

ASIATIC GROUP (HOLDINGS) LIMITED
(Company Registration No: 200209290R)
(Incorporated in the Republic of Singapore)

PROPOSED EXTENSION OF NON-CONVERTIBLE BONDS

All capitalized terms used in this announcement shall, unless otherwise defined herein, have the meaning ascribed to them in the Company's SGXNet announcements on 18 March 2014 and 19 March 2014.

1. Introduction

- 1.1 The board of directors (the "**Directors**" or the "**Board**") of Asiatic Group (Holdings) Limited (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to announce that it has on 16 March 2017, entered into the following agreements:
- (a) a guaranteed bond amendment and extension agreement made by and among (i) the Company, (ii) Tan Boon Kheng (the "**Guarantor**") and (iii) the Consenting Guaranteed Bondholders (as defined herein) (the "**Guaranteed Bonds Extension Agreement**") for the proposed extension of the Original Maturity Date (as defined herein) of a certain number of the Guaranteed Bonds (as defined herein) to the Extended Maturity Date (as defined herein) (the "**Proposed Extension of Guaranteed Bonds**"); and
 - (b) a non-guaranteed bond amendment and extension agreement made by and between (i) the Company and (ii) the Consenting Non-Guaranteed Bondholders (as defined herein) (the "**Non-Guaranteed Bonds Extension Agreement**") for the proposed extension of the Original Maturity Date (as defined herein) of a certain number of the Non-Guaranteed Bonds (as defined herein) to the Extended Maturity Date (as defined herein) (the "**Proposed Extension of Non-Guaranteed Bonds**").

For the purposes herein:

- (a) the "**Consenting Guaranteed Bondholders**" shall be referred to herein as the holders holding at least 50% of the aggregate value of the outstanding Guaranteed Bonds as at the date of the Guaranteed Bonds Extension Agreement, being the holders of the requisite number of outstanding Guaranteed Bonds to approve any modification of the Terms and Conditions of the Guaranteed Bonds or the Guaranteed Bonds;
- (b) the "**Consenting Non-Guaranteed Bondholders**" shall be referred to herein as the holders holding at least 50% of the aggregate value of the outstanding Non-Guaranteed Bonds as at the date of the Non-Guaranteed Bonds Extension

Agreement, being the holders of the requisite number of outstanding Non-Guaranteed Bonds to approve any modification of the Terms and Conditions of the Non-Guaranteed Bonds or the Non-Guaranteed Bonds;

- (c) the “**Extended Guaranteed Bonds Subscribers**” shall be referred to herein as Chua Keng Loy, Teo Yong Ping and Lee Fang Wen;
- (d) the “**Extended Non-Guaranteed Bonds Subscribers**” shall be referred to herein as Lim Chai Lai, Lim Lian Hiong, Lim Phek Choo Constance, Lim Hiang Lan, Lim Lian Eng, Lim Chye Kwee, Sim Moon Tang, Goh Soo Luan, Lim Boon Hoh, Tan Yong Hwa, Lim Boon Hock Bernard and Tan Ah Kan @ Tan Kow La;
- (e) the “**Extended Maturity Date**” shall be referred to herein as the date falling on the fifth anniversary of the date of issue of the Bonds, namely, 19 March 2019;
- (f) the “**First Redemption Date**” shall be referred to herein as the date falling on the first anniversary of the date of issue of the Bonds;
- (g) the “**Guaranteed Bonds**” shall be referred to herein as the guaranteed bonds of the Company in an aggregate principal amount of S\$1,000,000 due on 19 March 2017, issued on 20 March 2014 pursuant to the Guaranteed Bonds Subscription Agreement;
- (h) the “**Guaranteed Bonds**” and the “**Non-Guaranteed Bonds**” shall be collectively referred to herein as the “**Bonds**”;
- (i) the “**Guaranteed Bonds Subscribers**” shall be referred to herein as Chua Keng Loy, Teo Yong Ping, Lee Fang Wen and Stephen Yeo Mah Ai;
- (j) the “**Guaranteed Bonds Subscription Agreement**” shall be referred to herein as a guaranteed bonds subscription agreement dated 18 March 2014 made by and among (i) the Company, (ii) the Guarantor and (iii) the Guaranteed Bonds Subscribers;
- (k) the “**Non-Guaranteed Bonds**” shall be referred to herein as the non-guaranteed bonds of the Company in an aggregate principal amount of S\$3,000,000 due on 19 March 2017, issued on 20 March 2014 pursuant to the Non-Guaranteed Bonds Subscription Agreement;
- (l) the “**Non-Guaranteed Bonds Subscribers**” shall be referred to herein as Lim Chai Lai, Lim Lian Hiong, Lim Phek Choo Constance, Lim Hiang Lan, Lim Lian Eng, Lim Chye Kwee, Sim Moon Tang, Goh Soo Luan, Lim Boon Hoh, Pang Yoke Chun, Tan Yong Hwa, Lim Boon Hock Bernard and Tan Ah Kan @ Tan Kow La;

