



10 Ubi Crescent, Ubi Techpark Lobby E,  
#03-94 Singapore 408564

Tel : (65) 6311 2900  
Fax : (65) 6311 2905

## **WE Holdings to raise between S\$12.7 million to S\$39.4 million in proposed rights cum warrants issue to fund expansion into cement business in Myanmar, coal business and working capital requirements**

- **Rights cum warrants issue to, *inter alia*, fund the expansion into cement business in Myanmar, coal business and improve the working capital of the Company**
- **Strengthened financial position provides flexibility to seize business opportunities in Myanmar**

Singapore and Hong Kong, 14 January 2014 – WE Holdings Ltd (“WE Holdings” or the “Company”) is pleased to announce that the Company is proposing a renounceable non-underwritten rights cum warrants issue of up to 1,313,813,266 new ordinary shares in the capital of the Company (“Rights Shares”) at an issue price of S\$0.015 for each Rights Share (“Issue Price”), with up to 1,313,813,266 free detachable warrants (“Warrants”), each Warrant carrying the right to subscribe for one (1) new ordinary share in the capital of the Company (“Warrant Share”) at an exercise price of S\$0.030 for each Warrant Share (“Exercise Price”) on the basis of one (1) Rights Share with one (1) Warrant for every two (2) existing ordinary shares

On 18 May 2013, the Company announced its entry into the term sheet for the proposed acquisition of 20% shareholding in Dragon Cement Co., Ltd. (“Dragon Cement Acquisition”) for an aggregate consideration of US\$20 million. Subsequently on 12 September 2013, for the purpose of funding the Dragon Cement Acquisition, the Company entered into share placement agreements with certain investors for the issue and allotment of an aggregate 204,050,000 new Shares (“Placement Shares”) at an issue price of S\$0.04302 per new Shares for an aggregate amount of S\$8,778,231, together with a grant of options to such investors to subscribe for an aggregate 204,050,000 additional Shares (“Option Shares”) at the issue price of S\$0.047322 per Option Share (“Option Price”), for an aggregate amount of S\$9,656,054.10 (“Options”).

It was anticipated that on the issue of the Placement Shares and the full exercise of the Option, the Company will raise approximately S\$17.66 million net proceeds to fund the Dragon Cement Acquisition. While the Placement was completed on 2 October 2013, the Options were not exercised by any of the investors and expired on 8 December 2013.

As such, the Company is now proposing to carry out the Rights cum Warrants Issue, with estimated net proceeds being ranging from S\$12.7 million<sup>1</sup> to S\$39.41 million<sup>2</sup> (“Net Proceeds”), and intends to use the Net Proceeds in the following proportions:

---

<sup>1</sup> In the event that (i) before the Books Closure Date, none of the FY2013 Warrants has been exercised and the issue of the Europronic Shares (as announced by the Company on 12 September 2013, 130,152,672 Shares are to be issued as consideration for the acquisition of Europronic) has not been completed, and (ii) the Rights cum Warrants Issue is subscribed in full, the estimated Net Proceeds will be approximately S\$[12.7] million. On the basis of the foregoing, and assuming that all Warrants issued are exercised, the Exercise Proceeds will be approximately S\$[26.2] million

<sup>2</sup> In the event that (i) before the Books Closure Date, the FY2013 Warrants has been exercised in full and the issue of the Europronic Shares has been completed in full, and (ii) the Rights cum Warrants Issue is subscribed in full, the estimated net proceeds (“Net Proceeds”) will be approximately

- (a) up to S\$15 million to partially fund the Dragon Cement Acquisition;
- (b) up to S\$10 million to fund the expansion of the Group's coal business; and
- (c) the balance, if any, towards the Group's working capital requirements.

The Company commented, "The proposed Rights cum Warrants Issue is in line with our plan to tap on the growth opportunities in the petroleum, oil and gas and related resources sector in Myanmar. The Company has decided to proceed with the Rights cum Warrant Issue on a non-underwritten basis as the Company believes that the Issue Price of S\$0.015 for each Rights Share and S\$0.03 for each Warrant is sufficiently attractive.

