

**ATTILAN GROUP LIMITED**  
(Incorporated in Singapore)  
(Company Registration Number: 199906459N)

**PROPOSED ISSUE OF 1% UNSECURED EQUITY LINKED REDEEMABLE STRUCTURED  
CONVERTIBLE NOTES DUE 2018 IN AGGREGATE PRINCIPAL AMOUNT OF UP TO  
S\$50,000,000**

**1. INTRODUCTION**

The Board of Directors of Attilan Group Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that the Company has on 2 October 2015 entered into a subscription agreement (the “**Subscription Agreement**”) with Advance Opportunities Fund (the “**Subscriber**”) and Advance Capital Partners Pte Ltd (“**ACP**”) in connection with the issue by the Company to the Subscriber of 1% unsecured equity linked redeemable structured convertible notes due 2018 (collectively, the “**Notes**” and each, a “**Note**”) with an aggregate principal amount of up to S\$50,000,000 in 8 tranches (the “**Proposed Issue**”). The 8 tranches of the Notes (each, a “**Tranche**”) shall be referred to as “**Tranche 1 Notes**”, “**Tranche 2 Notes**”, “**Tranche 3 Notes**”, “**Tranche 4 Notes**”, “**Tranche 5 Notes**”, “**Tranche 6 Notes**”, “**Tranche 7 Notes**” and “**Tranche 8 Notes**”. Each of Tranche 1 to Tranche 6 Notes shall comprise 10 equal sub-tranches of S\$500,000 each. Each of Tranche 7 and Tranche 8 Notes shall comprise 20 equal sub-tranches of S\$500,000 each.

The Company previously announced the proposed issue of the Notes on 6 April 2015.

**2. SALIENT TERMS OF THE NOTES**

Pursuant to the Subscription Agreement, the Company, the Subscriber and ACP have agreed that the issue of the Notes shall be on, *inter alia*, the following terms:

Subscription	<p>(a) The Subscriber will subscribe for the Tranche 1 Notes at the Issue Price (as defined below).</p> <p>(b) The Company has an option to require the Subscriber to subscribe for the Tranche 2 to Tranche 8 Notes at the Issue Price during the relevant option period (the “<b>Option Period</b>”). In respect of the Notes under each Tranche, the Option Period means the period from the conversion date of the last of the Notes comprised in the last sub-tranche of the preceding Tranche to the tenth business days thereafter.</p>
Issue price (the “ <b>Issue Price</b> ”)	In relation to each sub-tranche of the relevant Tranche, the amount equivalent to 100% of the principal amount of the Notes for such sub-tranche.
Method of issue	The Notes will be privately placed to and purchased by the Subscriber. No offering circular or information memorandum will be issued by the Company for the Proposed Issue.
Interest	1% interest per annum, payable semi-annually in arrears on 30 June and 31 December in each year. Each Note shall cease to bear interest on conversion into ordinary shares in the share capital of the Company (collectively, “ <b>Shares</b> ” and each, a “ <b>Share</b> ”) or from the due date for redemption.
Conversion	(a) Any Note may be converted into Shares (the “ <b>Conversion</b> ”

