively, the “**Entitled Shareholders**”), on the basis of their shareholdings as at the Books Closure Date. Entitled Shareholders will be entitled to participate in the Rights Issue and receive the offer information statement to be issued by the Company in connection with the Rights Issue (the “**Offer Information Statement**”) together with the appropriate application forms and accompanying documents at their respective Singapore addresses as maintained with the records of CDP or the Company’s share registrar, M & C Services Private Limited (the “**Share Registrar**”), as the case may be.

#### **3.1 Entitled Depositors**

Shareholders whose securities accounts with CDP are credited with Shares as at 5.00 p.m. (Singapore time) on the Books Closure Date (the “**Depositors**”) will be provisionally allotted Rights Shares on the basis of the number of Shares standing to the credit of their securities accounts with CDP as at 5.00 p.m. (Singapore time) on the Books Closure Date.

To be “**Entitled Depositors**”, Depositors must have registered addresses in Singapore with CDP as at the Books Closure Date or if they have registered addresses outside Singapore must provide CDP, at 9 North Buona Vista Drive, #01-19/20 The Metropolis, Singapore 138588, with addresses in Singapore not later than 5.00 p.m. (Singapore time) on the date falling three (3) Market Days prior to the Books Closure Date, in order to receive their provisional allotments of Rights Shares.

#### **3.2 Entitled Scripholders**

Shareholders whose share certificates are not deposited with CDP and whose Shares are not registered in the name of CDP (the “**Scripholders**”) will have to submit duly completed and stamped transfers (in respect of Shares not registered in the name of CDP), together with all relevant documents of title, so as to be received up to 5.00 p.m. (Singapore time) on the Books Closure Date by the Share Registrar in order to be registered to determine the transferee’s provisional allotments of Rights Shares.

To be “**Entitled Scripholders**”, Scripholders must have registered addresses in Singapore with the Company as at the Books Closure Date or if they have registered addresses outside Singapore, must provide the Share Registrar at 112 Robinson Road #05-01, Singapore 068902 with addresses in Singapore not later than 5.00 p.m. (Singapore time) on the date falling three (3) Market Days prior to the Books Closure Date, in order to receive their provisional allotments of Rights Shares.

#### **3.3 CPF Investment Scheme**

Persons who bought their Shares previously using their Central Provident Fund account savings (“**CPF Funds**”) may use the same for the payment of the Issue Price to accept their provisional allotments of Rights Shares and (if applicable) apply for excess Rights Shares, subject to the applicable rules and regulations of the Central Provident Fund. Such persons who wish to accept their provisional allotments of Rights Shares will need to instruct their respective approved banks where they hold their CPF Investment Accounts, to accept their provisional allotment of Rights Shares and (if applicable) apply for the excess Rights Shares on their behalf in accordance with the Offer Information Statement. CPF Funds may not, however, be used for the purchase of the provisional allotments of the Rights Shares directly

from the market.

### 3.4 **Foreign Shareholders**

The distribution of the Offer Information Statement and its accompanying documents may be prohibited or restricted (either absolutely or subject to various securities laws requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of those jurisdictions. For practical reasons and in order to avoid any violation of the securities legislation applicable in jurisdictions other than Singapore, the Offer Information Statement and its accompanying documents will NOT be despatched to Shareholders with registered addresses outside Singapore and who have not, at least three (3) Market Days prior to the Books Closure Date, provided CDP or the Share Registrar, as the case may be, with addresses in Singapore for the service of notices and documents (the “**Foreign Shareholders**”) and accordingly, the Rights Shares will NOT be offered to Foreign Shareholders.

The Offer Information Statement and its accompanying documents will not be despatched, lodged, registered or filed in any jurisdiction other than Singapore. Accordingly, Foreign Shareholders will not be entitled to participate in the Rights Issue and no provisional allotment of Rights Shares will be made to Foreign Shareholders. No purported acceptance thereof or application for any excess Rights Shares therefor by any Foreign Shareholder will be valid.