- (m) the “**Non-Guaranteed Bonds Subscription Agreement**” shall be referred to herein as a non-guaranteed bonds subscription agreement dated 18 March 2014 made by and between (i) the Company and (ii) the Non-Guaranteed Bonds Subscribers;
- (n) the “**Original Maturity Date**” shall be referred to herein as the date falling on the third anniversary of the date of issue of the Bonds, namely, 19 March 2017;
- (o) the “**Proposed Extension of Guaranteed Bonds**” and the “**Proposed Extension of Non-Guaranteed Bonds**” shall be collectively referred to herein as the “**Proposed Bonds Extension**”;
- (p) the “**Second Redemption Date**” shall be referred to herein as the date falling on the second anniversary of the date of issue of the Bonds;
- (q) the “**Terms and Conditions of the Guaranteed Bonds**” shall be referred to herein as the terms and conditions of the Guaranteed Bonds endorsed on the Guaranteed Bonds Subscription Agreement; and
- (r) the “**Terms and Conditions of the Non-Guaranteed Bonds**” shall be referred to herein as the terms and conditions of the Non-Guaranteed Bonds endorsed on the Non-Guaranteed Bonds Subscription Agreement.

2. **Principal Amendments to the Terms and Conditions of the Bonds**

In connection with the Proposed Bonds Extension, the Terms and Conditions of the Guaranteed Bonds and the Terms and Conditions of the Non-Guaranteed Bonds have been amended as necessary by the Guaranteed Bonds Extension Agreement and the Non-Guaranteed Bonds Extension Agreement, respectively.

As at the date of the Guaranteed Bonds Extension Agreement, the outstanding principal amount of the Guaranteed Bonds is S\$1,000,000; and, as at the date of the Non-Guaranteed Bonds Extension Agreement, the outstanding principal amount of the Non-Guaranteed Bonds is S\$3,000,000.

2.1 **Principal Amendments to the Terms and Conditions of the Guaranteed Bonds**

Extended Maturity Date	:	The Original Maturity Date of certain Guaranteed Bonds in the aggregate principal amount of S\$400,000 is postponed to a date falling on the fifth anniversary of the date of issue of the Guaranteed Bonds.
Redemption of certain Guaranteed Bonds on the Original Maturity Date	:	Subject to the amended Terms and Conditions of the Guaranteed Bonds, unless previously redeemed, purchased and cancelled or extended as provided in the amended Terms and Conditions of the Guaranteed Bonds, the Company will (instead of redeeming each outstanding Guaranteed Bond in the aggregate principal

		amount of S\$1,000,000 as contemplated under the original Terms and Conditions of the Guaranteed Bonds) redeem each of certain Guaranteed Bonds in the aggregate principal amount of S\$600,000 at 103.0 per cent of its principal amount, together with any accrued but unpaid interest thereon (calculated up to, but excluding, the date fixed for such redemption), on the Original Maturity Date. In addition, for each of the remaining Guaranteed Bonds in the aggregate principal amount of S\$400,000, the Issuer shall pay three (3.0) per cent of its principal amount to the holder of such Guaranteed Bond on the Original Maturity Date (the “ Guaranteed Bonds Redemption Premium ”).
Redemption of certain Guaranteed Bonds on or by the Extended Maturity Date	:	Subject to the amended Terms and Conditions of the Guaranteed Bonds, unless previously redeemed, purchased and cancelled or extended as provided in the amended Terms and Conditions of the Guaranteed Bonds, the Company shall be entitled to redeem certain Guaranteed Bonds in the aggregate principal amount of S\$400,000, in whole or in part, at 100.0 per cent of its principal amount, together with any accrued but unpaid interest thereon (calculated up to, but excluding, the date fixed for such redemption), at any time prior to or on the Extended Maturity Date.
Redemption Notice	:	The Company shall, at least one (1) business day (instead of ten (10) business days as required under the original Terms and Conditions of the Guaranteed Bonds) before the applicable Original Maturity Date, Extended Maturity Date, First Redemption Date and/or Second Redemption Date, send a notice of redemption to each holder of the Guaranteed Bonds, in event a redemption is to be effected.
Interest Rate	:	The Guaranteed Bonds bear interest from 20 March 2014 (the “ Guaranteed Bonds Issue Date ”) until 18 March 2017 (with both dates inclusive) at the rate of ten (10.00) per cent per annum of the principal amount outstanding of the Guaranteed Bonds; and the Guaranteed Bonds bear interest from 19 March 2017 until 18 March 2019 (with both dates inclusive) at the rate of eight (8.00) per cent per annum of the principal amount outstanding of the Guaranteed Bonds (the “ Guaranteed Bonds Interest Payable ”). Interest is payable semi-annually in arrears on each date (“ Guaranteed Bonds Interest Payment ”).

