M M P RESOURCES LIMITED

(Incorporated in the Republic of Singapore)
(Registration No: 200613299H)

PROPOSED ISSUE OF CONVERTIBLE BONDS DUE 2021 FOR AN AGGREGATE PRINCIPAL AMOUNT OF UP TO S$50,000 (THE "PROPOSED BONDS SUBSCRIPTION") AND PROPOSED PLACEMENT OF 3,995,314 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY AT THE ISSUE PRICE OF S$0.0054 PER SHARE (THE "PROPOSED PLACEMENT")

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1. INTRODUCTION

The Board of Directors (the "**Directors**") of MMP Resources Limited (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to announce that it has entered into a bonds subscription and placement agreement on 12 September 2017 (the "**Agreement**") with Maiora Asset Management Pte. Ltd. (for and on behalf of Maiora Asian Structured Finance Segregated Portfolio) (Maiora Asset Management Pte. Ltd. hereinafter referred to as "**Maiora Asset Management**" and Maiora Asian Structured Finance Segregated Portfolio hereinafter referred to as the "**Subscriber**" or "**Maiora**"), pursuant to which (a) the Company proposes to issue to the Subscriber 12.5% convertible bonds due 2021 for an aggregate principal amount of up to S$50,000 (collectively, the "**Bonds**"), and (b) the Subscriber will subscribe for, and the Company will allot and issue to the Subscriber, 3,995,314 new ordinary shares (the "**Placement Shares**") in the share capital of the Company on the terms and subject to the conditions of the Agreement.

2. INFORMATION ON MAIORA ASSET MANAGEMENT AND MAIORA

2.1 Maiora Asset Management

Maiora Asset Management is a registered fund management company based in Singapore with an Asian focus. Maiora Asset Management's management team has more than sixty years of experience in Asia and Japan, and, since 2013, has been involved in more than US$600 million in structured debt deals within the Asia region. Maiora Asset Management conducts financing, as well as renewable energy businesses across Asia. Maiora is a fund managed by Maiora Asset Management.

As at the date of this announcement, Christopher Michael Peck, a non-Executive Director of the Company and also a director and holds 23.92% of the total shares of Maiora Asset Management.

2.2 Maiora Asian Structured Finance Segregated Portfolio

Maiora is a fund which invests in primary loans with outstanding risk reward characteristics across the Asia Pacific. The fund focuses on structured lending in Asia, but previously provided a bridge loan for solar plants in Japan as well as a senior loan to an Indonesian coal mine and various Japanese Mezzanine Real Estate Loans. Maiora is not a competitor of the Company nor does it have any businesses that compete with the Company.

As at the date of this announcement, Maiora is a controlling shareholder of the Company, with an interest in an aggregate of 457,537,500 shares in the Company (the "**Shares**"), representing approximately 19.52% of the issued and paid-up share capital of the Company.

3. RATIONALE OF THE PROPOSED PLACEMENT AND THE PROPOSED BONDS SUBSCRIPTION AND USE OF PROCEEDS

3.1 Rationale

The rationale for the Proposed Placement and the Proposed Bonds Issue is to raise funds for: (i) the Company's operating expenses, as well as expenses incurred or to be incurred by the Company's subsidiary, MMP Resources Japan K.K., and (ii) the Company's construction opportunities in Tier-1 markets, with a specific focus on the Travel, Hospitality and Leisure ("**THL**") industry.

3.2 Use of Proceeds

3.2.1 The issue is additional to the proposed placement and proposed bonds subscription announced via SGXNet on 6 September 2017. Therefore, the estimated fees and expenses will be incorporated in the previous proposed placement and proposed bonds subscription. The Net Proceeds will be utilised, as a whole, by the Company in the following estimated proportions:

Use of Proceeds	**Percentage allocation (%)**
Operating Expenses	20
Investment	80

3.2.2 The Company will make periodic announcements on the use of the Net Proceeds as and when they are materially disbursed, and provide a status report on the use of the Net Proceeds in the Company's annual report. Where there is any material deviation from the stated use of proceeds, the Company shall announce the reasons for such deviation when such funds are materially disbursed.

