

## PROGEN HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)  
(Company Registration No.: 199605118C)

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- (I) **PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF UP TO 135,990,364 NEW ORDINARY SHARES (THE “RIGHTS SHARES”) IN THE ISSUED AND PAID-UP CAPITAL OF THE COMPANY AT AN ISSUE PRICE OF S\$0.045 FOR EACH RIGHTS SHARE, ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY TWO (2) EXISTING ORDINARY SHARES IN THE CAPITAL OF THE COMPANY, HELD BY SHAREHOLDERS OF THE COMPANY AS AT THE BOOKS CLOSURE DATE (DEFINED HEREIN), FRACTIONAL ENTITLEMENTS TO BE DISREGARDED (THE “RIGHTS ISSUE”); AND**
  - (II) **THE PROPOSED DIVERSIFICATION OF THE CORE BUSINESS OF THE GROUP TO INCLUDE THE PROPERTY BUSINESS**
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### 1. INTRODUCTION

- 1.1 The Board of Directors (the “**Board**” or the “**Directors**”) of Progen Holdings Limited (“**Progen**” or the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that the Company is proposing to undertake a renounceable non-underwritten rights issue (the “**Rights Issue**”) of up to 135,990,364 new ordinary shares in the capital of the Company (the “**Rights Shares**”) at an issue price of S\$0.045 (the “**Issue Price**”) for each Rights Share, on the basis of one (1) Rights Share for every two (2) existing ordinary shares in the capital of the Company (the “**Shares**”) held by the shareholders of the Company (the “**Shareholders**”) as at a time and date to be determined by the Directors for the purpose of determining the Shareholders’ entitlements under the Rights Issue (the “**Books Closure Date**”), fractional entitlements to be disregarded. There are no treasury shares, subsidiary holdings, outstanding share options, share awards, or any other convertibles of the Company as at the date of this announcement (“**Announcement**”).

### 2. DETAILS OF THE RIGHTS ISSUE

- 2.1 The Company is proposing to undertake the Rights Issue, at the Issue Price for each Rights Share on a renounceable non-underwritten basis to Shareholders whose registered addresses with the Company or The Central Depository (Pte) Limited (the “**CDP**”), as the case may be, are in Singapore as at the Books Closure Date, or who have, at least three (3) market days (being a day on which the SGX-ST is open for trading in securities) prior to the Books Closure Date, provided to the Company or the CDP, as the case may be, addresses in Singapore for the service of notices and documents (the “**Entitled Shareholders**”). Please refer to the paragraph below entitled “Eligibility to Participate in the Rights Issue” for further details.
- 2.2 Fractional entitlements to the Rights Shares, if any, will be disregarded and will, together with the provisional allotments of Rights Shares which are not taken up or allotted for any reason, be aggregated and allotted to satisfy excess applications for the Rights Shares (if any), or disposed of or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit for the benefit of the Company.
- 2.3 The Rights Shares are payable in full upon acceptance and/or application and, when allotted and issued, will rank *pari passu* in all respects with the then existing Shares, save for any dividends, rights, allotments or other distributions, the Record Date for which falls before the date of issue of the Rights Shares. For this purpose, “**Record Date**” means, in relation to any dividends, rights, allotments or other distributions, the date as at the close of the business (or such other time as may have been notified by the Company) on which Shareholders must be registered with the

Company or the securities accounts of Shareholders must be credited with Shares in order to participate in such dividends, rights, allotments or distributions.

- 2.4 Entitled Shareholders will be at liberty to accept, decline or otherwise renounce, in part or in whole, or, in the case of Entitled Depositors (as defined herein) only, trade (during the “nil-paid” rights trading period prescribed by the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”)) their provisional allotments of Rights Shares and will be eligible to apply for additional Rights Shares in excess of their provisional allotments under the Rights Issue (the “**Excess Rights Shares**”). For avoidance of doubt, only Entitled Shareholders (and not the Purchasers or the renounees) shall be entitled to apply for additional Rights Shares in excess of their provisional allotments. Entitlements which are not allotted or taken up for any reason (including any fractions of a Rights Share) will be aggregated and issued to satisfy applications, if any, for Excess Rights Shares or otherwise disposed of or dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company.
- 2.5 The Issue Price of S\$0.045 for each Rights Shares represents a discount of approximately:

2.5.1 36.6% to the last transacted price of S\$0.071 per Share on the Catalist Board of the SGX-ST (the “**Catalist**”) on 30 November 2017 (being the last trading day of the Shares on the Catalist prior to the date of the Announcement); and

2.5.2 27.8% to the theoretical ex-rights price of S\$0.0623 per Share<sup>(1)</sup>

Note:

(1) The theoretical ex-rights price assumes that the maximum number of Rights Shares are issued at the Issue Price, and is computed based on the last transacted price of S\$0.071 per Share on 30 November 2017 (being the last trading day of the Shares on the Catalist prior to the date of the Announcement)

- 2.6 The terms and conditions of the Rights Issue are subject to such changes as the Directors deem fit. The final terms and conditions of the Rights Issue, including the procedures, acceptances and renunciations of application for the Rights Shares, will be contained in the offer information statement (including the accompanying application forms) to be despatched by the Company to the Entitled Shareholders in due course (the “**Offer Information Statement**”).

### 3. IRREVOCABLE UNDERTAKINGS AND WHITWASH WAIVER

- 3.1 Mr Lee Eng, the Managing Director of the Group and a controlling shareholder of the Company, and his spouse, Mdm Koh Moi Huang (together the “**Concert Party Group**”, and each, an “**Undertaking Shareholder**”), are holding 79,083,690 Shares and 913,041 Shares, respectively as at the date of this Announcement (“**Existing Shareholding**”), representing an aggregate of approximately 29.41% of the Company’s issued share capital. The Concert Party Group have shown their support for the Rights Issue and the prospects of the Group by providing an irrevocable undertaking each (the “**Undertakings**”) to the Company, *inter alia*, to:

- (i) subscribe and/or instruct and procure the subscription of, the Undertaking Shareholder’s pro-rata entitlement to the Rights Shares under the Rights Issue based on the Undertaking Shareholder’s Existing Shareholding as at the date of the Undertaking (the “**Undertaking Shares**”);
- (ii) do all things and execute all such documents as are reasonably necessary to effect the undertakings stated in paragraph 3.1(i) above, on the terms of the Undertakings and on the terms of the offer information statement (“**OIS**”) and any accompanying document

that will be lodged with the SGX-ST, acting as an agent on behalf of the Monetary Authority of Singapore (“**Authority**”) in respect of the Rights Issue; and

- (iii) as at the Books Closure Date, the Undertaking Shareholder’s registered shareholding shall not change from their Existing Shareholding.

The Concert Party Group will provide a confirmation to the Company that the Concert Party Group has the requisite financial resources to fulfil the Undertakings in due course.

- 3.2 Pursuant to Rule 14 of the Singapore Code on Take-overs and Mergers (the “**Code**”), where any person acquires whether by a series of transactions over a period of time or not, shares (taken together with shares held or acquired by persons acting in concert with him) which carry 30% or more of the voting rights of a company, he must extend offers immediately to the holders of any class of share capital of the Company that carries votes and in which such person, or persons acting in concert with him, holds shares (“**Mandatory Offer**”).
- 3.3 Assuming that none of the Shareholders other than the Concert Party Group subscribes for the Rights Shares; and the Concert Party Group subscribes fully for their entitlements of 39,998,365 Rights Shares pursuant to the Undertakings (the “**Minimum Scenario**”), the aggregate shareholding interests of the Concert Party Group will increase from 29.41% to 38.46% immediately following the allotment and issue of such Rights Shares. Accordingly, the fulfilment by the Concert Party Group of their obligations under the Undertakings and subscription for the Rights Shares in connection with the Rights Issue may result in the Concert Party Group acquiring 30.0% or more of the voting rights of the Company. In such event, the Concert Party Group would incur an obligation to make a Mandatory Offer pursuant to Rule 14.1(a) of the Code, unless the approval of a resolution for the waiver of the rights of the independent shareholders (being Shareholders other than the Concert Party Group) (“**Independent Shareholders**”) to receive the Mandatory Offer for the Company from the Concert Party Group (“**Whitewash Resolution**”) is obtained from the Independent Shareholders.
- 3.4 In view of the above, the Company will be making an application to the Securities Industry Council (“**SIC**”) to grant a waiver of the Concert Party Group’s obligation to make a Mandatory Offer under the Code (the “**Whitewash Waiver**”).
- 3.5 The Undertakings are subject to and conditional upon *inter alia* (a) the approval in-principle having been granted by the SGX-ST for the listing and quotation of the Rights Shares on the Catalist, (b) the lodgement of the OIS, together with all other accompanying documents, with the SGX-ST, acting as an agent on behalf of the Authority, (c) the approval by the SIC having granted the Whitewash Waiver, and (d) the Whitewash Resolution being approved by Independent Shareholders at an extraordinary general meeting (“**EGM**”) to be convened.
- 3.6 The Company will be appointing an independent financial advisor to advise the Directors who are deemed independent for the purpose of making recommendations to the Independent Shareholders in respect of the Whitewash Resolution (“**IFA Opinion**”). The advice of the independent financial advisor shall be included in the circular to Shareholders to be despatched in due course.