	<p><b>Shares</b>") at the option of its holder from the date on which it is issued up to the close of business on the day falling 1 week before the Maturity Date (as defined below).</p> <p>(b) The number of Conversion Shares to which a noteholder is entitled on conversion shall be determined by dividing the aggregate principal amount of the Notes to be converted by the applicable Conversion Price (as defined below).</p>
<p>Conversion price (the "<b>Conversion Price</b>")</p>	<p>The price at which each Conversion Share shall be issued upon conversion shall be:</p> <p>(a) in respect of Tranche 1 Notes, 80% of the average Closing Price per Share on any 3 consecutive business days as selected by the relevant noteholder during the 45 business days immediately preceding the relevant conversion date on which Shares were traded on the Singapore Exchange Securities Trading Limited (the "<b>SGX-ST</b>");</p> <p>(b) in respect of Tranche 2 Notes, 85% of the average Closing Price per Share on any 3 consecutive business days as selected by the relevant noteholder during the 45 business days immediately preceding the relevant conversion date on which Shares were traded on the SGX-ST;</p> <p>(c) in respect of Tranche 3 Notes, 85% of the average Closing Price per Share on any 3 consecutive business days as selected by the relevant noteholder during the 45 business days immediately preceding the relevant conversion date on which Shares were traded on the SGX-ST;</p> <p>(d) in respect of Tranche 4 Notes, 85% of the average Closing Price per Share on any 3 consecutive business days as selected by the relevant noteholder during the 45 business days immediately preceding the relevant conversion date on which Shares were traded on the SGX-ST;</p> <p>(e) in respect of Tranche 5 Notes, 85% of the average Closing Price per Share on any 3 consecutive business days as selected by the relevant noteholder during the 45 business days immediately preceding the relevant conversion date on which Shares were traded on the SGX-ST;</p> <p>(f) in respect of Tranche 6 Notes, 85% of the average Closing Price per Share on any 3 consecutive business days as selected by the relevant noteholder during the 45 business days immediately preceding the relevant conversion date on which Shares were traded on the SGX-ST;</p> <p>(g) in respect of Tranche 7 Notes, 85% of the average Closing Price per Share on any 3 consecutive business days as selected by the relevant noteholder during the 45 business days immediately preceding the relevant conversion date on which Shares were traded on the SGX-ST; and</p> <p>(h) in respect of Tranche 8 Notes, 85% of the average Closing Price per Share on any 3 consecutive business days as selected by the relevant noteholder during the 45 business days immediately preceding the relevant conversion date on which Shares were traded on the SGX-ST.</p>

	In view that the formulas for the Conversion Price of the Tranche 1 to Tranche 8 Notes is fixed at more than 10% discount to the prevailing market price of the Shares before conversion, the issue and allotment of the Conversion Shares at the Conversion Price is subject to the approval of the shareholders of the Company (the “ <b>Shareholders</b> ”) at a general meeting.
Closing price of a Share (the “ <b>Closing Price</b> ”)	The closing price of the Shares on the SGX-ST for 1 Share on a particular business day as adjusted pursuant to the Terms and Conditions of the Notes (the “ <b>Terms and Conditions</b> ”).
Closing date (the “ <b>Closing Date</b> ”)	In respect of each sub-tranche of the Notes, the date on which such sub-tranche of the Notes is subscribed for and issued pursuant to the Subscription Agreement.
Redemption	The Company may redeem the Notes presented for conversion in cash at the Redemption Amount (as defined below) if the Conversion Price is less than or equal to 65% of the average of the Closing Price per Share for the 30 consecutive business days before the issue of the relevant sub-tranche of the Notes.
Redemption amount (the “ <b>Redemption Amount</b> ”)	<p>The redemption amount is calculated according to the following formula:</p> $N \times \{P + [8\% \times P \times (D/365)] + I\}$ <p>Where:</p> <p>“<b>D</b>” = the amount of days elapsed since the relevant Closing Date;</p> <p>“<b>N</b>” = the number of Notes presented for conversion.</p> <p>“<b>P</b>” = the face value of the Notes presented for conversion.</p> <p>“<b>I</b>” = the remaining unpaid interest accrued on the Notes presented for conversion.</p>
Maturity	“ <b>Maturity Date</b> ” means the date falling 36 months from the Closing Date of the first sub-tranche of Tranche 1 Notes. The Notes which are not redeemed or purchased, converted or cancelled by the Company will be converted by the Company in accordance with the Terms and Conditions on the Maturity Date.
Conditions precedent to the closing of the first sub-tranche of Tranche 1 Notes	<p>The Subscriber shall not be obliged to subscribe for the first sub-tranche of Tranche 1 Notes unless the following conditions have been satisfied by the date falling 3 calendar months from 2 October 2015:</p> <p>(a) within 5 business days from the date of the Subscription Agreement, there shall have been delivered to the Subscriber, a list setting out the names of the substantial shareholders of the Company as at the book closure date, certified to be true and accurate;</p> <p>(b) the approval of the Shareholders for, <i>inter alia</i>, the subscription or the issue of the Notes and the allotment and issue of the Conversion Shares upon conversion of the Notes has been obtained and such approval has not been amended, withdrawn, revoked or cancelled;</p>

