



**Y VENTURES GROUP LTD.**  
 (Company Registration No.: 201300274R)  
 (Incorporated in the Republic of Singapore)

**PROPOSED PLACEMENT OF 12,000,000 NEW ORDINARY SHARES (THE "PLACEMENT SHARES") IN THE CAPITAL OF Y VENTURES GROUP LTD. AT A PLACEMENT PRICE OF S\$0.07 FOR EACH PLACEMENT SHARE (THE "PROPOSED PLACEMENT")**

**1. INTRODUCTION**

- 1.1. The board of directors ("**Board**" or "**Directors**") of Y Ventures Group Ltd. (the "**Company**", and together with its subsidiaries, collectively the "**Group**") wishes to announce that the Company had on 15 December 2020 entered into a subscription agreement ("**Subscription Agreement**") with the subscribers ("**Subscribers**") set out in paragraph 1.3 below.
- 1.2. Subject to and upon the terms of the Subscription Agreement, the Subscribers have agreed to subscribe and pay for, and the Company have agreed to allot and issue to the Subscribers, an aggregate of 12,000,000 Placement Shares at the price of S\$0.07 for each Placement Share ("**Placement Price**"), amounting to an aggregate consideration of S\$840,000.
- 1.3. The details of the allotment to each of the Subscribers are set out below.

<b>Subscriber<sup>(1)</sup></b>	<b>Number of Placement Shares subscribed for</b>	<b>Subscription consideration payable (S\$'000)</b>	<b>Number of Placement Shares as a percentage of the issued share capital of the Company as at the date of this announcement</b>	<b>Number of Placement Shares as a percentage of enlarged issued share capital of the Company after completion of the Proposed Placement</b>
Evolve Capital Management Pte Ltd	5,000,000	350	2.18%	2.07%
Wee Teng Chuen	2,000,000	140	0.87%	0.83%
Lee Shieh-Peen Clement	2,000,000	140	0.87%	0.83%
Sim Siew Tin Carol	2,000,000	140	0.87%	0.83%
Asdew Acquisitions Pte Ltd	1,000,000	70	0.44%	0.41%
<b>Total</b>	<b>12,000,000</b>	<b>840</b>	<b>5.23%<sup>(2)</sup></b>	<b>4.97<sup>(2)</sup></b>

**Notes:**

- (1) As at the date of this announcement, none of the Subscribers holds any Shares (as defined below).
- (2) Percentage figures may not add up due to rounding.

- 1.4. The Placement Shares shall be issued as fully paid and free from all claims, mortgages, charges, liens and other encumbrances whatsoever and shall rank *pari passu* in all respects with the existing ordinary shares in the capital of the Company ("**Shares**"), except that, subject to completion of the Proposed Placement ("**Completion**"), the Placement Shares shall rank for, including without limitation, any entitlements, distributions, dividends or rights, the record date in respect of which falls on or after the date of Completion.

- 1.5. As at the date of this announcement, the Company has an issued and paid-up share capital of 229,660,000 Shares. Immediately after Completion and assuming that no further Shares are issued prior thereto, the Company's issued and paid-up share capital will increase to 241,660,000 Shares ("**Enlarged Share Capital**"). The Placement Shares represent approximately 5.23% of the existing issued and paid-up share capital of the Company and will represent approximately 4.97% of the Enlarged Share Capital.
- 1.6. The Company will be making an application through its sponsor to the Singapore Exchange Securities Trading Limited ("**SGX-ST**") for the listing of, and quotation for, the Placement Shares on the Catalist Board of the SGX-ST ("**Catalist**"). The Company will make the necessary announcement in due course when the listing and quotation notice ("**LQN**") has been obtained from the SGX-ST.
- 1.7. The Proposed Placement will be undertaken pursuant to the private placement exemption under Section 272B of the Securities and Futures Act, Chapter 289 of Singapore ("**SFA**"). As such, no prospectus or offer information statement will be lodged with the Monetary Authority of Singapore in connection with the Proposed Placement. No placement agent has been appointed in respect of the Proposed Placement.

## **2. AUTHORITY TO ISSUE SHARES**

- 2.1. The Placement Shares will be allotted and issued pursuant to the general mandate obtained from Shareholders at the annual general meeting of the Company held on 29 June 2020 for the issuance of Shares (including the making or granting of offers, agreements or options that might or would require Shares to be issued) (the "**General Mandate**").
- 2.2. Pursuant to the General Mandate, the Directors are authorised to, among other things, allot and issue new Shares not exceeding 100.0% of the Company's total number of issued Shares (excluding treasury shares and subsidiary holdings) as at 29 June 2020, after adjusting for (a) new Shares arising from the conversion or exercise of any convertible securities; (b) new Shares arising from the exercise of share options or vesting of share awards which are outstanding and/or subsisting at the time of the passing of the resolution, provided that such share options or share awards (as the case may be) were granted in compliance with Part VIII of Chapter 8 of the SGX-ST Listing Manual Section B: Rules of Catalist ("**Catalist Rules**"); and (c) any subsequent bonus issue, consolidation or subdivision of Shares (the "**Base Figure**"), of which the aggregate number of Shares to be issued other than on a pro rata basis to existing shareholders of the Company ("**Shareholders**") shall not exceed 50.0% of the Base Figure.
- 2.3. As at 29 June 2020, being the date the General Mandate was approved by Shareholders, the Company's total number of issued Shares (excluding treasury shares and subsidiary holdings) was 229,660,000 Shares. As at the date of this announcement, the Company has not issued any new Shares pursuant to the General Mandate. Accordingly, the total number of Shares that may be issued pursuant to the General Mandate is 229,660,000 Shares, of which the maximum number of Shares that may be issued other than on a pro-rata basis is 114,830,000 Shares.
- 2.4. The proposed allotment and issuance of 12,000,000 Placement Shares will fall within the maximum number of 114,830,000 Shares that may be issued pursuant to the General Mandate other than on a pro-rata basis, and as such, the prior approval of Shareholders is not required for the issuance of the Placement Shares under the Proposed Placement.

