

**PROPOSED ISSUE OF 1% UNSECURED EQUITY LINKED REDEEMABLE STRUCTURED  
CONVERTIBLE NOTES DUE 2018 IN AGGREGATE PRINCIPAL AMOUNT OF UP TO  
S\$25,000,000**

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**1. INTRODUCTION**

The Board of Directors of Asiasons Capital Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that the Company has on 6 April 2015 entered into a non-legally binding term sheet (the “**Term Sheet**”) with Advance Capital Partners Asset Management Private Limited (the “**ACPAM**”) in connection with the issuance by the Company to Advance Opportunities Fund (the “**Subscriber**”) of 1% unsecured equity linked redeemable structured convertible notes due 2018 (the “**Notes**”) with an aggregate principal amount of up to S\$25,000,000 in three tranches (the “**Proposed Notes Issue**”).

**2. SALIENT TERMS OF THE PROPOSED NOTES ISSUE**

**2.1 Conditions Precedent**

The Proposed Notes Issue is conditional upon the terms and subject to the conditions of a definitive subscription agreement (the “**Subscription Agreement**”), including but not limited to the satisfaction of, *inter alia*, the following conditions precedent:

- (i) the signing of the Subscription Agreement;
- (ii) the in-principal approval being obtained from the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for the listing of and quotation for the Conversion Shares (as hereinafter defined) on the Official List of the SGX-ST; and
- (iii) the specific shareholders’ approval for the Proposed Notes Issue being obtained at an extraordinary general meeting to be convened.

The rest of the conditions precedent will be provided for in the Subscription Agreement to be entered into between the parties.

**2.2 Issue Size**

The Notes will be issued by the Company to the Subscriber in the following manner:

- (i) the first tranche will be S\$10 million comprising 20 equal sub-tranches of S\$500,000 each (“**Tranche 1**”);
- (ii) the second tranche will be S\$10 million comprising 20 equal sub-tranches of S\$500,000 each (“**Tranche 2**”); and
- (iii) the third tranche will be S\$5 million comprising 10 equal sub-tranches of S\$500,000 each (“**Tranche 3**”).

**2.3 Method of Issue**

The Notes will be privately placed to and purchased by the Subscriber. No offering circular or information memorandum will be issued by the Company for the Proposed Notes Issue.

## 2.4 Conversion Terms and Price

The Notes shall be convertible into new ordinary shares in the share capital of the Company (the “**Conversion Shares**”) subject to the terms and conditions of the Subscription Agreement and at a conversion price determined in accordance with the terms and conditions of the Notes in the following manner:

- (i) Tranche 1: 80% of the average of the closing prices per share on any three consecutive business days during the 45 business days immediately preceding the relevant conversion date of the Notes;
- (ii) Tranche 2: 85% of the average of the closing prices per share on any three consecutive business days during the 45 business days immediately preceding the relevant conversion date of the Notes; and
- (iii) Tranche 3: 90% of the average of the closing prices per share on any three consecutive business days during the 45 business days immediately preceding the relevant conversion date of the Notes

(the “**Conversion Price**”).

## 2.5 Redemption Option

The Company may redeem the Notes presented for conversion in cash at the Redemption Amount (as hereinafter defined) if the Conversion Price is less than or equal to 65% of the daily average volume weighted average prices per share for the 30 consecutive business days prior to the relevant closing date.

The Redemption Amount is calculated according to the formula:

$$N \times \{P + [8\% \times P \times (D/365)] + I\}$$

Where

- “D” the amount of days elapsed since the relevant closing date;
- “N” the amount of Notes presented for conversion;
- “P” the face value of the Notes presented for conversion; and
- “I” the remaining unpaid interest accrued on the Notes presented for conversion.

## 2.6 Arrangement Fee

An arrangement fee of 5.0% of the aggregate principal amount subscribed of each-sub-tranche is payable by the Company upon the drawdown of each respective sub-tranche.

## 2.7 Cancellation fee

The Company shall pay a cancellation fee of S\$50,000 in the event that the Company decides not to proceed with the Subscription Agreement after the execution of the Term Sheet.

## 3. Further Information

The Company will make further announcements on the Proposed Notes Issue upon the execution of the Subscription Agreement or when there are further developments on the Proposed Notes Issue.

Upon execution of the Subscription Agreement, the Company will make an application to the SGX-ST for the listing of and quotation for the Conversion Shares on the Official List of the SGX-ST. In addition, the Company will seek shareholders' approval in relation to the Proposed Notes Issue. In this regard, a circular to the Company's shareholders containing, *inter alia*, the notice of the extraordinary general meeting and details of the terms and conditions of the Proposed Notes Issue will be dispatched to the Company's shareholders in due course.

**4. Interest of Directors and Controlling Shareholders**

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Proposed Notes Issue, other than through their respective shareholdings (if any) in the Company.

**5. Cautionary Statement**

Shareholders and potential investors are advised to exercise caution in trading the Company's shares as there is no certainty or assurance as at the date of this announcement that (i) the Subscription Agreement will be entered into; (ii) the final terms of the Proposed Notes Issue will not change from that in the Term Sheet; and (iii) the Proposed Notes Issue will be proceeded with. As such, shareholders 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 or other professional advisers if they have any doubt about the actions they should take.

**BY ORDER OF THE BOARD**

Datuk Jared Lim Chih Li  
Managing Director  
6 April 2015