3.2.3 Pending the deployment of the Net Proceeds, such Net Proceeds may be deposited with banks or financial institutions, invested in short-term money market instruments or marketable securities, and/or used for any other purpose on a short-term basis, as the Company may, in its absolute discretion, deem fit from time to time.

3.2.4 The Directors are of the opinion that, after taking into consideration the present bank facilities and the Net Proceeds of the Proposed Placement and the Proposed Bonds Issue, the working capital available to the Group is sufficient to meet its present requirements.

4. EXEMPTION FROM PROSPECTUS REQUIREMENT

The Proposed Placement and Proposed Bonds Subscription are made pursuant to the exemption under Section 272B of the Securities and Futures Act, Chapter 289 of Singapore. Accordingly, no prospectus or offer information statement will be issued by the Company in connection with the Proposed Placement and Proposed Bonds Subscription.

5. THE PROPOSED PLACEMENT

5.1 Placement Shares and Placement Price

5.1.1 The Subscriber has agreed to subscribe and pay for an aggregate of 3,995,314 Placement Shares at an issue price of S$0.0054 for each Placement Share (the "**Placement Price**") or an aggregate consideration of S$21,574 (the "**Placement Consideration**"). The Placement Price of S$0.0054 represents a discount of approximately 10% to the volume weighted average price of approximately S$0.006 for the trades done on the Singapore Exchange

Securities Trading Limited (the "**SGX-ST**") on 11 September 2017, being the last market day immediately preceding the date of the Placement Agreement.

5.1.2 The Placement 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 dividends, rights, allotments or other distributions, the Record Date of which falls on or before the relevant date of completion of the Proposed Placement (the "**Completion Date**"). The term "**Record Date**" means the date fixed by the Company for the purposes of determining the entitlements to dividends or other distributions to or rights of holders of Shares.

5.1.3 The Subscriber will not be holding the Placement Shares on trust or as a nominee.

5.2 No Placement Agent

No placement agent has been appointed in respect of the Proposed Placement. Therefore, no commission or referral fees will be paid to any party.

5.3 Authority For the Issue of the Placement Shares

5.3.1 Pursuant to Rules 812(1)(a) and 812(1)(c) of the Mainboard Rules of the Listing Manual of the SGX-ST (the "**Listing Rules**"), an issue must not be placed to (i) an issuer's substantial shareholders, or (ii) substantial shareholders, related companies (as defined in section 6 of the Companies Act, Chapter 50 of Singapore), associated companies and sister companies of the issuer's substantial shareholders, unless specific shareholders' approval for such a placement has been obtained.

5.3.2 As the Subscriber is a controlling shareholder of the Company, the issue and allotment of the Placement Shares will be made pursuant to a specific mandate. The Company will be seeking the approval from shareholders of the Company (the "**Shareholders**") for the Proposed Placement at an extraordinary general meeting (the "**EGM**") to be convened pursuant to Rule 812(1) and 812(2) of the Listing Rules.

5.3.3 In accordance with Rule 812(2) of the Listing Rules, Maiora shall abstain from voting on the resolution approving the Proposed Placement and issuance of the Placement Shares.

5.4 Conditions Precedent to the Proposed Placement

5.4.1 Completion of the Proposed Placement is conditional upon the following:

(a) the in-principle approval of the SGX-ST (the "**Listing Approval**") being obtained from the SGX-ST and remaining in full force and effect and not having been revoked or amended as of the subscription date, and where such approval is subject to conditions (which are not normally imposed by the SGX-ST for a transaction of a similar nature), such conditions being acceptable to the Company, and such conditions having been fulfilled on or before that date to the satisfaction of the SGX-ST unless waived by the SGX-ST;

(b) all relevant shareholders' approvals of the Company (if required) having been obtained at an extraordinary general meeting of the Company and such approval remaining in full force and effect and not having been revoked as of the subscription date and, where any such shareholders' approval is subject to any conditions, such conditions being acceptable to the Company and the Subscriber and, to the extent that any such conditions are required to be fulfilled on or before the subscription date, they are so fulfilled, and in the event any amendment is made to the terms of any such shareholders' approval, such amendments being acceptable to the Subscriber.