The Offer Information Statement and its accompanying documents will also NOT be despatched to persons purchasing entitlements to Rights Shares through the book-entry (scripless) settlement system if their registered addresses with CDP are outside Singapore (the “**Foreign Purchasers**”). Foreign Purchasers may not accept any “nil-paid” rights credited to their Securities Account unless the Company and its counsel are satisfied that such action would not result in the contravention of any registration or other legal requirement in any jurisdiction.

Entitlements to Rights Shares which would otherwise have been provisionally allotted to Foreign Shareholders will, if practicable to do so and at the absolute discretion of the Company, be sold “nil-paid” on the SGX-ST, as soon as practicable, after dealings in the provisional allotments of Rights Shares commence. Such sales may, however, only be effected if the Company, in its absolute discretion, determines that a premium can be obtained from such sales, after taking into account expenses to be incurred in relation thereto. The net proceeds from all such sales, after deduction of all expenses therefrom, will be pooled and thereafter distributed to Foreign Shareholders in proportion to their respective shareholdings or, as the case may be, the number of Shares entered against their names in the depository register maintained by CDP as at the Books Closure Date and sent to them at their own risk by ordinary post. If the amount of net proceeds to be distributed to any single Foreign Shareholder is less than S\$10.00, such amount shall be dealt with as the Directors may, in their absolute discretion, deem fit in the interests of the Company and no Foreign Shareholder shall have any claim whatsoever against the Company, CDP and/or the Share Registrar in connection therewith.

Where the provisional allotments of Rights Shares are sold “nil-paid” on the SGX-ST, they will be sold at such price or prices as the Company may, in its absolute discretion, decide and no Foreign Shareholder shall have any claim whatsoever against the Company, CDP, the Share Registrar and/or their respective officers in connection therewith. If such provisional allotments of Rights Shares cannot be sold or are not sold on the SGX-ST as aforesaid for any reason by such time as the SGX-ST shall have declared to be the last day for trading in the provisional allotments of Rights Shares, the new Shares represented by such provisional allotments will be allotted and issued to satisfy applications for excess Rights Shares or disposed of or dealt with

in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company and no Foreign Shareholder shall have any claim whatsoever against the Company, CDP, the Share Registrar and/or their respective officers in connection therewith.

**SHAREHOLDERS WITH REGISTERED ADDRESSES OUTSIDE SINGAPORE WHO WISH TO PARTICIPATE IN THE RIGHTS ISSUE MAY PROVIDE AN ADDRESS IN SINGAPORE FOR THE SERVICE OF NOTICES AND DOCUMENTS BY NOTIFYING IN WRITING, AS THE CASE MAY BE, TO (I) CDP AT 9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS TOWER 2, SINGAPORE 138588 OR (II) AUSGROUP LIMITED C/O M & C SERVICES PRIVATE LIMITED AT 112 ROBINSON ROAD #05-01, SINGAPORE 068902, AT LEAST THREE (3) MARKET DAYS PRIOR TO THE BOOKS CLOSURE DATE.**

#### **4 IRREVOCABLE UNDERTAKINGS**

##### **4.1 Undertaking Shareholders**

As at the date of this announcement, number of Shares and the percentage proportion in the Existing Share Capital of the Company of the following Shareholders (collectively the “**Undertaking Shareholders**” and each an “**Undertaking Shareholder**”) have provided Irrevocable Undertakings (as defined below) to the Company to, *inter alia*, fully subscribe for the Entitled Rights Shares (as defined below), as an indication of their support and commitment to the Company:

- (a) Asdew, a Shareholder of the Company, who directly holds 45,551,316 Shares, representing approximately 3.03% of the Existing Share Capital;
- (b) Mr. Bernard Toh, a Shareholder of the Company and a Subscriber pursuant to the Proposed Placement, who directly holds 104,062,350 Shares, representing approximately 6.92% of the Existing Share Capital; and
- (c) Mr. Melvin Poh, a Shareholder and an Independent Non-Executive Director of the Company, and a Subscriber pursuant to the Proposed Placement, who directly holds 133,199,808 Shares, representing approximately 8.85% of the Existing Share Capital.

