

**NauticAWT Limited**  
(Company Registration Number: 201108075C)  
(Incorporated in the Republic of Singapore)

---

- (1) **PROPOSED SUBSCRIPTION OF 400,000,000 ORDINARY SHARES IN THE SHARE CAPITAL OF THE COMPANY TO DR CHIRASAK CHIYACHANTANA; AND**
- (2) **PROPOSED ISSUANCE OF UP TO 181,852,521 SETTLEMENT SHARES IN THE SHARE CAPITAL OF THE COMPANY PURSUANT TO DEBT RESTRUCTURING**
- 

## **1. INTRODUCTION**

- 1.1 The board of directors (the “**Board**” or “**Directors**”) of NauticAWT Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that the Company had, on 10 July 2019, entered into a conditional share subscription agreement (the “**Subscription Agreement**”) with Dr Chirasak Chiyachantana (the “**Subscriber**”) pursuant to which the Company has agreed to issue and allot an aggregate of 400,000,000 new ordinary shares (“**Subscription Shares**”) in the capital of the Company to the Subscriber (“**Proposed Subscription**”) at the subscription price of approximately S\$0.01125 (“**Subscription Price**”) for each Subscription Share. The Subscriber was introduced to the Company by UOB Kay Hian Private Limited.
- 1.2 Pursuant to the Subscription Agreement, the Company undertakes to commence a Debt Restructuring (as defined below in paragraph 2.3) which would include, *inter-alia*, the Company’s issuance of an aggregate of up to 181,852,521 Shares for a partial capitalisation of the liabilities of the Company (the “**Settlement Shares**”).
- 1.3 The Subscription Shares represent approximately 188.4 per cent of the Existing Share Capital<sup>1</sup> (excluding treasury shares and subsidiary holdings) of the Company as at the date of this announcement. Following the successful allotment and issuance of the Subscription Shares and the completion of the Debt Restructuring (as defined below in paragraph 2.3), the Subscription Shares will represent approximately 50.4 per cent of the Enlarged Share Capital<sup>2</sup> (excluding treasury shares and subsidiary holdings) of the Company.

## **2. SALIENT TERMS OF THE SUBSCRIPTION AGREEMENT**

### **2.1 Subscription Shares**

- 2.1.1 In connection to the Proposed Subscription, pursuant to Rules 803, 805(1) and 811 of the Catalist Rules, the Company will not be relying on the general share issue mandate granted

---

<sup>1</sup> Existing Share Capital refers to the existing issued and paid-up share capital of the Company of 212,333,525 Shares (excluding treasury shares and subsidiary holdings) as at the date of this announcement.

<sup>2</sup> Enlarged Share Capital refers to the enlarged issued and paid-up share capital of 794,186,046 Shares (excluding treasury shares and subsidiary holdings) immediately after the completion of the Proposed Subscription (the “**Completion**”) and completion of the Debt Restructuring, comprising the Existing Share Capital and the Subscription Shares and 181,852,521 Settlement Shares (as defined in paragraph 2.4.2 below).

by the shareholders of the Company ("**Shareholders**") to the Directors at the last annual general meeting of the Company held on 29 April 2019 (the "**2018 AGM**") and be seeking the approval of its Shareholders at an extraordinary general meeting ("**EGM**") to be convened for the following:-

- a) the issuance and allotment of the Subscription Shares at the Subscription Price; and
- b) the transfer of a controlling interest to the Subscriber.

Further information on the Proposed Subscription will be provided in a circular to be despatched to Shareholders in due course ("**Circular**").

- 2.1.2 The Subscription Shares shall be issued free from all claims, charges, liens and other Encumbrances whatsoever and shall rank, *pari passu*, in all respects with the existing Shares save that they will not rank for any dividend, rights, allotments or other distributions, the record date of which falls on or before the Completion Date (as defined in paragraph 2.6 below).

## 2.2 Subscription Price

- 2.2.1 The Subscription Price of S\$0.01125 represents a discount of approximately 43.8% to the volume-weighted average price of S\$0.020 per Share, based on the trades done on the Singapore Exchange Securities Trading Limited ("**SGX-ST**") on 4 July 2019, being the last full market day which the shares of the Company ("**Shares**") were traded immediately preceding the date and up to the time the Subscription Agreement was signed.
- 2.2.2 The Subscription Price was commercially agreed between the Company and the Subscriber after arm's length negotiations and taking into account historical trading performance of the Company and prevailing market conditions.

