



(Incorporated in the Republic of Singapore on 20 October 2010)
(Company Registration Number: 201022364R)

PLACEMENT OF UP TO 15,000,000 NEW ORDINARY SHARES IN THE CAPITAL OF LIBRA GROUP LIMITED AT S\$0.20 FOR EACH PLACEMENT SHARE TO RAISE GROSS PROCEEDS OF S\$3,000,000

1. BACKGROUND

The Board of Directors of Libra Group Limited (the “**Company**”) wishes to announce that it has, on 26 September 2014, entered into a placement agreement with OCBC Securities Private Limited (the “**Placement Agent**”) for the issue and allotment of new ordinary shares in the capital of the Company (the “**Placement Agreement**”).

Pursuant to the terms of the Placement Agreement, the Company intends to raise capital by issuing an aggregate of up to 15,000,000 new ordinary shares (the “**Placement Shares**”) in the share capital of the Company (the “**Placement**”), subscribers for which will be procured by the Placement Agent on a best endeavour basis. The Placement Shares will be issued under the existing general share mandate approved at the annual general meeting of the Company held on 23 April 2014.

The total gross proceeds to be raised from the Placement (assuming all 15,000,000 Placement Shares are placed out) is S\$3,000,000. The Placement will not be underwritten by the Placement Agent.

2. TERMS OF THE PLACEMENT

2.1 Issue Price

The Placement Shares shall be allotted and issued at an issue price of S\$0.20 per Placement Share (the “**Issue Price**”). The Issue Price was arrived at following arm’s length negotiations between the Company and the Placement Agent and represents a discount of approximately 3.85% to the volume weighted average price of S\$0.208 for each ordinary share in the capital of the Company (“**Share**”), based on trades done on the Shares on the Catalist of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) on 24 September 2014 (being the last full market day on which trades were done on the Shares before the Placement Agreement was signed). The discount of 3.85% is within the 10% discount limit as stated in Rule 811(1) of the Listing Manual Section B: Rules of Catalist of the SGX-ST (the “**Catalist Rules**”).

2.2 The Placement Shares

The number of Placement Shares to be issued would be up to 15,000,000 new Shares.

The Placement Shares, when issued and delivered, shall rank *pari passu* with and shall carry all rights similar to the then existing Shares except that they will not rank for any dividends, rights, allotments or other distributions, the record date for which falls on or before the Completion Date (as defined herein).

Pursuant to the allotment and issuance of the Placement Shares, the Company's issued and paid-up share capital will increase from 99,724,000 Shares, as at the date of this announcement, to 114,724,000 Shares. There are currently no treasury shares belonging to the Company.

The Placement Shares will not be placed out to any person who is a director or a substantial shareholder of the Company, or any other person falling within the categories set out in Rule 812(1) of the Catalist Rules, save for exceptions under Rule 812(3) of the Catalist Rules. In addition, the Placement Agent has confirmed that the issuance of the Placement Shares will not be made without the prior approval of the Company's shareholders in a general meeting if such issuance would bring about a transfer of controlling interest.

2.3 Additional Listing Application

The sponsor of the Company (the "**Sponsor**"), PrimePartners Corporate Finance Pte. Ltd., will be making an application on behalf of the Company to the SGX-ST for the admission of the Placement Shares to Catalist of the SGX-ST and for the listing and quotation of the Placement Shares on Catalist of the SGX-ST.

2.4 Conditions

The Placement is subject to, among others, the following:-

- (a) with respect to the Placement Shares, the notice for the listing and quotation of the Placement Shares on the Official List of the Catalist (the "**LQN**") being obtained from the SGX-ST and not having been revoked or amended and, where such approval is subject to conditions (only such conditions which are not normally imposed by the SGX-ST for a transaction of a similar nature), such conditions being reasonably acceptable to the Company and the Placement Agent and, to the extent that any conditions for the listing and quotation of the Placement Shares on the Official List of the Catalist are required to be fulfilled on or before the date of completion of the Placement (the "**Completion Date**"), they are so fulfilled;
- (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 Placement Agreement by any legislative, executive or regulatory body or authority of Singapore or elsewhere, which is applicable to the Company, Placement Agent and/or the end placees;
- (c) the delivery to the Placement Agent on the Completion Date, of a certificate (in the form set out in the Placement Agreement) signed by a duly authorised officer on behalf of the Board of Directors of the Company; and
- (d) as at the Completion Date, no occurrence of any event nor the discovery of any fact rendering untrue or incorrect in any respect any of the

representations and warranties of the Company and the Placement Agent contained in the Placement Agreement as if they were repeated on and as of the Completion Date.

An announcement of the receipt of the LQN in relation to the Placement Shares will be made in due course when the LQN is obtained.

2.5 Completion

Completion is scheduled to take place on the date falling five (5) market days after the conditions set out in Paragraph 2.4 above are satisfied (or unless the Company and Placement Agent agree otherwise). If any of the conditions in paragraph 2.4 above are not satisfied on or before thirty (30) days from the date of the Placement Agreement (or such later date as may be mutually agreed in writing between the Company and the Placement Agent), the Placement Agreement shall *ipso facto* cease and determine thereafter and none of the Company and the Placement Agent shall have any claim against the other for damages, losses, compensation or otherwise save that the Company shall remain liable for the payment of the costs and expenses already incurred by the Placement Agent in respect of the placement of the Placement Shares up to the date of such termination.

2.6 Commission

A placement commission of 5.0% of the aggregate Issue Price for the total number of Placement Shares which the Placement Agent successfully obtains subscriptions for shall be payable to the Placement Agent on the Completion Date.

3. RATIONALE FOR THE PLACEMENT

The Company intends to use the proceeds from the Placement to finance the Group's business expansion, to augment the general working capital of the Group and for potential investments and acquisitions. With the proceeds from the Placement, the Group will be in a better position financially to embark on its growth plans and to seize good business opportunities as and when such opportunities surface.

