
PROPOSED CONSOLIDATION OF EVERY ONE HUNDRED (100) EXISTING ISSUED ORDINARY SHARES IN THE CAPITAL OF THE COMPANY HELD BY SHAREHOLDERS OF THE COMPANY AS AT A BOOKS CLOSURE DATE TO BE DETERMINED, INTO ONE (1) ORDINARY SHARE IN THE CAPITAL OF THE COMPANY, FRACTIONAL ENTITLEMENTS TO BE DISREGARDED

1. INTRODUCTION

The Board of Directors (the "**Board**") of Acma Ltd (the "**Company**") wishes to announce that the Company proposes to undertake a share consolidation of every one hundred (100) existing issued ordinary shares in the capital of the Company (the "**Existing Shares**") held by shareholders of the Company (the "**Shareholders**") as at a books closure date to be determined by the Directors (the "**Books Closure Date**") into one (1) ordinary share (the "**Consolidated Shares**"), fractional entitlements to be disregarded (the "**Proposed Share Consolidation**").

2. THE PROPOSED SHARE CONSOLIDATION

The Consolidated Shares in issue will rank *pari passu* with one another and will be traded in board lots of one hundred (100) Consolidated Shares.

Shareholders should note that the number of Consolidated Shares which they will be entitled to, based on their holdings of Shares as at the Books Closure Date, will be rounded down to the nearest whole Consolidated Share. Any fractions of Consolidated Shares arising from the Proposed Share Consolidation will be disregarded, save for the event that, upon the completion of the Proposed Share Consolidation, any Shareholder who is entitled to less than one (1) Consolidated Share shall be deemed to be entitled to one (1) Consolidated Share ("**Minimum Entitlement**").

The rationale of having the Minimum Entitlement is to prevent any Shareholder from ceasing to be a Shareholder due to the Proposed Share Consolidation.

The Company does not intend to aggregate all fractional entitlements arising from the Proposed Share Consolidation for any purpose.

The Proposed Share Consolidation will have no impact on 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' funds of the Group. Shareholders will not be required to make any payment to the Company in respect of the Proposed Share Consolidation. The Proposed Share Consolidation will not cause any changes to the percentage shareholding of each Shareholder, other than non-material changes due to rounding and the disregard of the fractional entitlement.

3. RATIONALE

The Proposed Share Consolidation will rationalise the share capital of the Company by reducing the number of Existing Shares, and the trading price per Consolidated Share should theoretically be proportionally higher than the trading price per Existing Share prior to the Proposed Share Consolidation.

The Directors believe that a higher trading price per Consolidated Share will generally be beneficial to the Company and its Shareholders and will increase market interest.

Further, the Monetary Authority of Singapore and the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") introduced a minimum trading price ("**MTP**") of S\$0.20 per share for Mainboard listed issuers as a continuing listing requirement with effect from 2 March 2015. Issuers will have a twelve (12)-month transition period ending on 1 March 2016 to take steps to comply with the MTP

requirement. Pursuant to the new MTP requirement, issuers which are not able to record a six (6)-month volume-weighted average ("**6-month VWAP**") of S\$0.20 or above on 1 March 2016 and at any of the subsequent quarterly review dates will be placed on the watch-list. Affected issuers will be provided a cure period of thirty six (36) months to take remedial actions. Affected issuers which fail to take remedial actions during the cure period may be delisted from the Mainboard of the SGX-ST.

The Proposed Share Consolidation will facilitate compliance with the MTP requirement to satisfy the continuing listing requirement imposed by the SGX-ST for Mainboard-listed issuers to have a minimum trading price per share of S\$0.20.

4. CONDITIONS AND APPROVALS

The implementation of the Proposed Share Consolidation is subject to:

- (a) the approval of Shareholders by way of an ordinary resolution at an extraordinary general meeting ("**EMG**"); and
- (b) the approval of SGX-ST for the listing and quotation of all the Consolidated Shares.

An application will be made to the SGX-ST for the listing of and quotation for the Consolidated Shares. The Company will announce the outcome of the application in due course. A circular containing, *inter alia*, the notice of the EGM and details of the Proposed Share Consolidation will be dispatched to Shareholders in due course.

5. ADJUSTMENTS TO CONVERTIBLE SECURITIES

As a result of the Proposed Share Consolidation, the exercise price and/or number of warrants and the exercise price and/or the number of shares to be issued under employee share options of the Company will be subject to adjustments pursuant to the relevant rules where they are issued. Details of such adjustments will be announced in due course.

6. CAUTION IN TRADING

Shareholders are advised to exercise caution in trading their shares and should consult their stock brokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

7. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Share Consolidation, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in the announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the announcement in its proper form and context.

BY ORDER OF THE BOARD

Quek Sim Pin
Executive Chairman

18 March 2015