## 2.3 Debt Restructuring and Settlement Shares

- 2.3.1 The Company undertakes that it shall, as soon as practicable, commence a debt and capital restructuring exercise (the "**Debt Restructuring**") to, *inter-alia*:
  - (a) cancel all outstanding share options issued pursuant to NauticAWT Employee Share Option Scheme ("**Employee Share Options**");
  - (b) extinguish and terminate the, (i) US\$1.95 million Convertible Loan Agreements dated 7 August 2018 between Galway Petroleum Pte Ltd, The Kirk Family Trust and The Mills Family Trust as lender and the Company as borrower ("**Bond A**"), and (ii) US\$1.00 million Convertible Note Agreements dated 17 March 2017, 29 May 2017 and 23 June 2017 between Kim Seng Holdings Pte Ltd, John Gronbech, Lim How Teck, John Ure, David Jonathan Kirk, Airserve Marine Travel Pte Ltd, Kevin Raymond Lay, Lo Ming Hoi David and William Henry Lee Darlison as lenders and the Company as borrower ("**Bond B**"); and
  - (c) take other further steps to reduce the liabilities of the Company (whether actual or contingent) to not more than S\$500,000 (the "**Balance Liabilities**").

- 2.3.2 Pursuant to the Debt Restructuring, the Company may issue an aggregate of up to 181,852,521 Settlement Shares as partial capitalisation of the liabilities of the Company such that upon completion of the Debt Restructuring and before the issuance and allotment of the Subscription Shares, the total number of Shares in the capital of the Company shall be up to 394,186,046 Shares (excluding treasury shares and subsidiary holdings). Immediately after the completion of the Debt Restructuring and the issuance and allotment of the Subscription Shares, the enlarged issued and paid-up share capital of the Company shall be up to 794,186,046 Shares (excluding treasury shares and subsidiary holdings).
- 2.3.3 In accordance to Rule 829(3) of the Catalist Rules, any material alteration to the terms of the convertible securities after issue to the advantage of the holders of such securities is to be approved by shareholders. Accordingly, the Company will also seek the approval of its shareholders for, amongst others, the material alteration to the terms of Bond A and Bond B, if applicable. The Company shall:
- (a) procure that a meeting of the Board is held or a resolution of the Board is passed to authorise (i) the Debt Restructuring; (ii) subject to Shareholders' approval, the allotment and issue of the Settlement Shares; and (iii) the convening by the Company of an EGM to seek the Shareholders' approval for, amongst others, the allotment and issue of the Settlement Shares, on or before 31 December 2019 or such later date as may be agreed by the Subscriber and the Company in writing (the "**Long Stop Date**");
  - (b) submit an application to SGX-ST, through its sponsor, SAC Capital Private Limited, for a listing and quotation notice issued by the SGX-ST for the listing and quotation of the Settlement Shares on the Catalist Board on conditions (if any) acceptable to the Subscriber ("**Listing and Quotation Notice**") and do all such acts and things as may be necessary for such purposes to procure the listing and quotation of the Settlement Shares on the Catalist Board of the SGX-ST; and
  - (c) do all acts and things, and to procure the delivery and the furnishing of such forms, documents, information and undertakings as may be required under the Securities Futures Act (Cap.289) of Singapore or otherwise and the doing of all acts and things as may be necessary or advisable in order to allot and issue the Settlement Shares.
- 2.3.4 The Company further undertakes to the Subscriber that subject to Completion it shall use its best endeavours to procure the appointment in accordance with its Constitution of such number of the Subscriber's nominees as directors of the Company so as to ensure that the Subscriber has adequate representation on the Board in proportion to its shareholding interests in the issued and paid-up share capital of the Company;
- 2.3.5 The Company will make further announcements, in relation to the Debt Restructuring or any other matters contemplated within this announcement, as and when there are any material developments to the same, and in accordance to the requirements of the Catalist Rules.
- 2.4 Use of Proceeds
- 2.4.1 Based on the Subscription Price, the gross proceeds for the Proposed Subscription is approximately S\$4.5 million ("**Gross Proceeds**"). The net proceeds from the completion of

the Proposed Subscription (after deduction of estimated expenses amounting to S\$0.2 million) is approximately S\$4.3 million ("**Net Proceeds**").