#### **4. RATIONALE OF THE RIGHTS ISSUE AND USE OF PROCEEDS**

- 4.1 On 15 October 2017, the Company announced that Progen Industrial Pte. Ltd. (“**PIPL**”), a wholly-owned subsidiary of the Group has acquired 20% of TSky Balmoral Pte. Ltd. (“**TBPL**”). TBPL was incorporated to undertake the redevelopment of two plots of land at 17 Balmoral Road (Lot 138C of Town Subdivision 26 and Lot 99899P of Town Subdivision 26) (the “**Redevelopment**”). On 6 November 2017, the Company further announced its entry into a joint venture agreement which entails PIPL being required to commit, *inter alia*, an additional S\$7.0 million. On 24 November

2017, the Company updated that the acquisition of the site for the Redevelopment by TBPL has been completed. After careful business evaluation, the Group intends to finance its portion of the Redevelopment via internal resources, bank borrowings and/or the proceeds from the Rights Issue. The Rights Issue will also help strengthen the Group's balance sheet, providing the Group with greater financial capacity and flexibility to capitalise on any other investment opportunities in the property business as and when it arises.

- 4.2 Assuming that the Rights Issue is fully subscribed by all Shareholders (the “**Maximum Scenario**”), based on the existing share capital of the Company of 271,980,729 Shares at the date of this Announcement (the “**Existing Share Capital**”), up to 135,990,364 Rights Shares may be issued or gross proceeds of S\$6.12 million may be raised pursuant to the Rights Issue.
- 4.3 Assuming the Minimum Scenario, up to 39,998,365 Rights Shares may be issued or gross proceeds of S\$1.80 million may be raised pursuant to the Rights Issue.
- 4.4 The table below sets out the Minimum Scenario and Maximum Scenario, assuming that the share capital of the Company as at the Books Closure Date is the Existing Share Capital.

	<b>Minimum Scenario</b>	<b>Maximum Scenario</b>
Total number of Shares	271,980,729	271,980,729
Total number of Rights Shares issued	39,998,365	135,990,364
Total number of Shares following the completion of the Rights Issue	311,979,094	407,971,093
Net proceeds (after deducting estimated costs and expenses of S\$0.2 million incurred in connection with the Rights Issue) (“ <b>Net Proceeds</b> ”)	S\$1.6 million	S\$5.9 million
Net proceeds to be used for property related business (90% of Net Proceeds)	S\$1.4 million	S\$5.3 million
Net proceeds to be used for general working capital (10% of Net Proceeds)	S\$0.2 million	S\$0.6 million

- 4.5 Upon completion of the Rights Issue, and pending the deployment of the Net Proceeds for the abovementioned purposes, such proceeds may be deposited with banks and/or financial institutions, invested in short-term money market instruments and/or marketable securities, and/or used for any other purposes on a short-term basis as the Directors may, in their absolute discretion, deem appropriate in the interests of the Company.
- 4.6 The Company will make periodic announcements on the utilisation of the Net Proceeds as and when such proceeds are materially disbursed and whether such disbursements are in accordance with the use of proceeds as stated above, and provide a status report on the use of the Net Proceeds in the Company's annual reports until such time the Net Proceeds have been fully utilised. Where the proceeds have been used for general corporate and/or working capital purposes, the Company will also provide a breakdown with specific details on the use of the Net Proceeds in the announcements and status reports. Where there is a material deviation in the use of the Net Proceeds, the Company will announce the reasons for such deviation.
- 4.7 The Directors are of the opinion that after taking into consideration the Group's internal resources, operating cash flows and present bank facilities, the working capital available to the Group is sufficient to meet its present requirements. Notwithstanding the present sufficiency of working capital, the reasons for undertaking the Rights Issue are as set out in this Announcement.
- 4.8 Based on the reasonable opinion of the Directors as at the date of this Announcement and in view of the Undertakings, there is no minimum amount which must be raised from the Rights Issue taking into consideration the intended use of the Net Proceeds.