Further, the Directors are of the opinion that there is no minimum amount which must be raised from the Rights cum Warrant Issue, as in the event it is unable to raise sufficient funds for the Dragon Cement Acquisition, the Company will source for alternative sources of funding, including but not limited to bank borrowings. Hence, in view of the above and the savings enjoyed for not having to bear underwriting fees, the Company has decided to proceed with the Rights cum Warrant Issue on a non-underwritten basis."

Assuming that the FY2013 Warrants<sup>3</sup> has been exercised in full and the issue of the Eurotronic Shares has been completed in full prior to the Books Closure Date, the proposed Issue Price of S\$0.015 for each Rights Share represents a discount of approximately 65% to the closing market price of the Shares on Catalist Board ("Catalist") of the Singapore Exchange Securities Trading Limited ("SGX-ST") on 13 January 2013, and a discount of approximately 52% to the theoretical ex-rights price of the Share. The proposed Exercise Price of S\$0.030 for each Warrant Share represents a discount of approximately 30% to the closing market price of the Shares on Catalist on 13 January 2013, and a discount of approximately 4% to the theoretical ex-rights price of the Share.

The Company will be seeking specific approval from the Shareholders at an extraordinary general meeting of the Company ("EGM") to be convened to approve the Rights cum Warrants Issue. A circular setting out, amongst other things, the details of, and other relevant information pertaining to the Rights cum Warrants Issue, together with the notice of the EGM, will be despatched to the Shareholders in due course. The final terms and conditions of the Rights cum Warrants Issue will be contained in an offer information statement to be issued by the Company in due course following the EGM, if the Rights cum Warrants Issue is approved at the EGM.

- The End -

---

S\$[19.7] million, after deducting professionals' fees and related expenses incurred in connection with the Rights cum Warrants Issue. On the basis of the foregoing, and assuming that all Warrants issued are exercised, the estimated gross proceeds from the exercise of the Warrants ("Exercise Proceeds") will be approximately S\$[39.41] million.

<sup>3</sup> The FY2013 Warrants refer to the 748,361,049 outstanding free detachable warrants issued pursuant to the rights cum warrants issue announced by the Company on 2 April 2013, exercisable into 748,361,049 Shares.

## **About WE Holdings Ltd**

WE Holdings Ltd was first incorporated in Singapore in March 1986 and was publicly listed on the Singapore Exchange in May 2002.

As part of its expansion plan, WE Holdings has identified growth opportunities in Myanmar and looks towards transforming its business to focus on resources such as petroleum and oil and gas in the region.

In line with this plan, the Company entered into share placement agreements in February 2013, during which the Company allotted and issued an aggregate of 167,072,178 new Shares ("Placement Shares") at the issue price of S\$0.03699 per Placement Share, for an aggregate amount of S\$6.18 million. 20.1% or S\$1.17 million of the net proceeds was intended for the Company's expansion into resources businesses within Myanmar and other regions, and another 20.1% or S\$1.17 million was intended for other business opportunities in Myanmar.

## **Issued for and on behalf of WE Holdings Ltd For more information please contact**

### **Financial PR Pte Ltd.**

Mr Gabriel TAN,  
Associate Director  
[Gabriel@financialpr.com.sg](mailto:Gabriel@financialpr.com.sg)  
Tel: +65 6438 2990  
Fax: +65 6438 0064

Ms Allison Chen,  
Consultant  
[allison@financialpr.com.sg](mailto:allison@financialpr.com.sg)

This Announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, RHT Capital Pte. Ltd., for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (SGX-ST). The Company's Sponsor has not independently verified the contents of this Announcement.

This Announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this Announcement, including the correctness of any of the statements or opinions made or reports contained in this Announcement.

The contact person for the Sponsor is:-

Name: Ms Amanda Chen, Registered Professional, RHT Capital Pte. Ltd.  
Address: Six Battery Road #10-01, Singapore 049909  
Tel: 6381 6757