(c) all other necessary consents (including any governmental, regulatory and/or corporate approvals and consents, for the transactions contemplated under this Agreement (in particular but without limitation the issue by the Issuer and the

subscription by the Subscriber (or their nominee) of the Placement Shares, including any shareholders or board, or directors' approval and other regulatory and/or corporate approvals and consents required for the Subscriber) having been obtained;

(d) the issuance by the Issuer, and the subscription by the Subscriber of the Placement Shares not being prohibited by any statute, order, rule, regulation or directive promulgated or issued after the date of this Agreement by any legislative, executive or regulatory body or authority of Singapore or elsewhere which is applicable to the Issuer or the Subscriber (including but not limited to the SGX-ST); and

(e) the Issuer or the Subscriber not in breach of any of the undertakings and covenants given in this Agreement as at the subscription date, and if any of such undertakings and covenants are required to be fulfilled on or before the subscription date, such undertakings and covenants shall have been fulfilled prior to the subscription date,

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

5.4.2 If any of the Conditions Precedent is not satisfied or waived in whole or in part by the Company on or before the date falling 90 calendar days after the date of the Agreement or such other date as the Company and the Subscriber may agree, the Company and the Subscriber shall be released and discharged from their respective obligations under the Agreement, save for certain rights and liabilities accrued on or prior to such termination according to the terms of the Agreement.

5.5 Completion

Completion of the Proposed Placement shall take place five business days after the date the last of the Conditions Precedent are satisfied (or, if that day is not a business day, on the next business day), or such other date as the Company and the Subscriber may agree in writing.

6. THE PROPOSED BONDS SUBSCRIPTION

6.1 Principal Terms of the Bonds

6.1.1 The Bonds shall be issued in registered form in the denomination of S$50,000 each. The Bonds are convertible into Shares (the "**Conversion Shares**") which will, upon allotment and issue, rank *pari passu* in all respects with the then existing Shares for any dividends, rights, allotments or other distributions, the record date for which falls on such date that the Subscriber is registered as the holder of record of such Conversion Shares. The issue price of the Bonds is 100% of the principal amount. The subscription and conversion of the Bonds shall be in accordance with the terms of the Agreement and subject to the terms and conditions of the Bonds (the "**Terms and Conditions**").

6.1.2 A summary of the key terms of the Bonds is set out below:

Principal Amount	:	Up to S$50,000 in principal amount of the Bonds
Issue Price	:	100% of the aggregate principal amount of the Bonds
Maturity	:	4 years from the date of issue of the Bonds
Interest Rate	:	The Bonds will bear interest at a rate of 12.5% per annum
Status of the Bonds	:	The Bonds will constitute direct, unconditional and unsubordinated obligations of the Issuer and are secured. The Bonds shall be secured against the entirety of the Company's shareholding in future investment structures focussed on construction, opportunities within the THL industry.

		The Bonds will at all times rank *pari passu* and without any preference or priority among themselves, and the payment obligations of the Company under the Bonds rank at least *pari passu* with all other secured obligations (other than the subordinated obligations and priorities created by law) of the Company.
Alteration to Terms and Conditions	:	Any material alteration to the Terms and Conditions to the advantage of the holders of the Bonds (the "**Bondholders**") shall be subject to the approval of Shareholders, except where such alterations are made pursuant to the Terms and Conditions.
Transfer	:	Unless otherwise agreed in writing by the Company, no Bond may be transferred to (i) any competitor or to any of such competitor's affiliates, or (ii) any person that falls within the categories of persons set out in Rule 812 of the Listing Rules.
Redemption on Maturity	:	The Bonds which are not redeemed or purchased, converted or cancelled by the Company will be redeemed by the Company at 100% of their principal amount on the Maturity Date. The Company shall at least one (1) month prior to the Maturity Date, issue an announcement notifying Shareholders of the same and shall dispatch to all Bondholders, a notice of the Maturity Date.
Redemption at Option of the Company	:	The Company may (a) at any time between the first anniversary of the date of issue of the Bond and the Maturity Date, redeem in whole or in part of that Bondholder's Bonds, or (b) in the event that more than 90% in the principal amount of the Bonds have been converted, redeemed, repurchased or cancelled, redeem in whole only of that Bondholder's Bonds, on such date as may be notified by the Company (the "**Call Option Date**"). To exercise such right, the Company must deliver to each of the Bondholders a duly completed and signed notice (the "**Call Option Notice**") not later than five (5) days prior to the Call Option Date. A Call Option Notice, once delivered, shall be irrevocable and may not be withdrawn unless the Bondholder consents to such withdrawal, and the Company shall redeem the Bonds the subject of a Call Option Notice delivered on the Call Option Date at the applicable Redemption Amount (as defined in the Terms and Conditions).
Conversion Price	:	Subject to SGX-ST's and Shareholders' approval having been obtained, the Company may, in its sole discretion, convert the Bonds at the conversion price of S$0.02 per Share.
Listing Status	:	The Bonds will not be listed and quoted.
Event of Default	:	If any Event of Default (as defined in the Terms and Conditions) have occurred, including the following: (a) a default is made in the payment of any principal, interest or other sums due in respect of the Bonds and such default is not remedied within ten (10) Business Days after written notice of such default shall have been given to the Company by the Bondholders; (b) the Company does not perform or comply with or commit any breach of one or more of their respective obligations or undertakings in the Conditions which default is