##### **4.2 Irrevocable Undertakings**

As at the date of this announcement, the Undertaking Shareholders collectively hold an aggregate of 282,813,474 Shares, representing approximately 18.79% of the Existing Share Capital (the “**Relevant Shares**”). Accordingly, the Undertaking Shareholders will be entitled to subscribe for an aggregate of 141,406,737 Rights Shares (“**Entitled Rights Shares**”).

To demonstrate its support for the Rights Issue and their commitment to and confidence in the Company, each of the Undertaking Shareholders have provided irrevocable undertakings dated 29 March 2018 (the “**Irrevocable Undertakings**”) in favour of the Company that, *inter alia*:

- (a) as at the Books Closure Date, each of the Undertaking Shareholders will own not less than the following Shares:
  - (i) Asdew owns not less than 45,551,316 Shares;
  - (ii) Mr. Bernard Toh owns not less than 104,062,350 Shares; and
  - (iii) Mr. Melvin Poh owns not less than 133,199,808 Shares;

- (b) each of the Undertaking Shareholders will directly and/or through one of its nominee(s), in accordance with the terms and conditions of the Rights Issue and in any case not later than the closing date of the Rights Issue, subscribe and pay in full for 141,406,737 Rights Shares, being their aggregate *pro rata* entitlement of Rights Shares under the Rights Issue; and
- (c) that none of the Relevant Shares are sold, transferred or otherwise disposed of during the period commencing from the date of the Irrevocable Undertakings until the date of issue and listing of the Rights Shares on the SGX-ST.

#### 4.3 **Conditions**

The Irrevocable Undertakings are subject to and conditional upon:

- (a) Shareholders' approval for the Rights Issue and the Proposed Placement being obtained at the EGM;
- (b) the approval in-principle granted by the SGX-ST for the dealing, listing and quotation, of the Rights Shares on the Mainboard of the SGX-ST having been obtained (and such approval not having been withdrawn or revoked on or prior to the closing date of the offer of the Rights Shares under the Rights Issue), and if such approval is granted subject to conditions, such conditions being acceptable to and fulfilled by the Company; and
- (c) the lodgement of the Offer Information Statement, together with all other necessary accompanying documents, in connection with the Rights Issue with the MAS.

Mr. Bernard Toh and Mr. Melvin Poh, Undertaking Shareholders who are substantial Shareholders of the Company, have each furnished a written confirmation dated 3 April 2018 and 2 April 2018, respectively, of their financial resources from a financial institution to support their respective Irrevocable Undertakings.

## 5 **RATIONALE AND USE OF PROCEEDS**

### 5.1 **Rationale**

The Directors are of the opinion that after taking into the consideration the Group's present internal resources, operating cashflow and present bank facilities available to the Group, the working capital available to the Group is sufficient to meet its present funding requirements.

The Company is proposing the Rights Issue to raise proceeds for the Partial Cash Redemption (as defined in the Previous Announcement), general corporate and working capital requirements of the Group, and to fund new projects the Group is undertaking. The Company shall not apply the proceeds raised from the Rights Issue towards the repayment of any other loans, including but not limited to loans from shareholders, banks and/or financial institutions, save for the Partial Cash Redemption (as defined in the Previous Announcement).

### 5.2 **Use of Proceeds**

Based on the Existing Share Capital and in view of the Irrevocable Undertakings and Subscription Agreements:

- (a) under the Minimum Subscription Scenario, the gross proceeds from the issuance of the 141,406,737 Rights Shares and the 1,032,800,000 Subscription Shares is



S\$41,097,235.80; and

- (b) under the Maximum Subscription Scenario, the gross proceeds from the issuance of the 752,402,733 Rights Shares and the 1,050,000,000 Subscription Shares is S\$63,084,095.66,

(“**Gross Proceeds**”).