#### 2.4.2 The Company undertakes that:

- (a) the Net Proceeds shall be used in the following manner:

<b>Intended Purposes</b>	<b>Amount \$\$ million</b>	<b>% of Net Proceeds</b>
Repayment of the Balance Liabilities	0.5	11
Working capital funding and investment via business diversification and acquisitions	3.8	89
<b>Net Proceeds</b>	<b>4.3</b>	<b>100</b>

- (b) the Company will provide to the Subscriber documentary evidence in relation to the repayment of the Balance Liabilities as soon as possible after such payment obligation has been fulfilled.

The Company will make periodic announcement(s) as to the use of the Net Proceeds as and when such proceeds are materially disbursed and whether such use is in accordance with the stated use.

The Company will also provide a status report on the use of the Net Proceeds in the Company's interim and full-year financial statements issued under Rule 705 of the Catalist Rules and the Company's annual report. Where the Net Proceeds have been used for working capital purposes, the Company will provide a breakdown with specific details on how the Proceeds have been applied in the announcements and status report. Where there is any material deviation from the stated use of the Proceeds, the Company will announce the reasons for such deviation.

#### 2.5 Whitewash Waiver and Whitewash Resolution

The Company undertakes that it shall, as soon as practicable and in any event no later than the date falling fourteen (14) business days from the date of the Subscription Agreement, submit an application to the Securities Industry Council ("**SIC**") to seek its waiver of the requirement for the Subscriber and its concert parties to make a general offer for the Shares under Rule 14 of the Singapore Code on Take-overs and Mergers (the "**Code**") should the Subscriber's aggregate voting rights in the Company increase to 30% or more based on the enlarged issued capital of the Company as a result of the Proposed Subscription, and all obligations contemplated pursuant and/or in connection with the same ("**Whitewash Waiver**").

The Company further undertakes to the Subscriber that it shall, subject to, *inter alia*, the grant of the Whitewash Waiver (on terms acceptable to the Company and the Subscriber), convene an EGM to seek the approval of the Shareholders of a resolution (the "**Whitewash Resolution**") to waive their rights to receive a general offer from the Subscriber and its concert parties under Rule 14 of the Code, no later than the Long Stop Date.

## 2.6 Conditions Precedent

The conditions precedent to the Completion are as follows:

- (a) the Board authorising (i) entry into this Agreement and the transactions contemplated herein; (ii) subject to Shareholder approval, the allotment and issue of the Subscription Shares to the Subscriber and the Settlement Shares; (iii) the convening by the Company of an EGM to seek the Shareholders' approval for the Debt Restructuring and the allotment and issue of the Settlement Shares, and the allotment and issue of the Subscription Shares to the Subscriber and the Whitewash Resolution, on or before the Long Stop Date; and (iii) the appointment in accordance with its Constitution of such number of the Subscriber's nominees as directors of the Company so as to ensure that the Subscriber has adequate representation on the Board in proportion to its shareholding interests in the issued and paid-up share capital of the Company, such appointment to take effect on the Completion Date (or such later date as the Subscriber may agree);
- (b) there having been, as at the Completion Date, no occurrence of any event nor the discovery of any fact rendering untrue or incorrect in any respect any of the warranties made by the Subscriber, the Company of the Warrantor;
- (c) the results of the due diligence by the Subscriber on the Company being satisfactory to the Subscriber;
- (d) the SIC having granted the Whitewash Waiver subject to:
  - (A) any conditions that the SIC may impose which are reasonably acceptable to the Subscriber; and
  - (B) the Shareholders approving the Whitewash Resolution, provided that the Subscriber and any persons acting in concert with him and any persons not independent of them abstain from voting on the Whitewash Resolution;
- (e) the completion of the Debt Restructuring (save that the issue and allotment of the Settlement Shares shall be done simultaneously with the Completion of the Proposed Subscription);
- (f) the approval of the Shareholders for, *inter alia*, (a) the Proposed Subscription; (b) the allotment and issue of the Subscription Shares; (c) the allotment and issue of the Settlement Shares; and (d) the Debt Restructuring;
- (g) the written consent of the bondholders of Bond A, if required;
- (h) all other authorisation, consent, approval, resolution, licence, exemption, filing, order, lodgement or registration or other document, opinion or assurance (collectively, the "**Authorisations**") which the Subscriber reasonably considers to be necessary in connection with the entry into and performance of the transactions contemplated by the Agreement or for the validity or enforceability of the Agreement being obtained

and where any Authorisations is subject to conditions, such conditions being satisfactory to the Subscriber acting reasonably;

- (i) no material adverse change in the existing or prospective legal, financial, operational, business and tax positions of the Company occurring on or before Completion; and
- (j) the Listing and Quotation Notice being issued by the SGX-ST for the Subscription Shares and Settlement Shares,

(collectively, "**Conditions Precedent**").