- 4.9 In view of the Undertakings, and the savings in costs enjoyed by the Company as a result of not having to bear any underwriting fees, the Company has decided to proceed with the Rights Issue without having the Rights Issue being underwritten by any financial institution.

## 5. ELIGIBILITY TO PARTICIPATE IN THE RIGHTS ISSUE

### 5.1 Entitled Depositors

Shareholders whose securities accounts with CDP are credited with Shares as at the Books Closure Date and whose registered addresses with CDP are in Singapore as at the Books Closure Date (the “**Entitled Depositors**”) will be provisionally allotted the Rights Shares on the basis of the number of Shares standing to the credit of their securities accounts with CDP as at the Books Closure Date.

To be "Entitled Depositors", depositors must have registered addresses in Singapore with CDP as at the Books Closure Date, or if they have registered addresses outside Singapore, they must provide CDP at 9 North Buona Vista Drive #01-19/20 The Metropolis, Singapore 138588 with their registered addresses in Singapore for the service of notices and documents, not later than 5.00 p.m. (Singapore Time) on the date being three (3) market days (being a day on which the SGX-ST is open for trading in securities) prior to the Books Closure Date, in order to receive their provisional allotments of Rights Shares entitlements.

### 5.2 Entitled Scripholders

Shareholders whose Shares are not registered in the name of CDP but whose names appear in the Register of Members of the Company with registered addresses in Singapore as at the Books Closure Date (the “**Entitled Scripholders**”) will be provisionally allotted Rights Shares on the basis of the number of Shares held by them as stated in the Register of Members of the Company as at the Books Closure Date.

To be "Entitled Scripholders", Scripholders must have registered addresses in Singapore with the Company as at the Books Closure Date, or if they have registered addresses outside Singapore, must provide the Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 with registered addresses in Singapore for the service of notices and documents, not later than 5.00 p.m. (Singapore Time) on the date being three (3) market days (being a day on which the SGX-ST is open for trading in securities) prior to the Books Closure Date, in order to receive their provisional allotments of Rights Shares entitlements.

Duly completed and stamped transfers (in respect of Shares not registered in the name of CDP), together with all relevant documents of title, so as to be received up to 5.00 p.m. on the Books Closure Date by the Share Registrar, will be registered to determine the transferee's provisional allotments of Rights Shares entitlements.

### 5.3 Eligible Shareholders

Eligible Depositors and Eligible Scripholders shall be collectively referred to as “**Eligible Shareholders**”) in this announcement.

Notwithstanding the foregoing, investors should note that the offer and sale of, or exercise or acceptance of, or subscription for, provisional allotments of the Rights Shares to or by persons located or resident in jurisdictions other than Singapore may be restricted or prohibited by the laws of the relevant jurisdiction. Crediting of provisional allotments of the Rights Shares to any securities account with CDP, the receipt of any provisional allotments of the Rights Shares, or

receipt of the Offer Information Statement and/or any of its accompanying documents, will not constitute an offer or sale in those jurisdictions in which it will be illegal to make such offer or sale, or where such offer or sale will otherwise violate the securities laws of such jurisdictions or be prohibited. The Company reserves absolute discretion in determining whether any Shareholder located or resident outside Singapore may participate in the Rights Issue.

#### **5.4 Foreign Shareholders**

For practical reasons and in order to avoid any violation of the relevant legislation applicable in countries other than Singapore, the Rights Shares will not be offered to Shareholders with registered addresses outside Singapore as at the Books Closure Date and who have not, by 5.00 p.m. (Singapore Time) on the date being three (3) market days (being a day on which the SGX-ST is open for trading in securities) prior to the Books Closure Date, provided to the Share Registrar or CDP, as the case may be, with registered addresses in Singapore for the service of notices and documents (the "**Foreign Shareholders**") and the Offer Information Statement and its accompanying documents will not be despatched to Foreign Shareholders. Accordingly, no provisional allotments of the Rights Shares will be made to Foreign Shareholders and no purported acceptance thereof or application therefore by the Foreign Shareholders will be valid.