	<p>(c) all the approvals for the transactions contemplated under the Subscription Agreement have been duly obtained, and such approvals have not been amended, withdrawn, revoked or cancelled;</p> <p>(d) all the registration and submission required to be carried out by the Company for the transactions contemplated under the Subscription Agreement to any relevant authorities have been duly carried out;</p> <p>(e) (i) all the representations, warranties, undertakings and covenants of the Company set forth in the Subscription Agreement are accurate and correct in all respects;</p> <p>(ii) the Company has performed all of its undertakings or obligations under the Subscription Agreement; and</p> <p>(iii) there shall have been delivered to the Subscriber a certificate, dated as of the Closing Date of the first sub-tranche of Tranche 1 Notes to such effect; and</p> <p>(f) there shall have been delivered to the Subscriber, certified on or dated on or before the Closing Date of the first sub-tranche of Tranche 1 Notes:</p> <p>(i) the documents listed in Schedule 1 of the Subscription Agreement;</p> <p>(ii) certified true copies of certain resolutions;</p> <p>(iii) certified true copies of the approvals obtained by the Company; and</p> <p>(iv) such other approvals, documents, opinions and certificates as may be required or deemed necessary by the Subscriber.</p>
<p>Conditions to each of the respective closings of the remaining Notes</p>	<p>The Subscriber shall not be obliged to subscribe for each sub-tranche of the remaining Notes unless the following conditions have been satisfied:</p> <p>(a) the approval of the Shareholders for, <i>inter alia</i>, the subscription or the issue of the Notes and the allotment and issue of the Conversion Shares upon conversion of the Notes has been obtained and such approval has not been amended, withdrawn, revoked or cancelled;</p> <p>(b) all the approvals for the transactions contemplated under the Subscription Agreement have been duly obtained, and such approvals have not been amended, withdrawn, revoked or cancelled;</p> <p>(c) at each Closing Date of the first sub-tranche of Tranche 2 to Tranche 8 Notes:</p> <p>(i) all the representations, warranties, undertakings and covenants of the Company set forth in the Subscription Agreement are accurate and correct in all respects;</p> <p>(ii) the Company has performed all of its undertakings or obligations under the Subscription Agreement; and</p>

	<p>(iii) there shall have been delivered to the Subscriber a certificate, dated as of the relevant Closing Date to such effect; and</p> <p>(d) on or prior to each Closing Date of the first sub-tranche of Tranche 2 to Tranche 8 Notes, there shall have been delivered to the Subscriber, certified on or dated on or before the relevant Closing Date:</p> <p>(i) the documents listed in Schedule 1 of the Subscription Agreement; and</p> <p>(ii) such other approvals, documents, opinions and certificates as may be required or deemed necessary by the Subscriber.</p>
Arranger fee	An arranger fee of 5% of the principal amount of each sub-tranche of Tranche 1 to Tranche 8 Notes issued is payable by the Company to ACP on the Closing Date of each relevant sub-tranche of Notes.
Cancellation fee	A cancellation fee of S\$50,000 is payable by the Company to the Subscriber in the event that the Subscription Agreement is terminated for any reason prior to the Closing Date of the first sub-tranche of Tranche 1 Notes.
The Subscriber's and ACP's expenses	The Company will bear all costs and expenses reasonably incurred by ACP and the Subscriber, including but not limited to fees and expenses and applicable tax of ACP's and the Subscriber's legal advisers up to S\$30,000 in connection with the preparation of the Subscription Agreement and the issue and allotment of the Notes and the Conversion Shares.

### 3. INFORMATION THE SUBSCRIBER AND ACP

The Subscriber is an open-ended fund with sub-funds incorporated in the Cayman Islands and has its registered office at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. Mr Tan Choon Wee is the principal and sole director of the Subscriber. The Subscriber's investors are mainly based in Asia.

ACP is a Singapore domiciled company incorporated on 5 May 2005 and its sole director and shareholder is Mr Tan Choon Wee. ACP has been appointed by the Subscriber as the authorised representative of the Subscriber, to co-ordinate the Subscriber's investment in the Company. In connection therewith, ACP has been authorised to act for and on behalf of the Subscriber.