## **3. PRINCIPAL TERMS OF THE PROPOSED PLACEMENT**

### **3.1. Placement Price**

The Placement Price of S\$0.07 for each Placement Share represents a discount of approximately 9.91% to the volume weighted average price of S\$0.0777 for trades done on

Catalist on 11 December 2020, being the last full market day on which the Shares were traded immediately preceding the date the subscription agreement was signed.

### 3.2. Conditions precedent to Completion

Pursuant to the terms of the Subscription Agreement, Completion is conditional upon:

- (a) the LQN being obtained and not having been revoked or amended and, where such approval is subject to conditions that are required to be fulfilled on or before the completion date, their being so fulfilled or waived by the SGX-ST; and
- (b) the allotment, issue and subscription of the Placement Shares not being prohibited by any statute, order, rule, regulation or directive promulgated or issued after the date of the Subscription Agreement by any legislative, executive or regulatory body or authority of Singapore which is applicable to the Company or the respective Subscribers.

## 4. FURTHER INFORMATION ON THE SUBSCRIBERS

4.1. To the best knowledge of the Company, the Subscribers have entered into the Subscription Agreement for their own investment purposes only. Each Subscriber has represented and warranted to the Company that it is not subscribing for the Placement Shares as an agent for or otherwise on behalf of any other person or entity and is subscribing for the Placement Shares solely for its own beneficial account and not with a view to another person acquiring an interest (as defined in Section 4(1) of the SFA) in the Placement Shares.

4.2. Further details on the background of the Subscribers and how the Company was introduced to the Subscribers are set out below:

*Information on the Subscribers set out below were provided by the respective Subscribers. In respect of such information, the Company and the Board have not independently verified the accuracy and correctness of the same and the Company and the Board's responsibility is limited to the proper extraction and reproduction herein in the context that the information is being disclosed in this announcement.*

Subscriber	Background of Subscriber
Evolve Capital Management Pte Ltd	A fund registered with the Monetary Authority of Singapore, with mandate to invest in growth capital investments.
Wee Teng Chuen	An individual who was introduced to the Company by Giraffe Artworks Pte Ltd (" <b>Service Provider</b> ").
Lee Shieh-Peen Clement	An individual who was introduced to the Company by the Service Provider.
Sim Siew Tin Carol	An individual who was introduced to the Company by the Service Provider.
Asdew Acquisitions Pte Ltd	An investment holding company which is majority owned by an individual, Wang Yu Huei.

4.3. The Service Provider is an unrelated third party and does not have any connection with the Company, its directors and substantial shareholders. A lump sum service fee of 3% of the gross proceeds of the Proposed Placement, amounting to S\$25,200 ("**Service Fee**"), is payable to the Service Provider for providing the following services to the Company:

- (a) providing administrative services;
- (b) coordinating the logistics of the Proposed Placement;

- (c) obtaining the details of the Subscribers;
- (d) facilitating the collection for money and cheques; and
- (e) facilitating the crediting to the Central Depository and brokerages.

The Service Provider has confirmed that no part of the Service Fee will be shared with any Subscriber. No introducer fee or commission is paid or payable by the Company in connection with the Proposed Placement.

- 4.4. The Subscribers do not hold any interest in any directorship in the Company or businesses in competition with the Group. The Subscribers have no connection with the Company, its Directors and substantial shareholders (including any business relationship) as at the date of this announcement, and is not a person to whom the Company is prohibited from issuing Shares to, as provided for in Rule 812 of the Catalist Rules. In addition, the Placement Shares will not be issued to transfer a controlling interest in the Company.

