

AEI CORPORATION LTD.
(Incorporated in the Republic of Singapore)
Company Registration No. 198300506G

S\$50,000,000 SUBSCRIPTION AGREEMENT – THE PROPOSED ALLOTMENT AND ISSUANCE OF UP TO 62,500,000 SHARES AT AN ISSUE PRICE OF S\$0.80 PER SHARE

– SUPPLEMENTAL AGREEMENT

Capitalised terms used herein shall have the definitions ascribed to them in the Subscription Announcement, unless otherwise stated or the context otherwise requires.

1. INTRODUCTION

The board of directors (the “**Board**” or “**Directors**”) of AEI Corporation Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the announcement released by the Company on 8 August 2017 (“**Subscription Announcement**”), 10 November 2017 and 2 January 2018, in relation to the Proposed Subscription and the Proposed Bonus Warrants Issue.

As at the date of this Announcement, the Proposed Subscription is still pending as various conditions precedent to the Proposed Subscription remain to be satisfied. In view of the extended transaction timeline, the Company has, on 7 March 2018, entered into a supplemental agreement (“**3rd Supplemental Agreement**”) with the Subscriber to amend certain terms and conditions of the Subscription Agreement. As announced in the Subscription Announcement, the Proposed Bonus Warrants Issue is subject to, *inter alia*, Tranche 1 Completion.

2. AMENDMENTS TO THE SUBSCRIPTION AGREEMENT

To accommodate the satisfaction of the remaining Conditions Precedents, the Company and the Subscriber have agreed to, *inter alia*, extend the Long-Stop Date to 15 April 2018 and also amend such other terms in the Subscription Agreement that are affected by the extended timeline for the Proposed Subscription (“**Subscription Amendments**”). For further details of the Subscription Amendments, please refer to Appendix A of this Announcement.

3. FURTHER INFORMATION

A copy of the 3rd Supplemental Agreement will be made available for inspection during normal business hours at the registered office of the Company for three (3) months from the date of this Announcement.

4. TRADING CAUTION

Shareholders are advised to exercise caution in trading their Shares. The Proposed Subscription and Proposed Bonus Warrants Issue are subject to numerous conditions. There is no certainty or assurance as at the date of this Announcement that the Proposed Subscription and Proposed Bonus Warrants Issue will be completed or that no changes will be made to the respective 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.

5. RESPONSIBILITY STATEMENT

The Directors (including any Director who may have delegated detailed supervision of the preparation of this Announcement) 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, the facts stated and opinions expressed herein are fair and accurate in all material respects as at the date hereof and that this Announcement constitutes full and true disclosure of all material facts about the Proposed Subscription and Proposed Bonus Warrants Issue, 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.

By Order of the Board

Tan Chu En Ian
Executive Director and Chief Executive Officer

7 March 2018

APPENDIX A

KEY AMENDMENTS TO THE SUBSCRIPTION AGREEMENT

1. Extension of Long-Stop Date

The reference to “31 December 2017” as referred to in Section B.2.11 of the Subscription Announcement shall be amended to “15 April 2018”.

2. Maximum Liability Threshold

The Maximum Liability Threshold as referred to in Section B.2.6(e) of the Subscription Announcement shall be amended such that save for applicable transactional costs and the AEI Guarantee Obligations, the existing liabilities of the Company as at Tranche 1 Completion shall not exceed S\$600,000.

All references to “Maximum Liability Threshold” in Section B.2.8, Section B.2.9, paragraph 1 and paragraph 5(b) of Appendix, of the Subscription Announcement shall be construed accordingly.