The Company was looking to raise funds to, inter alia, strengthen its balance sheet and was introduced to Mr Tan Choon Wee. Subsequent to the introduction, the Company decided to enter into the Subscription Agreement with the Subscriber and ACP.

### 4. PROCEEDS

The Company intends to raise up to S\$50,000,000 gross proceeds from entering into the Subscription Agreement. The net proceeds, after deducting estimated fees and expenses (including the abovementioned arranger fee and expenses of approximately S\$2,700,000), are approximately S\$47,300,000 (the "**Net Proceeds**"). The Company intends to use the Net Proceeds in the following manner:

<b>Use of Net Proceeds</b>	<b>Percentage Allocation (%)</b>
General Working Capital	Approximately up to 10% - 20%
Future expansions and investments	Approximately up to 80% - 90%

## 5. RATIONALE FOR ISSUING THE NOTES

The Company intends to expand its existing business by way of, amongst others, acquisitions of other businesses. The Proposed Issue will raise funds for such expansions.

## 6. EXTRAORDINARY GENERAL MEETING

The Proposed Issue and the issue and allotment of the Conversion Shares at the Conversion Price are subject to the approval of the Shareholders at an extraordinary general meeting to be convened. In this regard, a circular to the Shareholders containing, *inter alia*, further information on the Proposed Issue and enclosing the notice of the extraordinary general meeting will be dispatched to the Shareholders in due course.

## 7. APPLICATION TO THE SGX-ST

The Company will make an application to the SGX-ST for the listing of and quotation for the Conversion Shares on the Official List of the SGX-ST. The Company will make the necessary announcement upon the receipt of the approval in-principle from the SGX-ST for the listing of and quotation for the Conversion Shares on the Official List of the SGX-ST. The Notes will not be listed on the Official List of the SGX-ST.

## 8. FINANCIAL EFFECTS

Solely for illustration purposes only, the financial effects based on the latest audited consolidated financial statements of the Group for the financial year ended 31 December 2014, and assuming that the Group issued an aggregate principal amount of S\$50,000,000 Notes, which are then converted into 9,865,196,080 Conversion Shares, the effect on the Group's net tangible assets ("**NTA**") per Share and earnings per Share ("**EPS**") based on the gross proceeds for the issue of the Notes will be as follows:

	<b>Before Issue</b>	<b>Proposed</b>	<b>After Issue</b>	<b>Proposed</b>	<b>After conversion of the Notes into Conversion Shares</b>
<b>Group</b>					
NTA (S\$'000) <sup>1</sup>	(865)		(865)		49,135
Number of Conversion Shares <sup>2</sup>	-		-		10,962,701,181
NTA per Share (Singapore cents)	(0.08)		(0.08)		0.70
EPS (Singapore cents) <sup>3</sup>	(5.26)		(5.26)		(0.86)

### Notes:

<sup>(1)</sup> NTA as of 31 December 2014.

<sup>(2)</sup> As explained above, the number of Conversion Shares to which a noteholder is entitled on conversion shall be determined by dividing the aggregate principal amount of the Notes to be converted by the applicable Conversion Price. For the purpose of this illustration, we have used the

average Closing Price per Share on 22 September 2015, 25 September 2015 and 28 September 2015 to compute the Conversion Price. There is no trade on 23 September 2015.

<sup>(3)</sup> EPS for the financial year ended 31 December 2014.

## **9. INTEREST OF DIRECTORS AND CONTROLLING SHAREHOLDERS**

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Proposed Issue, other than through their respective shareholdings (if any) in the Company.

## **10. TRADING CAUTION**

Shareholders are advised to exercise caution in trading their Shares. The Proposed Issue will be subject to conditions. There is no certainty or assurance as at the date of this announcement that the Proposed Issue will be completed or that no changes will be made to the terms thereof. The Company will make the necessary announcements when there are further developments. Shareholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders should consult their stock brokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

## **11. DOCUMENT AVAILABLE FOR INSPECTION**

A copy of the Subscription Agreement is available for inspection at the registered office of the Company at 22 Cross Street, #03-54/61 South Bridge Court, China Square Central, Singapore 048421 during normal business hours for 3 months from the date of this announcement.

## **BY ORDER OF THE BOARD**

Datuk Jared Lim Chih Li  
Managing Director  
2 October 2015