## 5. RATIONALE AND USE OF PROCEEDS

- 5.1. The Directors are of the view that the Proposed Placement is beneficial to the Group as it will increase resources and working capital available to the Company so as to pursue acquisition and/or business opportunities and improve cash flow, as part of management's strategy to achieve long-term growth and deliver shareholder value.
- 5.2. The estimated net proceeds from the Proposed Placement (after deducting professional fees and related expenses of approximately S\$49,200) are approximately S\$790,800 (the "**Net Proceeds**").
- 5.3. The Company intends to utilise the Net Proceeds as follows:
- (a) approximately S\$500,000 (representing approximately 63.2% of the Net Proceeds) for expansion of the Company's businesses through potential mergers and acquisitions, joint ventures, strategic collaborations and/or investments; and
  - (b) approximately S\$290,800 (representing approximately 36.8% of the Net Proceeds) for general working capital purposes.
- 5.4. The Company will make periodic announcements on the utilisation of the Net Proceeds as and when the Net Proceeds are materially disbursed, including whether the use was in accordance with the stated use and in accordance with the percentage allocated as announced and will provide a status report on the utilisation of such Net Proceeds in its interim and full year financial statements and annual report(s). Where the Net Proceeds are used for working capital purposes, the Company will provide a breakdown with specific details on how the Net Proceeds have been applied in the relevant announcements and annual report(s). Where there is any material deviation from the stated use of proceeds, the Company will announce the reasons for such deviation.
- 5.5. Pending the deployment of the Net Proceeds, such Net Proceeds may be placed as deposits with banks and/or financial institutions or invested in short-term money markets or debt instruments or for any other purposes on a short-term basis as the Directors may, in their absolute discretion, deem fit from time to time.
- 5.6. As at the date of this announcement, S\$1.0 million of net proceeds raised from the Previous Placement remains unutilised.

## 6. CONFIRMATION BY THE BOARD

The Board is of the opinion that, as at the date of this announcement:

- (a) after taking into consideration the Group's present internal resources and present bank facilities available to the Group, the Group has sufficient working capital to meet its present requirements. Notwithstanding the above, the purpose of the Proposed

Placement is to raise funds for (i) expansion of the Company's businesses through mergers and acquisitions, joint ventures, strategy collaborations and/or investments, and (ii) general working capital purposes, as disclosed in paragraph 5.3 of this announcement; and

- (b) after taking into consideration the Group's present internal resources, the present bank facilities available to the Group and the Net Proceeds, the working capital available to the Group is sufficient to meet its present requirements.

## 7. FINANCIAL EFFECTS OF THE PROPOSED PLACEMENT

7.1. The financial effects of the Proposed Placement on the Group as set out below are for illustrative purposes only and are not intended to reflect the actual future financial performance or position of the Group immediately after Completion. The financial effects of the Proposed Placement set out below have been prepared based on the Group's audited consolidated financial statements for the financial year ended 31 December 2019 ("FY2019"), being the latest announced consolidated full-year financial statements of the Group

### 7.2. Share Capital

The effect of the Proposed Placement on the share capital of the Group is as follows:

	Before the Proposed Placement	After the Proposed Placement
As at 31 December 2019	229,660,000	241,660,000

### 7.3. Net Tangible Assets ("NTA")

The effects of the Proposed Placement on the unaudited consolidated NTA per Share of the Group as at 31 December 2019, assuming that the Proposed Placement had been effected on 31 December 2019, are summarised below:

	Before the Proposed Placement	After the Proposed Placement
Consolidated NTA (US\$'000)	3,025	3,613
Number of Shares	229,660,000	241,660,000
Consolidated NTA per Share (US cents)	1.32	1.49

### 7.4. Earnings per Share ("EPS")

The effects of the Proposed Placement on the unaudited consolidated EPS of the Group for FY2019, assuming that the Proposed Placement had been effected at the beginning of the financial year, are summarised below:

	Before the Proposed Placement	After the Proposed Placement
Loss attributable to equity holders of the Company (US\$'000)	(1,615)	(1,651)

Weighted average number of Shares	210,607,616	222,607,616
Consolidated EPS (US cents)	(0.77)	(0.74)

## 8. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the Directors nor (in so far as the Directors are aware) any substantial shareholder of the Company or their respective associates (a) has any interest, whether direct or indirect, in the Proposed Placement, other than through their respective shareholdings in the Company, if any; and (b) has any connection (including business relationship) with any of the Subscribers or their directors or substantial shareholders, where applicable.

## 9. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the Subscription Agreement is available for inspection during normal business hours at the Company's registered office at 1 Lorong 2 Toa Payoh, #05-06 Braddell House, Singapore 319637 for a period of three (3) months from the date of this announcement.

## 10. CAUTIONARY STATEMENT

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company. There is no certainty or assurance that the Proposed Placement will be completed. The Company will make the necessary announcements, in compliance with the requirements of the Catalist Rules, as and when there are material developments in respect of the Proposed Placement and other matters contemplated in this announcement. Shareholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers if they have any doubt about the actions they should take.

## 11. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors of the Company 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, the Company and its subsidiaries, and the Directors of the Company 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 of the Company 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.

## BY ORDER OF THE BOARD

Lew Chern Yong  
Executive Chairman and Director  
15 December 2020

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, RHT Capital Pte. Ltd. (the "Sponsor") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "SGX-ST"). The Sponsor has not independently verified the contents of this announcement.*

*This announcement has not been examined or approved by the SGX-ST and the SGX-ST 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 Leong Weng Tuck - Registered Professional, 6 Raffles Quay, #24-02, Singapore 048580, [sponsor@rhtgoc.com](mailto:sponsor@rhtgoc.com)*