



SUNLIGHT GROUP HLDG LTD
(Company Registration No. 199806046G)
(Incorporated in the Republic of Singapore)

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THE RENOUNCEABLE AND PARTIALLY UNDERWRITTEN RIGHTS ISSUE ("RIGHTS ISSUE")

- **CHANGE IN USE OF NET PROCEEDS FROM THE RIGHTS ISSUE**
 - **UPDATE ON THE USE OF NET PROCEEDS FROM THE RIGHTS ISSUE**
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1. Introduction

The board of Directors ("**Board**") of Sunlight Group Hldg Ltd (the "**Company**") refers to:

- (a) the announcements made by the Company on 5 August 2013, 28 August 2013, 29 August 2013, 10 September 2013, 2 October 2013, 14 October 2013 and 30 October 2013 in relation to the Rights Issue (the "**Previous Announcements**");
- (b) the offer information statement ("**OIS**") dated 10 September 2013 issued by the Company in relation to the Rights Issue; and
- (c) the announcement made by the Company on 1 September 2015 in relation to the expiration of the non-binding term sheet dated 6 May 2013 ("**Term Sheet**") entered into between the Company and Alexander Resources Pte. Ltd. (the "**Vendor**") following the technical insolvency of the Vendor.

Unless otherwise defined herein, all capitalised terms used herein shall have the same meaning ascribed to them in the OIS.

The Board wishes to announce a change in the use and allocation of the net proceeds from the Rights Issue ("**Net Proceeds**") from what was disclosed in the OIS and the Previous Announcements and to provide an update on the use of Net Proceeds from the Rights Issue.

2. Change in use of Net Proceeds from the Rights Issue

Out of the Net Proceeds of approximately S\$6.15 million, the sum of S\$5.48 million was initially allocated to partially fund the professional costs and expenses associated with the Proposed Acquisition, including the costs of engaging Tetra Tech, Inc and other relevant specialists or professionals in association with the preparation of the ITR and other ancillary expenses associated with the ITR ("**Transactional Costs**").

As at 14 October 2013, the Company had disbursed S\$2.48 million from the Net Proceeds for the Transactional Costs.

As at 30 December 2015, the unutilised balance of the Net Proceeds to fund the Transactional Costs amounted to S\$3.0 million ("**Balance Amounts**").

The Company had on 1 September 2015 announced the expiration of the Term Sheet following the technical insolvency of the Vendor and that the Company would not be entering into any further extensions. In view of the expiration of the Term Sheet and after having carefully evaluated all the relevant circumstances, the Board deems it to be in the interests of the Group to re-allocate the Balance Amounts to be used for general working capital purposes.

3. Use of Net Proceeds from the Rights Issue

The Board also wishes to announce that as at 31 December 2015, the Group has utilised S\$1.0 million of the Balance Amounts and the status of the use of Net Proceeds is as follows:

Use of Net Proceeds	Allocation of Net Proceeds	Net Proceeds utilised as at 30 October 2013	Balance of Net Proceeds (after re-allocation)	Net Proceeds utilised as at 31 December 2015	Balance of Net Proceeds as at 31 December 2015
	(S\$' million)	(S\$' million)	(S\$' million)	(S\$' million)	(S\$' million)
To partially fund the professional costs and expenses associated with the Proposed Acquisition, including the costs of engaging an independent qualified person and other relevant specialists or professionals in association with the preparation of the ITR and other ancillary expenses associated with the ITR	5.48	2.48	0	0	0
For general working capital purposes	0.67	0.67	3.00	1.00 ⁽¹⁾	2.00
Total	6.15	3.15	3.00	1.00	2.00

Note:

⁽¹⁾ On 31 December 2015, the Company disbursed S\$1.0 million to its wholly-owned subsidiary, Sunlight Electrical Pte Ltd, for its working capital purposes.

The Company will continue to make periodic announcements on the utilisation of the Net Proceeds as and when the balance of the Net Proceeds are materially disbursed, and provide a status report on the use of Net Proceeds in its annual report.

By Order of the Board

Ong Bee Hoon
Company Secretary

31 December 2015