incapable of remedy or, if capable of remedy, is not remedied within ten (10) Business Days after written notice of such default shall have been given to the Company by the Bondholders;

(c) any representation or warranty made or given by the Company in the Agreement or any certificate or statement delivered or made thereunder now or at any later date, is incorrect or untrue, or ceases to be correct or true, in any material respect or is not complied with;

(d) any necessary consents (including any governmental, regulatory and/or corporate approvals and consents) for the issue, redemption or conversion of the Bonds being revoked and/or withdrawn or any waiver, resolution, governmental registration, consent, licence, authorisation or approval granted or required in connection with the Agreement or any other document, the execution and delivery of which is contemplated therein expires, is not obtained or is suspended, terminated, revoked or withdrawn (in whole or in part), modified, restricted or otherwise fail to remain in full force and effect;

(e) an order is made or an effective resolution passed for the winding-up or dissolution, judicial management or administration of the Company or any of the other Group Companies, or the Company or any of the other Group Companies ceases to carry on all or substantially all of its business or operations, which cessation is material to the Issuer or such other Group Companies as a whole, except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation in accordance with the Agreement and the Terms and Conditions;

(f) it is or will become unlawful for the Company to perform or comply with any one or more of their respective obligations under any of the Bonds or the Agreement or the Agreement ceases to be valid and enforceable,

the Bondholder will have the right at such Bondholder's option (the "**Default Put Option**"), to require the Company to redeem in whole or in part such Bondholder's Bonds on the Default Put Date (as defined below) at the applicable Redemption Amount.

To exercise such right, the Bondholder shall deliver to the Company a duly completed and signed notice of redemption (specifying the number of Bonds to be redeemed) ("**Default Notice**") together with the Bond certificate evidencing the Bonds to be redeemed by not later than five (5) days after it becoming aware of an Event of Default. The "**Default Put Date**" shall be the 14th day after the expiry of such period of five (5) days as referred to above. A Default Notice, once delivered, shall be irrevocable and the Company shall redeem the Bonds which form the subject of the Default Notices delivered as aforesaid on the Default Put Date

6.1.3 Further details of the Terms and Conditions will be set out in the circular to be issued by the Company and to be despatched to Shareholders in due course for the purpose of obtaining

the approval of Shareholders in respect of the Proposed Bonds Subscription at the EGM of the Company to be convened.

6.2 Conditions Precedent

6.2.1 The Proposed Bonds Subscription is conditional on the following conditions (the "**Bonds Conditions**"):

(a) the Listing Approval being obtained from the SGX-ST and remaining in full force and effect and not having been revoked or amended as of the subscription date, and where such approval is subject to conditions (which are not normally imposed by the SGX-ST for a transaction of a similar nature), such conditions being acceptable to the Company, and such conditions having been fulfilled on or before that date to the satisfaction of the SGX-ST unless waived by the SGX-ST;

(b) all relevant shareholders' approvals of the Company (if required) having been obtained at an extraordinary general meeting of the Company and such approval remaining in full force and effect and not having been revoked as of the subscription date and, where any such shareholders' approval is subject to any conditions, such conditions being acceptable to the Company and the Subscriber and, to the extent that any such conditions are required to be fulfilled on or before the subscription date, they are so fulfilled, and in the event any amendment is made to the terms of any such shareholders' approval, such amendments being acceptable to the Subscriber.