After deducting from the Gross Proceeds estimated costs and expenses of approximately S\$200,000.00 to be incurred in connection with the Rights Issue and approximately S\$300,000 to be incurred in connection with the Proposed Placement (as indicated in the Previous Announcement), the estimated net proceeds from the Rights Issue and the Proposed Placement will be S\$40,597,235.80 pursuant to the Minimum Subscription Scenario and S\$62,584,095.66 pursuant to the Maximum Subscription Scenario.

The net proceeds of the Rights Issue and the Proposed Placement are proposed to be used in the following manner:

<b>Use of Net Proceeds</b>	<b>Minimum Subscription Scenario (S\$)</b>	<b>Maximum Subscription Scenario (S\$)</b>
1. Partial redemption of the Notes <sup>(1)</sup>	Nil to S\$21,804,164.00	Nil to S\$21,804,164.00
2. General working capital purposes <sup>(2)</sup>	S\$18,793,071.80 to S\$40,597,235.80	S\$40,779,931.66 to S\$62,584,095.66
<b>Total</b>	<b>S\$40,597,235.80</b>	<b>S\$62,584,095.66</b>

**Note(s):**

- (1) This refers to the partial redemption, in cash, of between 0% to 30% of the outstanding principal amount pursuant to the Notes. For further details, please refer to the Previous Announcement in respect of the use of proceeds from the Proposed Placement and the Partial Cash Redemption (as defined in the Previous Announcement).
- (2) The Company intends to utilise a portion of the net proceeds from the Rights Issue primarily for general corporate and working capital purposes, including but not limited to capital expenditure, operating costs and making strategic investments and/or acquisitions if opportunities arise.

The net proceeds to be used for general working capital purposes is between S\$18,793,071.80 to S\$40,597,235.80 under the Minimum Subscription Scenario, and between \$40,779,931.66 to S\$62,584,095.66 under the Maximum Subscription Scenario, depending on amount used for the Partial Cash Redemption (as defined in the Previous Announcement).

Pending the deployment of the net proceeds raised from the Rights Issue for the purposes set out above, such proceeds may be deposited with banks and/or financial institutions, used for investment in short-term money markets instruments and/or marketable securities, as the Directors may deem appropriate in the interests of the Company. The Company shall not, however, apply the proceeds raised from the Rights Issue for the repayment of any other loans, including but not limited to loans from shareholders, banks and/or other financial institutions, save for the Partial Cash Redemption (as defined in the Previous Announcement).

**The Company will make periodic announcements on the use of the proceeds from the Rights Issue as and when such proceeds are materially disbursed and will provide a status report on the use of proceeds from the Rights Issue in the annual report(s) of the Company, until such time the proceeds have been fully utilised. The Company will disclose a breakdown with specific details on the use of the proceeds for working capital in announcements and annual reports.**

The Directors are of the opinion that, after taking into consideration, the Group's present internal resources, operating cashflows, present bank facilities available to the Group and the net proceeds of the Rights Issue, the working capital available to the Group is sufficient to meet its present requirements.

## **6 APPROVALS**

The Rights Issue is subject to and conditional upon, *inter alia*, the following:

- (a) the approval in-principle granted by the SGX-ST for the dealing, listing and quotation, of the Rights Shares on the Mainboard of the SGX-ST having been obtained (and such approval not having been withdrawn or revoked on or prior to the closing date of the offer of the Rights Shares under the Rights Issue), and if such approval is granted subject to conditions, such conditions being acceptable to and fulfilled by the Company; and
- (b) the lodgment of the Offer Information Statement, together with all other necessary accompanying documents in connection with the Rights Issue, with the MAS;
- (c) Shareholders' approval for the Proposed Placement being obtained at the EGM; and
- (d) the successful restructuring of the Notes seeking Noteholders' consent pursuant to a consent solicitation exercise to be undertaken.

An application will be made to the SGX-ST for the dealing, listing and quotation of the Rights Shares on the Mainboard of the SGX-ST. The Company will make the relevant announcements upon receipt of the outcome of the application.

