VIBRANT GROUP LIMITED
Company Registration Number: 198600061G

PROPOSED PLACEMENT OF 26,000,000 NEW ORDINARY SHARES IN THE SHARE CAPITAL OF VIBRANT GROUP LIMITED (THE "COMPANY") AT THE ISSUE PRICE OF S$0.38 FOR EACH NEW SHARE

1. INTRODUCTION

1.1 The Board of Directors (the "**Board**" or the "**Directors**") of the Company is pleased to announce that the Company has on 18 August 2016 entered into a placement agreement (the "**Placement Agreement**") with Mr Wang, Yixin (the "**Placee**"). Pursuant to the Placement Agreement, the Company has agreed to allot and issue to the Placee, an aggregate of 26,000,000 new ordinary shares in the share capital of the Company (the "**Placement Shares**") at S$0.38 for each Placement Share (the "**Placement**"). The aggregate consideration payable by the Placee for the subscription of the Placement Shares is S$9,880,000.

1.2 The Company will be making an application to the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for the listing and quotation of the Placement Shares on the SGX-ST and will make the necessary announcements once the approval in-principle of the listing and quotation of the Placement Shares have been obtained from the SGX-ST.

1.3 The Placement Shares will be payable in full upon acceptance and/or application and, when issued and fully paid-up, will rank *pari passu* in all respects with and carry all rights similar to the then existing ordinary shares in the share capital of the Company (the "**Shares**"), except that they shall not rank for any dividend, right, allotment or other distributions, the record date for which falls on or before the date of issue of the Placement Shares.

2. SHAREHOLDERS' MANDATE

2.1 The Placement Shares will be allotted and issued pursuant to the general share issue mandate obtained from shareholders of the Company, by way of ordinary resolution, at the Annual General Meeting of the Company held on 19 August 2015 (the "**General Mandate**"). Pursuant to the General Mandate, the Directors are authorised to, *inter alia*, issue new Shares, other than on a *pro rata* basis to the shareholders of the Company, of up to 20% of the total number of issued Shares (excluding treasury shares) in the capital of the Company as at the date of the said resolution and after adjusting for such events stated in Rule 806(3) of the SGX-ST Listing Manual.

2.2 The Placement Shares represent approximately 4.69% of the share capital in the Company

(excluding treasury shares) (the "**Share Capital**") as at the date of this announcement and approximately 4.48% of the enlarged Share Capital (excluding treasury shares) after the issuance of the Placement Shares.

2.3 The proposed issue and allotment of the Placement Shares will be within the limits of the General Mandate.

3. ABOUT THE PLACEE

Name of Placee	Number of Placement Shares ('000)	Details on how the Placee was identified	Rationale for the Placee's subscription of the Placement Shares
Wang, Yixin	26,000	Introduced by the Chief Executive Officer	For business expansion, general working capital and reduction in the Company's and its subsidiaries' (the "**Group**") bank borrowings.

3.1 The Placee is an investor who has no connection (including business relationships) with the Company, its Directors and substantial shareholders, save as mentioned in paragraph 3.2 below, and is not a person to whom the Company is prohibited from issuing shares to, as provided by Rule 812 of the mainboard listing manual rules for the SGX-ST (the "**Listing Manual**").

3.2 The Placee is currently the General Manager at a fund management company, Shanghai Western Investment Management Co., Ltd. The Placee has wide contacts and networks in the business circle in China, especially in Jiangyin, Jiangsu province, China. He has provided valuable advice and guidance to the Company in its development in China. He approached the Company to express his intention to subscribe for a private placement. No commission or other payment is to be made to the Chief Executive Officer for introducing the Placee to subscribe for the Placement Shares. As at the date of this announcement, the Placee does not hold any Shares in the Company.

4. SALIENT TERMS OF THE PLACEMENT AGREEMENT

4.1 Completion of the Placement shall take place on or before 30 September 2016 (or such later date as the Company and the Placee may agree), after the last condition precedent referred to in paragraph 4.2(i) below has been fulfilled or waived (or such other date as may be agreed in writing between the Parties) (the "**Completion Date**"), at the registered office of the Company.