4. MANDATE FOR THE ISSUE OF THE PLACEMENT SHARES

The Placement Shares will be issued pursuant to the general share issue mandate given by the shareholders of the Company at the annual general meeting of the Company held on 23 April 2014 (the "**2014 AGM**") for the Company to issue shares and convertible securities (the "**General Mandate**").

As at 23 April 2014, the Company had 99,724,000 Shares. Under the General Mandate, the limits approved were for up to 100% of the total number of issued Shares (excluding treasury shares) as at the date of the 2014 AGM, of which the aggregate number of Shares to be issued other than on a pro-rata basis to existing shareholders of the Company shall not exceed 50% of the total number of issued Shares (excluding treasury shares) as at the date of the 2014 AGM. No Shares were previously issued under the General Mandate prior to the Placement and as such, the total number of Shares that may be issued pursuant to the General Mandate is 99,724,000 Shares, of which the maximum number of Shares to be issued other than

on a pro-rata basis is 49,862,000 Shares. The proposed allotment and issuance of up to 15,000,000 Placement Shares will fall within the limits of the General Mandate.

As at the date of this announcement, the Company has 99,724,000 Shares. The Placement Shares, when allotted and issued in full, will represent approximately 15.04% of the existing issued and paid-up share capital of the Company as at the date of this announcement, and approximately 13.07% of the enlarged issued and paid-up share capital upon completion of the Placement, assuming all 15,000,000 of the Placement Shares are issued.

5. FINANCIAL EFFECTS OF THE PLACEMENT

The financial effects of the Placement set out below are strictly for illustrative purposes only and do not purport to be indicative or a projection of the results and financial position of the Company and the Group after the Placement. The table below sets out the financial effects of the Placement based on the following bases and assumptions:-

- a) the audited consolidated financial statements of the Group for the full financial year ended 31 December 2013 (“**FY2013**”) and the unaudited consolidated financial statements of the Group for the half financial year ended 30 June 2014 (“**1H FY2014**”);
- b) the financial impact on the consolidated net tangible assets (“**NTA**”) per Share of the Group is computed based on the assumption that the Placement was completed on 31 December 2013 and 30 June 2014 respectively; and
- c) the financial impact on the consolidated earnings per Share (“**EPS**”) of the Group is computed based on the assumption that the Placement was completed on 1 January 2013 and 1 January 2014 respectively.

	Before completion of Placement		After completion of Placement	
	Audited FY2013	Unaudited 1H FY2014	Audited FY2013	Unaudited 1H FY2014
Share Capital				
Paid-up share capital (S\$'000)	14,576	14,576	17,376	17,376
No. of shares ('000)	99,724	99,724	114,724	114,724
NTA (S\$'000)	10,815	13,113	13,615	15,913
NTA per share (Singapore cents)	10.85	13.15	11.87	13.87
EPS (Singapore cents)	0.52	3.00	0.45	2.60

6. USE OF PROCEEDS

Based on the Issue Price, the estimated amount of proceeds from the Placement (net of estimated expenses of approximately S\$0.2 million) will be approximately S\$2.8 million ("**Net Proceeds**").

The Company intends to use 100% of the Net Proceeds for general working capital (which includes general and administration expenses), and for potential investments and acquisitions, in the following estimated proportions:

Use of Proceeds	Percentage Allocation
General working capital	50%
Potential investments and acquisitions	50%

The Company will make periodic announcements on the utilisation of the Net Proceeds from the Placement as and when the funds are materially disbursed and whether such use is in accordance with the stated use and in accordance with the percentage allocated. The Company will also provide a status report on the use of the Net Proceeds raised from the Placement in the Company's interim and full year financial statements and the Company's annual report. 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 announcements and the status report. Where there is any material deviation from the stated use of the Net Proceeds, the Company will announce the reasons for such deviation.

Pending the deployment of the Net Proceeds from the Placement, such proceeds may be placed as deposits with 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 deem fit, from time to time.

7. CONFIRMATION BY DIRECTORS

The Directors are of the opinion that after taking into consideration the present bank facilities available to the Group, the working capital available to the Group is sufficient to meet its present requirements. Notwithstanding this, the Company has decided to undertake the Placement to strengthen its financial position in order to meet its anticipated general working capital requirements and for potential investments and acquisitions.

8. NO PROSPECTUS OR OFFER INFORMATION STATEMENT

The Placement will be undertaken by way of private placement in accordance with Section 272B of the Securities and Futures Act (Cap. 289) of Singapore. As such, no prospectus or offer information statement will be issued by the Company in connection therewith.

9. INTEREST OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the Directors nor (in so far as the Directors of the Company are aware) substantial shareholders of the Company or their respective associates, have any interest, direct or indirect (other than through their shareholdings in the Company), in the Placement.

10. CAUTIONARY STATEMENT

In view of the Placement, shareholders of the Company and potential investors should exercise caution when trading in Shares of the Company in relation to this announcement as there is no certainty that the Placement will be completed as it is subject to the fulfillment of terms and conditions as set out in the Placement Agreement, and where in doubt as to the action they should take, they should consult their financial, tax or other advisors.

11. RESPONSIBILITY STATEMENT

The Directors of the Company have taken all reasonable care to ensure that the facts stated in this announcement are fair and accurate and that no material facts have been omitted from this announcement, and they jointly and severally accept responsibility accordingly.

By Order of the Board
LIBRA GROUP LIMITED

Chu Sau Ben
Executive Chairman and Chief Executive Officer

26 September 2014

This announcement has been prepared by the Company and its contents have been reviewed by the Sponsor for compliance with the relevant rules of 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.

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