(c) all other necessary consents (including any governmental, regulatory and/or corporate approvals and consents, for the transactions contemplated under this Agreement (in particular but without limitation the issue by the Issuer and the subscription by the Subscriber (or their nominee) of the Bonds, including any shareholders or board, or directors' approval and other regulatory and/or corporate approvals and consents required for the Subscriber) having been obtained;

(d) the issuance by the Issuer, and the subscription by the Subscriber of the Bonds Subscription not being prohibited by any statute, order, rule, regulation or directive promulgated or issued after the date of this Agreement by any legislative, executive or regulatory body or authority of Singapore or elsewhere which is applicable to the Issuer or the Subscriber (including but not limited to the SGX-ST); and

(f) the Issuer or the Subscriber not in breach of any of the undertakings and covenants given in this Agreement as at the subscription date, and if any of such undertakings and covenants are required to be fulfilled on or before the subscription date, such undertakings and covenants shall have been fulfilled prior to the subscription date.

6.2.2 If any of the Bonds Conditions is not satisfied or waived in whole or in part by the Company on or before the date falling 3 months from the date of the Agreement or such other date as the Company and the Subscriber may agree, the Company and the Subscriber shall be released and discharged from their respective obligations under the Agreement, save for certain rights and liabilities accrued on or prior to such termination and the liability of the Company for payment of expenses, costs, fees, taxes and duties under the Agreement.

6.3 Completion

Completion of the issue by the Company of, and the subscription by the Subscriber for, the Bonds, shall take place five (5) business days after the fulfilment or waiver, as the case may be, of the Bonds Conditions, or such other date as may be agreed in writing by the Company and the Subscriber (the "**Bonds Subscription Date**"). If any of the Bonds Conditions is not satisfied on or before the date falling three (3) months from the date of the Agreement or such other date as the Company and Subscriber may agree (or waived by the Investors pursuant to the Agreement), the Company and the Subscriber shall be released and discharged from their respective obligations under the Agreement, save for any rights and liabilities accrued on

or prior to such termination and the liability of the Company for payment of expenses, costs, fees, taxes and duties under the Agreement.

6.4 Early payment of consideration by the Subscriber for the Bonds and share charge

As consideration for the payment of the consideration by the Subscriber for the Bonds (the "**Sum**") prior to the Bonds Subscription Date, the Company shall grant a share charge in favour of the Subscriber in respect of all the shares to be acquired by the Company ("the "**Share Charge**") in entities which are responsible for construction opportunities within the Travel, Hospitality and Leisure industry. The Company and Maiora shall endeavour to finalise the terms of and execute the relevant document(s) relating to the Share Charge as soon as practicable but in any event no later than one (1) month from the date of the Agreement or such other date as may be mutually agreed by both parties.

In the event that the Proposed Bonds Subscription takes place, Maiora shall discharge the Share Charge with any costs incurred in connection with such discharge to be borne by the Company. In the event that the Proposed Bonds Subscription does not take place, the Sum shall be payable by the Company in cash immediately on demand with interest to be computed at 25% per annum for the period commencing from the actual disbursement date to the date of full repayment.

7. FINANCIAL EFFECTS

7.1 Assumptions

The pro forma financial effects of the Proposed Placement and the Proposed Bonds Subscription, based on the audited consolidated financial statements of the Group for the financial year ended 31 December 2016 ("**FY2016**") are set out below.

The pro forma analysis below has been prepared solely for illustrative purposes and does not purport to be indicative or a projection of the results and financial position of the Company and the Group after the completion of the Proposed Placement and the Proposed Bonds Subscription Issue.

