



SOILBUILD CONSTRUCTION GROUP LTD.

(Company Registration No. 201301440Z)
(Incorporated in the Republic of Singapore)

PROPOSED PRO RATA AND NON-RENOUNCEABLE NON-UNDERWRITTEN PREFERENTIAL OFFERING OF UP TO 168,247,125 NEW ORDINARY SHARES IN THE CAPITAL OF SOILBUILD CONSTRUCTION GROUP LTD. WITH UP TO 168,247,125 FREE DETACHABLE WARRANTS, EACH WARRANT CARRYING THE RIGHT TO SUBSCRIBE FOR ONE NEW ORDINARY SHARE IN THE CAPITAL OF SOILBUILD CONSTRUCTION GROUP LTD.

Unless otherwise defined, all terms used herein shall bear the same meaning as in the Announcement (as defined below).

RECEIPT OF APPROVAL IN-PRINCIPLE FROM THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED

Further to the Company's announcement on 9 May 2019 (the "**Announcement**") relating to the Preferential Offering of Rights Shares with Warrants, the Directors wish to announce that following discussions with the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and consultation with the Company's advisers, the Company now proposes to seek the specific approval of the Shareholders for the Preferential Offering, and to allot and issue the Additional 2016 Warrants and the Additional New Shares pursuant to the share issue mandate approved by Shareholders at the annual general meeting of the Company held on 26 April 2019.

In this regard, the Company has today received the approval in-principle from the SGX-ST for the listing of and quotation for:

- (a) up to 168,247,125 Rights Shares, 168,247,125 Warrants and 168,247,125 New Shares; and
- (b) up to 2,164,721 Additional 2016 Warrants and 2,164,721 Additional New Shares,

on the Main Board of the SGX-ST, subject to the following conditions:

- (i) compliance with the SGX-ST's listing requirements;
- (ii) Shareholders' approval for the Preferential Offering;
- (iii) a written undertaking from the Company that it will comply with Rules 704(30), 815 and 1207(20) of the SGX-ST Listing Manual (the "**Listing Manual**") in relation to the use of proceeds from the Preferential Offering and from the exercise of the Warrants and where proceeds are to be used for working capital purposes, the Company will disclose a breakdown with specific details on the use of proceeds for working capital in the Company's announcements on use of proceeds and in the annual report;

- (iv) a written undertaking from the Company that it will comply with the confirmation given under Rule 877(10) of the Listing Manual with regards to the allotment of any excess Rights Shares with Warrants;
- (v) the submission of the Irrevocable Undertaking by Mr Lim Chap Huat;
- (vi) a written confirmation from financial institution(s) as required under Rule 877(9) of the Listing Manual that Mr Lim Chap Huat (who has given the Irrevocable Undertaking) has sufficient financial resources to fulfil his obligations under his undertaking;
- (vii) a written confirmation from the Company that there is a satisfactory spread of registered warrant holders (at least 100) to provide an orderly market for the Warrants and the Additional 2016 Warrants in compliance with Rule 826 of the Listing Manual;
- (viii) a written confirmation from the Company that the terms and conditions of the Warrants and the Additional 2016 Warrants do not permit revision of the exercise price/ratio in any form, other than in compliance with Rule 829(1) of the Listing Manual; and
- (ix) a written undertaking from the Company that Rules 820, 830 and 831 of the Listing Manual will be complied with.

The SGX-ST's approval in-principle is not to be taken as an indication of the merits of the Preferential Offering, the Rights Shares, the Warrants, the New Shares, the Additional 2016 Warrants, the Additional New Shares, the Shares, the Company and/or its subsidiaries.

A circular to Shareholders containing details on the Preferential Offering and the notice of the extraordinary general meeting to be convened will be despatched to Shareholders in due course.

**BY ORDER OF THE BOARD
SOILBUILD CONSTRUCTION GROUP LTD.**

Lim Chap Huat
Executive Chairman

7 June 2019

Important Notice

This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Rights Shares with Warrants and/or the New Shares.

The value of the Rights Shares, the Warrants, the New Shares and/or Shares and the income derived from them, if any, may fall as well as rise. An investment in the Rights Shares, the Warrants, the New Shares and/or Shares is subject to investment risks, including the possible loss of the principal amount invested.

Investors should note that they will have no right to request the Company to redeem or purchase their Rights Shares, Warrants, New Shares and/or Shares for so long as the Rights Shares, Warrants, New Shares and/or Shares are listed on the SGX-ST. It is intended that the Shareholders and/or Warrantholders (where applicable) may only deal in their Rights Shares, Warrants, New Shares and/or Shares (where applicable) through trading on the SGX-ST. Listing of the Rights Shares, Warrants, New Shares and/or Shares on the SGX-ST does not guarantee a liquid market for the Rights Shares, Warrants, New Shares and/or Shares.

The past performance of the Company is not necessarily indicative of the future performance of the Company.