		Date") which falls six months after the preceding Guaranteed Bonds Interest Payment Date or, in the case of the first Guaranteed Bonds Interest Payment Date, after the Guaranteed Bonds Issue Date.
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2.2 Principal Amendments to the Terms and Conditions of the Non-Guaranteed Bonds

Extended Maturity Date	:	The Original Maturity Date of certain Non-Guaranteed Bonds in the aggregate principal amount of S\$1,800,000 is postponed to a date falling on the fifth anniversary of the date of issue of the Non-Guaranteed Bonds.
Redemption of certain Non-Guaranteed Bonds on the Original Maturity Date	:	Subject to the amended Terms and Conditions of the Non-Guaranteed Bonds, unless previously redeemed, purchased and cancelled or extended as provided in the amended Terms and Conditions of the Non-Guaranteed Bonds, the Company will (instead of redeeming each outstanding Non-Guaranteed Bond as in the aggregate principal amount of S\$3,000,000 contemplated under the original Terms and Conditions of the Non-Guaranteed Bonds) redeem each of certain Non-Guaranteed Bonds in the aggregate principal amount of S\$1,200,000 at 103.0 per cent of its principal amount, together with any accrued but unpaid interest thereon (calculated up to, but excluding, the date fixed for such redemption), on the Original Maturity Date. In addition, for each of the remaining Non-Guaranteed Bonds in the aggregate principal amount of S\$1,800,000, the Issuer shall pay three (3.0) per cent of its principal amount to the holder of such Non-Guaranteed Bond on the Original Maturity Date (the “ Non-Guaranteed Bonds Redemption Premium ”).
Redemption of certain Non-Guaranteed Bonds on or by the Extended Maturity Date	:	Subject to the amended Terms and Conditions of the Non-Guaranteed Bonds, unless previously redeemed, purchased and cancelled or extended as provided in the amended Terms and Conditions of the Non-Guaranteed Bonds, the Company shall be entitled to redeem certain Non-Guaranteed Bonds in the aggregate principal amount of S\$1,800,000, in whole or in part, at 100.0 per cent of its principal amount, together with any accrued but unpaid interest thereon (calculated up to, but excluding, the date fixed for such redemption), at any time prior to or on the Extended Maturity Date.

Redemption Notice	:	The Company shall, at least one (1) business day (instead of ten (10) business days as required under the original Terms and Conditions of the Non-Guaranteed Bonds) before the applicable Original Maturity Date, Extended Maturity Date, First Redemption Date and/or Second Redemption Date, send a notice of redemption to each holder of the Non-Guaranteed Bonds, in event a redemption is to be effected.
Interest Rate	:	The Non-Guaranteed Bonds bear interest from 20 March 2014 (the " Non-Guaranteed Bonds Issue Date ") until 18 March 2017 (with both dates inclusive) at the rate of ten (10.00) per cent per annum of the principal amount outstanding of the Non-Guaranteed Bonds; and the Non-Guaranteed Bonds bear interest from 19 March 2017 until 18 March 2019 (with both dates inclusive) at the rate of eight (8.00) per cent per annum of the principal amount outstanding of the Non-Guaranteed Bonds (the " Non-Guaranteed Bonds Interest Payable "). Interest is payable semi-annually in arrears on each date (" Non-Guaranteed Bonds Interest Payment Date ") which falls six months after the preceding Non-Guaranteed Bonds Interest Payment Date or, in the case of the first Non-Guaranteed Bonds Interest Payment Date, after the Non-Guaranteed Bonds Issue Date.

