

**CNA GROUP LIMITED**  
(Company Registration No 199000449K)  
(Incorporated in the Republic of Singapore)

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**PROPOSED ISSUE OF UP TO \$120 MILLION IN AGGREGATE PRINCIPAL AMOUNT OF REDEEMABLE ZERO COUPON CONVERTIBLE BONDS CONSISTING OF: (A) 2 SEPARATE SUCCESSIVE TRANCHES OF INITIAL BONDS; AND (B) 58 SEPARATE SUCCESSIVE TRANCHES OF SUBSEQUENT BONDS, EACH HAVING A PRINCIPAL AMOUNT OF S\$2,000,000, TO PACIFIC ALLIANCE ASIA OPPORTUNITY FUND L.P. AND/OR ITS AFFILIATES**

**- CONVERSION OF S\$800,000 WORTH OF BONDS INTO 12,143,290 NEW SHARES**

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*Where capitalised terms are used in this announcement and not otherwise defined, such capitalised terms used herein shall bear the same meaning as ascribed to them in the Company's announcement dated 30 April 2014, 29 August 2014 and 5 September 2014 relating to the Bond Issue (collectively, the "Announcements").*

Further to the Announcements, the board of directors of the Company wishes to announce that the Subscriber has on 9 September 2014, in accordance with the terms of the Bond Subscription Agreement, delivered a conversion notice to convert S\$800,000 in value of the first tranche of Initial Bonds having an aggregate principal amount of S\$2,000,000, into 12,143,290 New Shares at the conversion price of S\$0.06588 ("Conversion Price") for each New Share.

The Conversion Price of S\$0.06588 is equal to 90 per cent of the lowest average of the closing prices quoted by the SGX-ST for one share for any five consecutive trading day period in the 15 consecutive trading days immediately preceding the conversion date, as provided in the Bond Subscription Agreement.

The New Shares, issued and allotted on 10 September 2014, are expected to be listed and quoted on the Main Board of the SGX-ST with effect from 9 a.m., 12 September 2014. The New Shares will rank *pari passu* in all respects with the existing shares of the Company in issue.

Following the issue of the New Shares, the number of issued and paid-up ordinary shares of the Company will be increased to 423,747,283 (excluding Treasury shares). The New Shares constitute 2.87% of the Company's enlarged issued and paid-up share capital.

**By Order of the Board of CNA Group Limited**

Joint Company Secretary  
Lee Thiam Chye

**11 September 2014**