If it is practicable to do so, arrangements may, at the discretion of the Company, be made for the provisional allotments of Rights Shares which would otherwise have been provisionally allotted to Foreign Shareholders, to be sold "nil-paid" on the Catalist as soon as practicable after dealings in the provisional allotments of Rights Shares commence. Such sales may, however, only be effected if the Company, in its absolute discretion, determines that a premium can be obtained from such sales, after taking into account the expenses expected to be incurred. The net proceeds from all such sales after deducting all expenses therefrom, will be dealt with in accordance with the terms set out in the Offer Information Statement. If such provisional allotments of Rights Shares cannot be or are not sold on the Catalist as aforesaid for any reason by such time as the SGX-ST shall have declared to be the last day for trading in the provisional allotments of Rights Shares, the Rights Shares represented by such provisional allotments will be aggregated and allotted to satisfy Excess Rights Shares applied for or disposed of or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit and no Foreign Shareholder shall have any claim whatsoever against the Company, the Company's sponsor, CDP, the Share Registrar and/or their respective officers in connection therewith.

To this end, Shareholders with registered addresses outside Singapore are encouraged to provide a registered address in Singapore to the Share Registrar or CDP, as the case may be, at least three (3) market days (being a day on which the SGX-ST is open for trading in securities) prior to the Books Closure Date, in order to receive the provisional allotment of Rights Shares under the Rights Issue.

#### **5.5 Provisional Allotments**

Eligible Shareholders will be at liberty to accept, decline, or otherwise renounce or trade their provisional allotments of the Rights Shares on the SGX-ST during the provisional allotment trading period prescribed by the SGX-ST and will be eligible to apply for additional Rights Shares in excess of their provisional allotments under the Rights Issue. In the allotment of excess Rights, preference will be given to Eligible Shareholders, in satisfaction of their application for Excess Rights Shares, if any, provided that where there are insufficient Excess Rights Shares to allot to each application, the Company shall allot the Excess Rights Shares to Entitled Shareholders such that preference will be given to the rounding of odd lots, and Directors and substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Issue, or have representation (direct or through a nominee) on the Board of the Company will rank last in priority for the rounding of odd lots and allotment of excess Rights Shares. The Company will also not make any allotment or issuance of

any excess Rights Shares that will result in a transfer of controlling interest in the Company unless otherwise approved by the Shareholders at a general meeting.

## 5.6 CPF Investment Scheme

Shareholders who have previously purchased Shares using their Central Provident Fund (“**CPF**”) account savings (“**CPF Funds**”) under the Central Provident Fund Investment Scheme (“**CPFIS**”) may only use their CPF Funds for the payment of the Issue Price to subscribe for their provisional allotments of nil-paid Rights Shares and (if applicable) to apply for Excess Rights Shares, subject to the applicable CPF rules and regulations. Such Shareholders who wish to accept provisional allotments of the Rights Shares and (if applicable) apply for Excess Rights Shares using CPF Funds will need to instruct their respective approved CPF agent banks with whom they hold their CPF investment accounts, to accept the provisional allotments of the Rights Shares and (if applicable) apply for Excess Rights Shares on their behalf in accordance with the terms and conditions in the OIS. CPF Funds may not be used to purchase provisional allotments of nil-paid Rights Shares directly from the market.

## 6. DIVERSIFICATION OF THE CORE BUSINESS OF THE GROUP TO INCLUDE THE PROPERTY BUSINESS

6.1 The existing core business of the Group is the design, supply, installation and maintenance of air-conditioning and mechanical ventilation systems. The Group services clients in the public and private sectors, in relation to a wide variety of cooling systems for industrial, commercial and residential developments.

6.2 The Group remains focused on improving the performance of its existing core business but at the same time, has been identifying various opportunities to venture into the property related business where the Group’s existing core business is complementary. On 15 October 2017, the Company announced that PIPL acquired a minority shareholding of TBPL, which is primarily focused on the Redevelopment. The Group seeks to provide the relevant air-conditioning services in relation to the Redevelopment. The Group expects to explore more of such opportunities that will complement the existing core business as well as become an additional core business of the Group in the future.

6.3 As it is envisaged that the existing risk profile of the Group will change with future ventures into the property related business, the Directors propose to convene an EGM to seek the approval of Shareholders for the proposed diversification of the Group’s business (“**Diversification**”) to include the businesses of:

- (a) property development, re-development including acquisition, development and/or sale of industrial, commercial and residential property; and
- (b) property investment in industrial, commercial and residential property for rental yield, capital growth and/or provision of property related services and facilities.