The financial effects have been prepared based on, inter alia, the following assumptions:

(a) the financial effects of the Proposed Placement and the Proposed Bonds Subscription on the net tangible assets ("**NTA**") and NTA per Share of the Group are computed assuming that the Proposed Placement and the Proposed Bonds Subscription had completed and taken place on 31 December 2016 being the end of the most recently concluded financial year;

(b) the financial effects of the Proposed Placement and the Proposed Bonds Subscription on the earnings / loss and earning per Share ("**EPS**") / loss per Share ("**LPS**") of the Group are computed assuming that the Proposed Placement and the Proposed Bonds Subscription had completed and taken place on 1 January 2016, being the commencement of the most recently concluded financial year; and

(c) no adjustments have been made to the Conversion Price.

7.2 Share Capital

The effect of the Proposed Placement and the Proposed Bonds Subscription on the issued and paid-up share capital of the Company as at 31 December 2016 is as follows:

	No. of Shares	**($'000)**
Issued share capital	1,997,657,117	124,487
Add:-		

	No. of Shares	($'000)
Conversion Shares to be allotted and issued	2,500,000	50
Placement Shares to be allotted and issued	3,995,314	21
Enlarged share capital after the Proposed Placement and the Proposed Bonds Subscription	2,004,152,431	124,558

7.3 NTA

The effect of the Proposed Placement and the Proposed Bonds Subscription on the Group's NTA and NTA per Share based on the audited consolidated statement of financial position for FY2016 of the Group is as follows:

	Group ($'000)	Company ($'000)
NTA as at 31 December 2016	572	354
Number of Shares in issue as at 31 December 2016	1,997,657,117	1,997,657,117
NTA per Share as at 31 December 2016 (cents)	0.0286	0.0177
THE BONDS		
Add: Net proceeds from the full subscription of the Bonds	50	50
NTA as at 31 December 2016 (after the Convertible Notes Issue)	622	404
Number of Shares in issue as at 31 December 2016 (assuming that the Conversion Shares have been allotted and issued)	2,000,157,117	2,000,157,117
NTA per Share as at 31 December 2016 (assuming that the Bonds have been subscribed for and the Conversion Shares have been allotted and issued) (cents)	0.0310	0.0201
THE PLACEMENT SHARES		
Add: Net proceeds from the full subscription of the Placement Shares	21	21
NTA after the issuance and allotment of all the Conversion Shares and Placement Shares	643	425
Number of Shares in issue as at 31 December 2016 (assuming that the Conversion Shares and Placement Shares have been allotted and issued)	2,004,152,431	2,004,152,431
NTA per Share as at 31 December 2016 (assuming that the Conversion Shares and Placement Shares have been allotted and issued) (cents)	0.0320	0.0212

7.4 EPS

The effect of the Proposed Placement and the Proposed Bonds Subscription on the Group's EPS/LPS based on the audited consolidated profit and loss statement for FY2016 of the Group is as follows:

	FY2016
Earnings / Loss attributable to Shareholders for FY2016 (S$'000)	4,767
Earnings / Loss attributable to Shareholders after the issuance and allotment of the Conversion Shares and Placement Shares (S$'000)	4,767
Weighted average number of Shares before issuance and allotment of all the Conversion Shares and Placement Shares ('000)	1,787,333
EPS/LPS before the issuance and allotment of all the Conversion Shares and Placement Shares (cents)	0.2667
EPS/LPS after the issuance and allotment of all the Conversion Shares and Placement Shares (cents)	0.265

7.5 Gearing

The effect of the Proposed Placement and the Proposed Bonds Subscription on the gearing of the Group, based on the latest audited consolidated financial statements of the Group as at 31 December 2016 is set out below.

	FY2016
Net Debt(1) as at FY2016 (S$'000)	1,729
Shareholders' Equity(2) as at FY2016 (S$'000)	572
Total Capital(3) as at FY2016 (S$'000)	775
Add: Net Proceeds after the issuance and allotment of the Conversion Shares and Placement Shares (S$'000)	71
Adjusted Shareholders' Equity after the issuance and allotment of the Conversion Shares and Placement Shares (S$'000)	643
Adjusted Total Capital after the issuance and allotment of the Conversion Shares and Placement Shares (S$'000)	846
Gearing(4) after the issuance and allotment of the Conversion Shares and Placement Shares (times)	2.04

Notes:-

(1) Net debt is computed based on Loans and Borrowings, Trade and other payables and Other Liabilities of the Group.