4.2 The completion of the Placement is conditional upon, *inter alia*:-

(i) the approval-in-principle of the SGX-ST being obtained (and not revoked or amended

as at the Completion Date) for the Placement, including the listing of and quotation of the Placement Shares to be allotted and issued pursuant thereto, and where such approval is subject to any conditions, such conditions being acceptable to the Company and the Placee, and where such conditions are required to be fulfilled on or before the Completion Date, such conditions having been so fulfilled; and

(ii) the issue and subscription of the Placement Shares not being prohibited by any statute, order, rule or regulation promulgated after the date of this Agreement by any legislative, executive or regulatory body or authority of Singapore which is applicable to the Company.

5. USE OF PROCEEDS

5.1 The Directors believe that the Placement will be in the interests of shareholders as the funds to be injected as a result of the Placement would allow the Company to be better placed to seize opportunities as the economy grows. On the assumption that all the Placement Shares are subscribed for and after deduction of expenses in relation to the Placement, the estimated net proceeds from the issuance and allotment of the Placement Shares is expected to be about S$9,860,000 which is intended to be used to finance the Group's business expansion, general working capital and reduction in the Group's bank borrowings.

5.2 Pending deployment of the proceeds for such purposes, the proceeds may be placed in deposits with banks or financial institutions or invested in short-term money markets or debt instruments or for any other purpose on a short-term basis as the Directors may, in their absolute discretion, deem fit.

5.3 The Company will make periodic announcements on the utilisation of proceeds from the Placement as and when the funds from the Placement are materially disbursed and provide a status report of the use of proceeds from the Placement in the Company's annual report.

6. FINANCIAL EFFECTS OF THE PROPOSED PLACEMENT

6.1 On the assumption that all the Placement Shares are subscribed for, when completed, the Placement will increase the existing issued and paid-up number of Shares by 4.67% from 556,707,762 Shares to 582,707,762 Shares.

6.2 For illustrative purposes only and based on the audited consolidated financial statements of the Company for the financial year ended 30 April 2016 ("**FY2016**"), the financial effects of the Placement on the Company is set out below. The financial effects of the Placement have been prepared based on the assumptions that:-

(i) the Placement is fully subscribed;

(ii) the expenses incurred in the Placement are approximately S$20,000; and

(iii) the Placement Shares are issued on 1 May 2015.

	Weighted average number of fully-paid ordinary shares	Cents
Earnings per Share		
Before the Placement	539,636,487	1.86
After the Placement	565,636,487	1.77
Net Tangible Assets per Share		
Before the Placement	539,636,487	67.02
After the Placement	565,636,487	65.72

6.3 The proforma analysis above has been prepared solely for illustrative purpose only and does not purport to be indicative or a projection or an estimate of the financial results and financial positions of the Company immediately after the completion of the Placement.

7. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

7.1 None of the Placement Shares will be placed by the Company to any person who is a Director or a substantial shareholder of the Company, or any other person falling within the categories set out in Rule 812(1) of the Listing Manual. The Placement would not result in any transfer of controlling interest in the Company.

7.2 None of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in the Placement.

8. RESPONSIBILITY STATEMENT

8.1 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 Placement, and 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.

8.2 Where information in this 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 this announcement in its proper form and context.

9. DOCUMENTS FOR INSPECTION

Copies of the Placement Agreement are available for inspection during normal business hours at the registered office of the Company at 51 Penjuru Road, #04-00, Freight Links Express Logisticentre, Singapore 609143, for a period of three months from the date of this announcement.

Shareholders and potential investors should note that the proposed Placement is subject to the fulfillment of, *inter alia*, the conditions precedent set out above and accordingly should exercise caution when trading in the Shares of the Company. Persons who are in doubt as to the action they should take should consult their legal, financial, tax or other professional advisers.

By Order of the Board

Eric Khua Kian Keong
Executive Director and CEO
18 August 2016