



**ACMA LTD.**  
(formerly known as China Auto Corporation Ltd)  
(Company Registration No 196500233E)  
(Incorporated in the Republic of Singapore)

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## **AMENDMENTS TO THE SUBSCRIPTION AGREEMENT**

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The board of directors ("**Board**") of Acma Ltd. ("**Company**") refers to the Company announcements dated 3 September 2013, 5 September 2013, 7 February 2014, 17 April 2014 and 6 May 2014 ("**Announcements**"). Capitalized terms shall have the same meaning as defined in the Announcements unless otherwise defined.

### **Amendments to the Subscription Agreement**

In view of the termination of the Proposed Acquisition, the Company has been discussing with MP on whether to continue with the Subscription Agreement. To close the outstanding issues in the Subscription Agreement and the MP Placement, the Company and MP have mutually agreed that the MP Placement shall be scaled down to 26,041,000 new shares in the capital of the Company ("**Revised Subscription Shares**"). The price remains at S\$0.0295 per Revised Subscription Shares as announced in 7 February 2014. It represents approximately 9.8% discount to the volume weighted average price of S\$0.0327 for trades done on the SGX-ST on 3 September 2013, the day the Subscription Agreement was entered into.

### **Condition precedence**

The amendments to the Subscription Agreement is subject to, *inter alia*, the approval for the listing and quotation of the Revised Subscription Shares by the Singapore Exchange Securities Trading Limited ("**SGX-ST**")..

### **Shareholders' mandate**

The 26,041,000 Revised Subscription Shares will be allotted and issued pursuant to a general share issued mandate obtained from the shareholders of the Company ("**Shareholders**"), by way of an ordinary resolution, at the annual general meeting ("**AGM**") of the Company held on 29 April 2014 ("**General Mandate**"). Pursuant to the General Mandate, the Board is authorized to, *inter alia*, issue new shares, other than on a pro rata basis to Shareholders, of up to 20.0% of the total number of issued shares (excluding treasury shares) of 4,213,039,945 shares ("**Issued Share Capital**") as at the date of the said ordinary resolution. The Revised Subscription Shares represent approximately 0.6% of the Issued Share Capital as at the date of this announcement and the date of the AGM. As such, the proposed issue and allotment of the Revised Subscription Shares will be within the limits of the General Mandate.

### **Change in capital**

Immediately following the issue of the Revised Subscription Shares, the issued and paid-up share capital of the Company will increase to approximately S\$195,038,000 comprising 4,239,080,945 shares.

## Use of proceeds

The net proceeds to be raised from the revised MP Placement, after deducting estimated fees and expenses of approximately S\$30,000 (including professional fees and expenses) incurred or to be incurred by the Company in connection with the MP Placement, will amount to approximately S\$738,000 ("**Net Proceeds**").

The Company intends to utilise the Net Proceeds from the revised MP Placement as follows:

<b>Use of Net Proceeds</b>	<b>Percentage allocation of the Net Proceeds (%)</b>
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Working capital	100%
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Pending the deployment of the Net Proceeds for the above purposes, such Net Proceeds may be deposited with banks and/or financial institutions, invested in short term money markets and marketable securities, or used for any other purpose on a short-term basis, as the Board may, in its absolute discretion, deem appropriate in the interests of the Group.

The Company will make periodic announcements on the utilisation of the Net Proceeds from the revised MP Placement as and when such funds are materially disbursed, and provide a status report on the use of the Net Proceeds from the revised MP Placement in the Company's annual report. The Company will disclose a breakdown with specific details on the utilization of the Net Proceeds for working capital in such announcements and annual reports

## Documents available for inspection

A copy of the Subscription Agreement and the side letter in relation to the amendments are available for inspection during normal business hours at the Company's registered office at 7 Jurong Port Road, Singapore 619092 for three months after the date of this announcement.

By Order of the Board

Quek Sim Pin  
Executive Chairman  
Acma Ltd  
23 May 2014