



**VIBROPOWER CORPORATION LIMITED**

(Company Registration Number 200004436E)

(Incorporated in the Republic of Singapore on 23 May 2000)

---

**PROPOSED SHARE CONSOLIDATION OF EVERY TEN (10) EXISTING ISSUED ORDINARY SHARES IN THE CAPITAL OF VIBROPOWER CORPORATION LIMITED HELD BY SHAREHOLDERS AS AT A BOOKS CLOSURE DATE TO BE DETERMINED, INTO ONE (1) ORDINARY SHARE, FRACTIONAL ENTITLEMENTS TO BE DISREGARDED**

---

**1. INTRODUCTION**

1.1 The Board of Directors (the “**Directors**”) of VibroPower Corporation Limited (the “**Company**”) and together with its subsidiaries, the “**Group**”) wishes to announce that the Company is proposing to undertake a share consolidation exercise (the “**Share Consolidation**”) to consolidate every ten (10) existing issued ordinary shares in the capital of the Company (the “**Shares**”) into one (1) ordinary share (the “**Consolidated Share**”).

1.2 Pursuant to the proposed Share Consolidation, each shareholder of the Company (the “**Shareholder**”) will receive one (1) Consolidated Share for every ten (10) Shares held as at the books closure date to be determined by the Directors in their absolute discretion as they deem fit (the “**Books Closure Date**”), fractional entitlements to be disregarded.

**2. DETAILS OF THE PROPOSED SHARE CONSOLIDATION**

2.1 Under the proposed Share Consolidation, every ten (10) Shares registered in the name of each Shareholder (not being a depositor), or standing to the credit of the securities account of each depositor, as at the Books Closure Date will be consolidated into one (1) Consolidated Share, fractional entitlements to be disregarded.

2.2 Each Consolidated Share will rank *pari passu* in all respects with each other, and will be traded in board lots of 100 Consolidated Shares.

2.3 **Shareholders should note that the number of Consolidated Shares which they will be entitled to pursuant to the proposed Share Consolidation, based on their holdings of Shares as at the Books Closure Date, will be rounded down to the nearest whole Consolidated Share and any fractions of a Consolidated Share arising from the proposed Share Consolidation will be disregarded. Affected Shareholders will not be paid for any fractions of a Consolidated Share which are disregarded. All fractional entitlements arising from the implementation of the Share Consolidation will be disregarded by the Directors and the Company will not be issuing any Consolidated Shares which arose from the aggregation of such fractional entitlements.**

Shareholders who hold less than ten (10) existing issued Shares as at the Books Closure Date will not be entitled to any Consolidated Shares and will no longer be Shareholders upon completion of the proposed Share Consolidation. Such Shareholders who wish to remain as Shareholders upon completion of the proposed Share Consolidation are advised to purchase additional existing issued Shares so as

**to increase the number of the existing issued Shares held to a multiple of ten (10) existing issued Shares prior to the Books Closure Date. Shareholders who wish to avoid any fractions of a Share arising from the proposed Share Consolidation may wish to trade in odd lots on the SGX-ST's unit share market such that their holdings of existing issued Shares will be a multiple of ten (10) as at the Books Closure Date.**

- 2.4 As at the date of this announcement, the Company has an issued and paid-up share capital of S\$14,767,000<sup>1</sup> comprising 345,277,121 Shares (including 9,768,000 treasury shares held by the Company). On the assumption that no new Shares are issued by the Company on or prior to the Books Closure Date and the number of treasury shares held by the Company remains the same, immediately following the completion of the Share Consolidation, the Company will have an issued and paid-up share capital of S\$14,767,000<sup>1</sup> comprising 34,527,712 Consolidated Shares (including 976,800 consolidated treasury shares), disregarding fractional interests in the Consolidated Shares arising from the proposed Share Consolidation.
- 2.5 The proposed Share Consolidation will have no impact on the dollar value of the issued and paid-up share capital of the Company. The proposed Share Consolidation will also not involve the diminution of any liability in respect of unpaid capital or the payment to any Shareholder of any paid-up capital of the Company, and has no effect on the Shareholders' equity of the Group.
- 2.6 Shareholders are not required to make any payment to the Company in respect of the proposed Share Consolidation. The proposed Share Consolidation is not expected to cause any changes to the percentage shareholding of each Shareholder, other than non-material changes due to rounding and the disregard of fractional entitlements as stated in paragraph 2.3.
- 2.7 Shareholders who hold physical share certificates may wish to deposit the same with the Central Depository (Pte) Limited (the "**CDP**") and have their Shares credited to their securities account with CDP prior to the Books Closure Date, as CDP will only accept the deposit of share certificates for Consolidated Shares after the Books Closure Date.

### **3. RATIONALE FOR THE PROPOSED SHARE CONSOLIDATION**

- 3.1 On 1 August 2014, the Monetary Authority of Singapore and the Singapore Exchange Limited (the "**SGX**") jointly announced that from March 2015, all issuers listed on the Mainboard of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") would be given a one (1)-year transition period to comply with a listing requirement that their six (6)-month volume weighted average price be maintained at a minimum trading price of S\$0.20 (the "**MTP Requirement**"). On 10 February 2015, the SGX further announced that the MTP Requirement would be introduced with effect from 2 March 2015, with issuers to be assessed for compliance with the MTP Requirement from 1 March 2016.
- 3.2 The six (6)-month volume weighted average price of the Shares as of 24 August 2015 was S\$0.048<sup>2</sup>, which is below the MTP Requirement of S\$0.20. On the assumption that the proposed Share Consolidation had been in place for the same period, the theoretical adjusted six (6)-month volume weighted average price for the Consolidated Shares as of 24 August 2015 would be S\$0.48. The Company is therefore seeking to undertake the proposed Share

---

<sup>1</sup> Rounded to the nearest thousand.

<sup>2</sup> Based on the latest publicly available information as at the date of this announcement extracted from the StockFacts of the SGX-ST.

Consolidation with the purpose of raising the minimum theoretical share price so as to ensure compliance with the MTP Requirement.

- 3.3 Shareholders should note, however, that there is no assurance that the proposed Share Consolidation will achieve the desired results or that such results (if achieved) can be sustained in the longer term.

#### **4. APPROVALS AND CONDITIONS**

- 4.1 The proposed Share Consolidation is subject to, *inter alia*, the following:-

- (a) the approval of Shareholders for the Share Consolidation at an extraordinary general meeting (“**EGM**”) to be convened; and
- (b) the in-principle approval of the SGX-ST for the dealing in, listing of and quotation for the Consolidated Shares on the Mainboard of the SGX-ST.

- 4.2 An application will be made to the SGX-ST for the dealing in, listing of and quotation for the Consolidated Shares pursuant to the proposed Share Consolidation on the Mainboard of the SGX-ST. The Company will release an announcement on the outcome of the application in due course.

#### **5. DESPATCH OF CIRCULAR**

- 5.1 A circular containing, *inter alia*, the notice of EGM and further information on the proposed Share Consolidation will be despatched to Shareholders in due course.
- 5.2 Meanwhile, Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares. When in doubt, Shareholders and potential investors of the Company are advised to seek independent advice from their bankers, stockbrokers, solicitors or other professional advisers.

By Order of the Board  
VibroPower Corporation Limited

BENEDICT CHEN ONN MENG  
Chief Executive Officer  
28 August 2015