## **7 INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS**

- 7.1 Further to the Previous Announcement, the Directors would like to update Shareholders that Mr. Wu Yu Liang, an Independent Director of the Company, is also the company secretary of Asdew, a Subscriber pursuant to the Proposed Placement and an Undertaking Shareholder in respect of the Rights Issue.
- 7.2 Mr. Melvin Poh, an Independent Non-Executive Director and substantial Shareholder of the Company, is a Subscriber pursuant to the Proposed Placement and an Undertaking Shareholder in respect of the Rights Issue.
- 7.3 Mr. Bernard Toh, a substantial Shareholder of the Company, is a Subscriber pursuant to the Proposed Placement and an Undertaking Shareholder in respect of the Rights Issue.
- 7.4 For illustrative purposes only, the tables at Appendix A of this announcement set out the shareholdings of the Directors, substantial Shareholders, Undertaking Shareholders and Subscribers immediately prior to and after the completion of the Rights Issue and the Proposed Placement.
- 7.5 Save as disclosed in this announcement (including at Appendix A) and the Previous Announcement, none of the Directors and substantial Shareholders has any interests, direct or indirect, in the Proposed Placement, other than through each of their respective shareholding

interests, direct and/or indirect, in the Company.

## **8 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, the Rights Issue, the Company and its subsidiaries, 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**

Eng Chiaw Koon  
Managing Director and Executive Director

6 April 2018

**APPENDIX A**

**ILLUSTRATIVE TABLE INDICATING INTERESTS OF DIRECTORS, SUBSTANTIAL SHAREHOLDERS, UNDERTAKING SHAREHOLDERS AND THE SUBSCRIBERS IN A MINIMUM SUBSCRIPTION SCENARIO AND MAXIMUM SUBSCRIPTION SCENARIO IMMEDIATELY PRIOR TO AND AFTER THE RIGHTS ISSUE AND THE PROPOSED PLACEMENT**

**Part 1: Minimum Subscription Scenario**

	Immediately prior to the Rights Issue				Immediately after the Rights Issue (Minimum Subscription Scenario)			
	Direct Interest		Deemed Interest		Direct Interest		Deemed Interest	
	Number of Shares	Percentage of Existing Share Capital <sup>(1)</sup> (%)	Number of Shares	Percentage of Existing Share Capital <sup>(1)</sup> (%)	Number of Shares	Percentage of Enlarged Share Capital <sup>(2)</sup> (%)	Number of Shares	Percentage of Enlarged Share Capital <sup>(2)</sup> (%)
<b><u>Directors</u></b>								
Stuart Maxwell Kenny	-	-	8,908,896 <sup>(3)</sup>	0.59	-	-	8,908,896 <sup>(3)</sup>	0.33
Eng Chiaw Koon	-	-	-	-	-	-	-	-
Shane Kimpton	-	-	-	-	-	-	-	-
Chew Heng Ching	-	-	-	-	-	-	-	-
Ooi Chee Kar	-	-	-	-	-	-	-	-
Wu Yu Liang	-	-	-	-	-	-	-	-
Poh Boon Kher Melvin <sup>(4)</sup> <sup>(6)</sup>	133,199,808	8.85	-	-	299,799,712	11.19	-	-
<b><u>Substantial Shareholders (other than Directors)</u></b>								
Toh Bee Yong Bernard <sup>(6)</sup>	104,062,350	6.92	-	-	356,093,525	13.29	-	-
Ezion Holdings Limited	272,821,736	18.13	-	-	272,821,736	10.18	-	-

**Undertaking Shareholders (other than Directors and Substantial Shareholders)**

Asdew Acquisitions Pte. Ltd. <sup>(5) (6)</sup>	45,551,316	3.03	-	-	68,326,974	2.55	732,800,000	27.35
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**Subscribers (other than Directors and Substantial Shareholders)**