3. **Rationale of the Proposed Bonds Extension**

- 3.1 The Board is of the view that the Proposed Bonds Extension is beneficial to the Group as it will allow the Group to improve the liquidity and working capital positions of the Group. The Board is also of the view that the successful completion of the Proposed Bonds Extension improve the cashflow of the Group. The postponed redemption payment from the Proposed Bonds Extension will be used mainly as additional working capital, to pay off existing short term loans which are near maturity and for investment in development and projects.

4. **Proposed Bonds Extension as Interested Persons Transactions**

- 4.1 In relation to the Proposed Extension of the Non-Guaranteed Bonds, as at the date of this announcement, one of the Extended Non-Guaranteed Bonds Subscribers, Mr Tan Ah Kan @ Tan Kow La, is the father of three of the directors of the Company, namely, Mr Tan Boon Kheng, Mr Tan Boon Siang and Mr Tan Boon Yew. As a result, the Company is an "entity at risk" while Mr Tan Ah Kan @ Tan Kow La is an "interested person" under Section B: Rules of Catalist (the "**Catalist Rules**") of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). Accordingly, the Proposed Extension of the Non-

Guaranteed Bonds in respect of the Company's extended repayment obligations to Mr Tan Ah Kan @ Tan Kow La under the Terms and Conditions of the Non-Guaranteed Bonds as amended by the Non-Guaranteed Bonds Extension Agreement constitutes an "interested person transaction" ("**IPT**").

- 4.2 In addition, as of the date of this announcement, one of the Extended Non-Guaranteed Bonds Subscribers, Mr Lim Boon Hock Bernard, together with his father, Mr Lim Chye Huat @ Bobby Lim Chye Huat, hold, directly and indirectly, an aggregate of 316,000,000 voting shares in the Company representing approximately 23.86⁽¹⁾ per cent. (%) of the Company's total issued ordinary share capital. Accordingly, Mr Lim Boon Hock Bernard is deemed to be a controlling shareholder of the Company as defined under the Catalist Rules and is an "interested person" and the Proposed Extension of the Non-Guaranteed Bonds in respect of the Company's extended repayment obligations to Mr Lim Boon Hock Bernard under the Terms and Conditions of the Non-Guaranteed Bonds as amended by the Non-Guaranteed Bonds Extension Agreement constitutes an IPT.
- 4.3 Save for Mr Tan Ah Kan @ Tan Kow La and Mr Tan Yong Hwa, the rest of the Extended Non-Guaranteed Bonds Subscribers are associates of Mr Lim Chye Huat @ Bobby Lim Chye Huat and/or Mr Lim Boon Hock Bernard ("**Lim Associates**"). Accordingly, the Proposed Extension of the Non-Guaranteed Bonds in respect of the Company's respective extended repayment obligation to each of Lim Associates under the Terms and Conditions of the Non-Guaranteed Bonds as amended by the Non-Guaranteed Bonds Extension Agreement constitutes an IPT.
- 4.4 In relation to the Proposed Extension of the Guaranteed Bonds, one of the Extended Guaranteed Bonds Subscribers, Mr Lee Fang Wen, is a director of the Company and an "interested person" as defined under the Catalist Rules. Accordingly, the Proposed Extension of the Guaranteed Bonds in respect of the Company's extended repayment obligations to Mr Lee Fang Wen under the Terms and Conditions of the Guaranteed Bonds as amended by the Guaranteed Bonds Extension Agreement constitutes an IPT.
- 4.5 Pursuant to Rule 906 of the Catalist Rules, the Company is not required to obtain the approval of the shareholders for the Proposed Extension of Non-Guaranteed Bonds and Guaranteed Bonds for the following reasons:
- (a) Based on the audited consolidated financial statements of the Group for the financial year ended 31 March 2016 ("**FY2016**"), the audited consolidated net tangible assets ("**NTA**") of the Group attributable to the owners of the Company as at 31 March 2016 (the "**Audited NTA**") was S\$56.493 million. Based on the interest payable to Mr Tan Ah Kan @ Tan Kow La in respect of his obligation under the Non-Guaranteed Bonds Extension Agreement, the value of the Proposed Extension of Non-Guaranteed Bonds at risk (as defined by Catalist Rule 909(3)) ("**VAR**") for the purposes of Chapter 9 of the Catalist Rules is approximately 0.17% of the Group's Audited NTA;