(collectively the “**Property Business**”)

## 7. APPROVALS

7.1 The Rights Shares will be issued pursuant to the authority granted by the Shareholders under the general share issue mandate at the annual general meeting of the Company held on 27 April 2017 (“**2017 AGM**”), pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore and Rule 806 of the Listing Manual Section B: Rules of Catalist of the SGX-ST, for the issue of Shares not exceeding 100% of the total number of issued Shares (excluding treasury shares and

subsidiary holdings) as at the date of the 2017 AGM, of which the aggregate number of Shares to be issued other than on a *pro-rata* basis to the existing Shareholders shall not exceed 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (the “**General Share Issue Mandate**”)

As at the date of the 2017 AGM, the Company had 271,980,729 Shares and as at the date of this announcement, no Shares have been previously issued under the General Share Issue Mandate. As such, the maximum number of Shares that the Company may issue pursuant to the General Share Issue Mandate on a *pro-rata* basis to existing Shareholders is 271,980,729. Accordingly, the 135,990,364 Rights Shares to be issued under the Maximum Scenario falls within the limits of the General Share Issue Mandate.

7.2 The Rights Issue is subject to, *inter alia*, the following:

- (i) the Whitewash Waiver having been granted by the SIC and not having been withdrawn or revoked as at the date of completion of the Rights Issue;
- (ii) the Whitewash Resolution being approved by the Independent Shareholders at the EGM to be convened;
- (iii) receipt of the listing and quotation notice from the SGX-ST for the dealing in, and listing of and quotation for the Rights Shares on Catalist; and
- (iv) the lodgement of the OIS, together with all other accompanying documents (if applicable) with the SGX-ST, acting as an agent on behalf of the Authority.

**For the avoidance of doubt, in the event that the Whitewash Waiver is not granted by the SIC or the Whitewash Resolution is not approved by the Independent Shareholders, the Undertakings by the Concert Party Group may lead to a Mandatory Offer by the Concert Party Group. As this is not the intention of the Board, the Company will not be proceeding with the Rights Issue without fulfilling all the conditions as set out above.**

7.3 The Company will be making an application to the SGX-ST, through the Company’s sponsor, PrimePartners Corporate Finance Pte. Ltd., for the listing and quotation of the Rights Shares on Catalist. The Company will make the necessary announcement upon receipt of the listing and quotation notice from the SGX-ST for the listing and quotation for the Rights Shares on Catalist.

7.4 The proposed Diversification will require Shareholders' approval to be obtained at an EGM to be convened in due course.

7.5 The circular containing further details of *inter alia*, the proposed Whitewash Waiver, IFA Opinion and Diversification, together with a notice of EGM in connection therewith, will be despatched to Shareholders in due course.

**7.6 For the avoidance of doubt, the resolutions pertaining to the Whitewash Waiver and Diversification are not inter-conditional, and the Rights Issue is not subject to Shareholders’ approval.**

## **8. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS**

8.1 Save as disclosed in this Announcement, none of the other Directors and substantial Shareholders, as well as their respective associates, has any interest, direct or indirect, in the Rights Issue and the Diversification (other than through their respective shareholdings in the Company, if any).



## 9. CAUTIONARY STATEMENT

- 9.1 Shareholders and potential investors are advised to exercise caution when dealing or trading in the Shares. The completion of the Rights Issue and Diversification is subject to certain conditions. As at the date of this Announcement, there is no certainty or assurance that the Rights Issue and Diversification 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.
- 9.2 Shareholders and potential investors are advised to read this Announcement and any further announcements by the Company carefully. Shareholders and potential investors should consult their stockbrokers, bank managers, solicitors, accountants, tax advisers or other professional advisers if they have any doubt about the actions they should take.

## 10. RESPONSIBILITY STATEMENT

- 10.1 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 Rights Issue, the Diversification, 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 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.

By order of the Board

Lee Eng  
Managing Director

11 December 2017

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor") for compliance with the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this announcement.*

*This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.*

*The contact person for the Sponsor is Ms Jennifer Tan, Senior Manager, Continuing Sponsorship (Mailing address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and Email: sponsorship@ppcf.com.sg).*