AOC Acquisitions Pte. Ltd. <sup>(5) (6)</sup>	-	-	-	-	732,800,000	27.35	-	-
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**Note(s):**

- (1) The Existing Share Capital comprises 1,504,805,466 Shares.
- (2) The enlarged share capital of the Company pursuant to the Minimum Subscription Scenario comprises 2,679,012,203 Shares.
- (3) Mr. Stuart Maxwell Kenny, Non-Executive Chairman of the Company, is deemed interested in 8,908,896 Shares held by Emerald River Pty Ltd by virtue of his interest in Emerald River Pty Ltd.
- (4) MP is an Independent Non-Executive Director of the Company.
- (5) Assuming that AOC Acquisitions Pte. Ltd. has been incorporated in Singapore pursuant to the Agreement. It is intended that Asdew will hold 51% of the shareholding in AOC. As such, Asdew is deemed interested in the Shares held by AOC.
- (6) Undertaking Shareholder. Please refer to section 4 of this announcement for more information on the Undertaking Shareholders.

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**Part 2: Maximum Subscription Scenario**

	Immediately prior to the Rights Issue				Immediately after the Rights Issue (Maximum Subscription Scenario)			
	Direct Interest		Deemed Interest		Direct Interest		Deemed Interest	
	Number of Shares	Percentage of Existing Share Capital <sup>(1)</sup> (%)	Number of Shares	Percentage of Existing Share Capital <sup>(1)</sup> (%)	Number of Shares	Percentage of Enlarged Share Capital <sup>(2)</sup> (%)	Number of Shares	Percentage of Enlarged Share Capital <sup>(2)</sup> (%)
<b><u>Directors</u></b>								
Stuart Maxwell Kenny	-	-	8,908,896 <sup>(3)</sup>	0.59	-	-	8,908,896 <sup>(3)</sup>	0.27
Eng Chiaw Koon	-	-	-	-	-	-	-	-
Shane Kimpton	-	-	-	-	-	-	-	-
Chew Heng Ching	-	-	-	-	-	-	-	-
Ooi Chee Kar	-	-	-	-	-	-	-	-
Wu Yu Liang	-	-	-	-	-	-	-	-
Poh Boon Kher Melvin <sup>(4) (6)</sup>	133,199,808	8.85	-	-	299,799,712	9.07	-	-
<b><u>Substantial Shareholders (other than Directors)</u></b>								
Toh Bee Yong Bernard <sup>(6)</sup>	104,062,350	6.92	-	-	356,093,525	10.77	-	-
Ezion Holdings Limited	272,821,736	18.13	-	-	272,821,736	8.25	-	-
<b><u>Undertaking Shareholders (other than Directors and Substantial Shareholders)</u></b>								
Asdew Acquisitions Pte. Ltd. <sup>(5)</sup> <sup>(6)</sup>	45,551,316	3.03	-	-	68,326,974	2.07	750,000,000	22.68
<b><u>Subscribers (other than Directors and Substantial Shareholders)</u></b>								
AOC Acquisitions Pte. Ltd. <sup>(5) (6)</sup>	-	-	-	-	750,000,000	22.68	-	-

**Note(s):**

- (1) The Existing Share Capital comprises 1,504,805,466 Shares.
- (2) The enlarged share capital pursuant to the Maximum Subscription Scenario comprises 3,307,208,199 Shares.
- (3) Mr. Stuart Maxwell Kenny, Non-Executive Chairman of the Company, is deemed interested in 8,908,896 Shares held by Emerald River Pty Ltd by virtue of his interest in Emerald River Pty Ltd.
- (4) MP is an Independent Non-Executive Director of the Company.
- (5) Assuming that AOC Acquisitions Pte. Ltd. has been incorporated in Singapore pursuant to the Agreement. It is intended that Asdew will hold 51% of the shareholding in AOC. As such, Asdew is deemed interested in the Shares held by AOC.
- (6) Undertaking Shareholder. Please refer to section 4 of this announcement for more information on the Undertaking Shareholders.

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