Completion of the Proposed Subscription shall take place on a date falling give (5) business days from the satisfaction of all Conditions Precedent (or, if that day is not a business day, on the next business day), or such other date as the Company and the Subscriber shall agree to in writing ("**Completion Date**").

If any of the Conditions Precedent set out in paragraph 2.7(a) to (j) (save for the issue and allotment of the Settlement Shares which shall be done simultaneously with the Completion), is not satisfied on or before the Long Stop Date or otherwise waived, the Company (in the case where the only Condition Precedent not satisfied or waived is in relation to paragraph 2.7(b) in so far as it relates to the Subscriber's warranties as provided for in the Subscription Agreement) or the Subscriber (in all other cases) shall thereupon be entitled to terminate, by way of thirty (30) days' written notice to the other party, the Subscription Agreement and all rights and obligations thereunder (save as for certain clauses provided under the Subscription Agreement).

## 2.7 Warranties to the Subscription Agreement

Pursuant to the terms of the Subscription Agreement, Mr John Grønbech, the Executive Director and CEO of the Company has agreed to be the warrantor for the Subscription Agreement. The Company and Mr John Grønbech warrants to and undertakes, *inter-alia*, that all information contained in the Subscription Agreement given by or on behalf of the Company to the Subscriber was when given, and remains, true, complete and accurate in all respects and not misleading.

## 3. **APPLICATION TO THE SGX-ST**

The Company will be submitting an application, through its continuing sponsor, together with the conforming documents to the SGX-ST for the listing and quotation of the Subscription Shares and the Settlement Shares on the Catalist Board at the appropriate time. The Company will make the necessary announcements upon the receipt of the listing and quotation notice from the SGX-ST.

#### 4. DETAILS OF THE SUBSCRIBER

The Subscriber is an established entrepreneur with business interests in real estate, education, F&B and finance. The Subscriber is currently the chairman and chief executive officer of World Corporation Public Company Limited, a company incorporated in Thailand and is listed on the Stock Exchange of Thailand. World Corporation Public Company Limited is principally engaged in investment in real estate and real estate development. He is also currently the president of Western U Education Company Limited. The Subscriber graduated from the University of Manila with a Bachelor of Science in civil engineering and obtained his MBA from Oklahoma City University. He also holds a Ph.D in leadership and human behaviour from the United States International University.

The Subscriber was introduced to the Company by UOB Kay Hian Private Limited. In consideration of procuring the Subscriber on a best effort basis for the Subscription Shares, the Company shall pay a commission of 2.5% of the Subscription Price for every Subscription Share to UOB Kay Hian Private Limited.

The Company confirms that none of the Directors or substantial shareholders of the Company has, to the best of their knowledge, any connection (including business relationship) with the Subscriber.

#### 5. FINANCIAL EFFECTS

5.1 The financial effects of the Proposed Subscription is prepared based on the audited financial statements of the Group for financial year ended 31 December 2018 ("**FY2018**"). The financial effects are based on the following assumptions:

- (a) the Company allots and issues the 400,000,000 Subscription Shares and 181,852,521 Settlement Shares;
- (b) the financial effect on the consolidated net tangible asset ("**NTA**") or net tangible liability ("**NTL**") per Share is computed based on the assumption that:
  - (i) the Subscription Shares were paid and allotted; and
  - (ii) the Debt Restructuring was completed and the Settlement Shares were allotted,

on 31 December 2018;

- (c) the financial effect on the loss per Share ("**LPS**") is computed based on the assumption that:
  - (i) the Subscription Shares were paid and allotted; and
  - (iii) the Debt Restructuring was completed and the Settlement Shares were allotted,

on 1 January 2018;

- (d) the expenses incurred in connection with the Proposed Subscription amounts to approximately S\$0.2 million; and
- (e) an exchange rate of US\$1:S\$1.3648.

It should be noted that the financial effects set out below are for illustrative purposes only and do not purport to be indicative or a projection of the results and financial position of the Company and the Group after completion of the Proposed Subscription and allotment of the Settlement Shares.