(2) "Shareholders' equity" comprises of equity attributable to owners of the Company.

(3) Total capital is computed based on Shareholders' equity plus net debt of the Group.

(4) "Gearing" means the ratio of the Group's total debt to total capital.

8. THE PROPOSED PLACEMENT AND PROPOSED BONDS SUBSCRIPTION AS INTERESTED PERSONS TRANSACTION

8.1 Interested Person Transaction

8.1.1 The Subscriber is deemed interested in 457,537,500 Shares held by DBS Nominees Pte Ltd, representing approximately 19.52% of the issued share capital of the Company. Accordingly, pursuant to the Listing Rules, the Subscriber is deemed to be a "controlling shareholder" of the Company as it has more than 15% interest in the issued share capital of the Company.

8.1.2 For the purposes of Chapter 9 of the Listing Rules, the Subscriber would be considered an "interested person" within the meaning of Chapter 9 of the Listing Rules vis-a-vis the Company, which is regarded as an "entity at risk" pursuant to Chapter 9 of the Listing Rules. Accordingly, the Proposed Placement and the Proposed Bonds Subscription constitute "interested person transactions" under Chapter 9 of the Listing Rules.

8.2 NTA

As at 31 December 2016, 5% of the latest audited consolidated NTA of the Group was approximately S$28,600.

8.3 Shareholders' Approval

The Placement Consideration of S$21,574 and the Bond subscription price of S$50,000 represent approximately 3.7% and 8.7% of the latest audited consolidated NTA of the Group, respectively. Accordingly, as the value of the Proposed Placement and the Proposed Bonds Subscription each represents more than 5% of the latest audited consolidated NTA of the Group, approval of the Shareholders will be required for the Proposed Placement and the Proposed Bonds Subscription, in accordance with Chapter 9 of the Listing Rules.

8.4 Abstention from Voting

In accordance with Rule 919 of the Listing Rules, the Subscriber will abstain, and will undertake to ensure that their associates (as defined in the Listing Rules) will abstain, from voting on the resolution(s) to be proposed at the EGM to approve the Proposed Placement and the Proposed Bonds Subscription, and the grant of authority to the Directors to allot and issue the Placement Shares. The Subscriber will also decline to accept appointment as proxy for any Shareholder to vote in respect of the resolutions, unless the Shareholder concerned shall have given instructions in his Proxy Form as to the manner in which his votes are to be cast in respect of the resolution.

9. CIRCULAR TO SHAREHOLDERS

As the Proposed Placement and the Proposed Bonds Subscription are conditional upon the Company having obtained Shareholders' approval(s), the circular to the Shareholders containing, among others, information on the Proposed Placement and the Proposed Bonds Subscription will be despatched to Shareholders in due course.

10. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

The interests of the Directors and substantial Shareholders in the Shares as at the date of this announcement, as recorded in the Register of Directors' Shareholdings and the Register of substantial Shareholders, are as follows:

	Direct Interests		**Deemed Interest**	
	No. of Shares[(1)]	**%**	**No. of Shares[(1)]**	**%**
Directors				
Drew Ethan Madacsi	14,000,000	0.65	86,000,000	3.96

	Direct Interests		Deemed Interest	
	No. of Shares[(1)]	**%**	**No. of Shares[(1)]**	**%**
Christopher Michael Peck	-	-	-	-
Chan Ying Wei	-	-	-	-
Chong Chee Meng Gerard	-	-	-	-
Toshinori Tanabe	-	-	-	-
Substantial Shareholders				
Maiora Asian Structured Finance Segregated Portfolio	-	-	457,537,500	19.52

Save as disclosed in this announcement and other than through their respective shareholdings in the Company, none of the Directors or substantial Shareholders has any interest, direct or indirect, in the Proposed Placement and the Proposed Bonds Subscription.

11. FURTHER ANNOUNCEMENTS

The Company will make further announcements on the Proposed Placement and the Proposed Bonds Subscription if and when there are material updates or developments on the same.

12. 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 Placement and the Proposed Bond 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 this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors have 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.

BY ORDER OF THE BOARD

Chong Chee Meng Gerard
Lead Independent Director
13 September 2017