- (b) Based on the interest payable to Mr Lim Boon Hock Bernard and each of the Lim Associates in accordance with their respective obligations under the Non-Guaranteed Bonds Extension Agreement, the aggregate VAR of the Proposed Extension of Non-Guaranteed Bonds for the purposes of Chapter 9 of the Catalist Rules is approximately 0.33% of the Group's Audited NTA; and
- (c) Based on the interest payable to Mr Lee Fang Wen in accordance with his obligations under the Guaranteed Bonds Extension Agreement, the VAR of the Proposed Extension of Guaranteed Bonds for the purposes of Chapter 9 of the Catalist Rules is approximately 0.03% of the Group's Audited NTA.

In view that none of the aforementioned VAR(s) is equal to, or more than, 3% of the Group's Audited NTA, the Proposed Bonds Extension does not constitute an IPT which requires an immediate announcement pursuant to Catalist Rule 905. In addition, the Proposed Bonds Extension also do not require approval by shareholders pursuant to Catalist Rule 906.

5. Amended Guarantee

- 5.1 In light of the Proposed Extension of Guaranteed Bonds, the Guarantor has on 16 March 2017 executed a deed of amendment to the deed of guarantee dated 18 March 2014 executed by him (the "**Guarantee**") in favour of the holders for the time being of the Guaranteed Bonds (including the Guaranteed Bonds of which the maturity date has been extended to the Extended Maturity Date) (the "**Amended Guarantee**"). The Amended Guarantee amended the definitions of "bonds" and "conditions" therein for clarification purpose only, and the Amended Guarantee does not alter the obligations of the Guarantor in respect of the proper and punctual repayment of the guaranteed amounts under the Guarantee in connection with the Guaranteed Bonds.
- 5.2 As at the date of this announcement, the Guarantor is a Director and a substantial shareholder of the Company. As a result, the Company is an entity at risk while the Guarantor is an "interested person" under the Catalist Rules. Accordingly, the provision of financial assistance by way of the Amended Guarantee constitutes an IPT within the ambit of Chapter 9 of the Catalist Rules.
- 5.3 There is no consideration nor interest payable by the Company to the Guarantor for the Amended Guarantee. Accordingly, for the purposes of Chapter 9 of the Catalist Rules, the VAR of the Amended Guarantee is nil and the Company is not required to obtain the approval of the shareholders for the entry into the Amended Guarantee.

6. Abstention by Interested Persons

- 6.1 The Guarantor has abstained and will abstain from voting on all board resolutions relating to the Proposed Bonds Extension. In addition, Mr Tan Boon Siang and Mr Tan Boon Yew have abstained and will abstain from voting on all board resolutions relating to the Proposed Non-Guaranteed Bonds Extension. Mr Lee Fang Wen has also abstained and will abstain from voting on all board resolutions relating to the Proposed Guaranteed Bonds Extension.
- 6.2 Save as disclosed, herein and in the announcements dated 18 March 2014 and 19 March 2014, there are no other IPTs entered into with each of the Guarantor, the Lim Associates, Mr Lim Chye Huat @ Bobby Lim Chye Huat, Mr Lim Boon Hock Bernard and Mr Tan Ah Kan @ Tan Kow La and Mr Lee Fang Wen in the current financial year ending 31 March 2017.

7. Directors and Substantial Shareholders' Interest

Save as disclosed in this announcement and any subsequent announcements made by the Company in relation to the Proposed Bonds Extension, none of the Directors nor (in as far as the Directors are aware) any substantial shareholder of the Company or their respective associates has any interest, whether direct or indirect, in the Proposed Bonds Extension, save through their respective shareholding interests in the Company.

Shareholders and potential investors should exercise caution when trading in shares of the Company, and where in doubt as to the action they should take, they should consult their financial, tax or other professional adviser immediately.

8. Further Announcements

Further announcements will be made by the Company in relation to the Proposed Bonds Extension as and when appropriate.

By Order of the Board

Tan Boon Kheng
Managing Director
16 March 2017

Note:

- (1) *The total issued share capital of the Company is 1,324,462,688 ordinary shares as at the date of this announcement.*

*This announcement (the “**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 Catalist. The Sponsor has not verified the contents of the 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 the Announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in the Announcement.

The contact person for the Sponsor is Mr Lance Tan, Director, Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone (65) 6229 8088.