## 5.2 Share capital

	<b>As at the date of this announcement</b>	<b>After issuance of the Subscription Shares (assuming no Settlement Shares are issued)</b>	<b>After issuance of the Subscription Shares and the Settlement Shares</b>
<i>Issued and paid-up capital (US\$'000)</i>	7,734	10,943	15,826
<i>Total number of issued and paid-up Shares</i>	212,333,525	612,333,525	794,186,046

## 5.3 LPS

	<b>FY2018</b>	<b>After issuance of the Subscription Shares (assuming no Settlement Shares are issued)</b>	<b>After issuance of the Subscription Shares and the Settlement Shares</b>
<i>Net loss for FY2018 (US\$'000)</i>	4,452 <sup>(1)</sup>	4,525	4,537
<i>Weighted average number of Shares</i>	208,231,944	609,327,834	791,678,582
<i>LPS (US\$ cents)</i>	2.14	0.74	0.57

## 5.4 (NTL) NTA per Share

	<b>As at 31 December 2018</b>	<b>After issuance of the Subscription Shares (assuming no Settlement Shares are issued)</b>	<b>After issuance of the Subscription Shares and the Settlement Shares</b>
<i>(NTL) NTA (US\$'000)</i>	(4,232)	(1,097)	3,772



<i>Number of Shares</i>	212,333,525	612,333,525	794,186,046
<i>(NTL) NTA per Share (US\$ cents)</i>	(1.99)	(0.18)	0.47

Note

- (1) Net loss for FY2018 represents loss before income tax, minority interests and one-off NauticAWT Performance Share Plan expense of US\$0.5 million.

## 6. RATIONALE FOR THE PROPOSED SUBSCRIPTION

The Company has decided to undertake the Proposed Subscription to strengthen the Group's financial position and flexibility to capitalise on growth opportunities. The proceeds of the Proposed Subscription, if and when completed, are intended to be used for the settlement of the Balance Liabilities, the funding of potential growth and expansion or diversification and general working capital of the Company.

## 7. CONFIRMATION BY THE DIRECTORS

The Directors are of the opinion that:

- (a) taking into consideration the present bank facilities available to the Group, the Group's internal resources and operating cash flows, the working capital available to the Group is sufficient to meet its present requirements, and the Proposed Subscription is being undertaken for the purposes set out aforesaid reasons in paragraph 6 and the intended use of proceeds; and
- (b) after taking into consideration the present bank facilities available to the Group and the proceeds arising from the Proposed Subscription, the working capital available to the Group is sufficient to meet its present requirements.

## 8. EXTRAORDINARY GENERAL MEETING

The issue and allotment of the Subscription Shares will result in a transfer of a controlling interest to the Subscriber under Rule 803 of the Catalist Rules. Accordingly, the Company will convene an EGM to seek the approval of Shareholders for the transactions contemplated under the Subscription Agreement, including without limitation, the issue and allotment of the Subscription Shares and the Settlement Shares, and for the Whitewash Resolution.

Circulars containing, *inter alia*, further information on the Subscription Agreement (and the transactions contemplated thereunder) and the Whitewash Resolution, and the notices to convene the EGM will be despatched by the Company to Shareholders in due course.

The Proposed Subscription will be undertaken pursuant to Section 272B of the Securities and Futures Act (Chapter 289) of Singapore. As such, no prospectus or offer information

statement will be lodged with the Monetary Authority of Singapore in connection with the Proposed Subscription.

## **9. GENERAL**

None of the Subscription Shares will be placed with any person or groups of persons as set out under Rule 812 of the Catalist Rules.

None of the Subscription Shares will be placed with the Directors or substantial shareholders or any of their respective associates and related parties.

Save as disclosed in this announcement, none of the Directors have any interest, direct or indirect, in the transactions contemplated under and in connection with the Subscription Agreement. Save as disclosed in this announcement, the Directors are not aware of any substantial shareholder having any interest, direct or indirect, in such transactions and have not received any notification of any interest in such transactions from any substantial shareholder.

## **10. 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 Subscription, 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.

## **11. TRADING CAUTION**

**Shareholders are advised to exercise caution in trading their shares. The transactions contemplated under the Subscription Agreement are subject to certain conditions. There is no certainty or assurance as at the date of this announcement that the Subscription Agreement 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.**

By Order of the Board

John Grønbech

Executive Director and CEO

10 July 2019

---

*This announcement has been reviewed by the Company's Sponsor, SAC Capital Private Limited (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**Exchange**") and the Exchange 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 Mr David Yeong, at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542, telephone (65) 6232 3210.*

---