



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

**PROPOSED PLACEMENT OF 5,000,000 NEW ORDINARY SHARES IN THE CAPITAL OF
Y VENTURES GROUP LTD. AT A PLACEMENT PRICE OF S\$0.24 PER PLACEMENT SHARE**

1. INTRODUCTION

- 1.1 The Board of Directors (“**Board**” or “**Directors**”) of Y Ventures Group Ltd. (“**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that the Company has on 8 January 2018 entered into a subscription agreement for the allotment and issue of 5,000,000 new ordinary shares in the capital of the Company (“**Placement Shares**”) (“**Subscription Agreement**”) (“**Proposed Placement**”) with the following entity:

Name of Subscriber	Number of Placement Shares	Total number of Shares as a percentage of the existing share capital of the Company⁽¹⁾	Total number of Shares as a percentage of the enlarged share capital of the Company⁽²⁾
R3 Asian Gems (the “ Subscriber ”)	5,000,000	2.5%	2.4%

(1) *Based on the number of Placement Shares divided by the existing issued and paid-up share capital of 200,000,000 Shares in the Company before the Proposed Placement (adjusted for rounding).*

(2) *Based on the number of Placement Shares divided by the enlarged issued and paid-up share capital of 205,000,000 Shares in the Company after the Proposed Placement (adjusted for rounding).*

- 1.2 The Subscriber has agreed to subscribe for the Placement Shares, at an issue price of S\$0.24 per Placement Share (“**Placement Price**”), amounting to an aggregate consideration of approximately S\$1.2 million (“**Aggregate Consideration**”), and on the terms and conditions of the Subscription Agreement.

There is no introducer or placement agent appointed for the Proposed Placement. The offer of the Placement Shares by the Company shall only be extended to the Subscriber pursuant to 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 allotment and issue of the Placement Shares. The Company’s Sponsor, RHT Capital Pte. Ltd., will be submitting an application on behalf of the Company to the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) for the listing of and quotation for the Placement Shares on the Catalist of the SGX-ST.

2. THE PROPOSED PLACEMENT

2.1 The Placement Shares

The Placement Shares are intended to be issued pursuant to the general share issuance mandate (“**General Mandate**”) given by Shareholders via members’ resolutions in writing dated 2 June 2017, which authorises the Directors of the Company to allot and issue shares in the capital of the Company (“**Shares**”) not exceeding 100.0% of the total number of issued Shares immediately after admission of the Company to Catalist on the SGX-ST, of which the aggregate number of Shares to be issued other than on a pro-rata basis to the existing shareholders of the Company shall not exceed 50.0% (excluding treasury shares).

The number of issued Shares immediately after admission of the Company to Catalist was 200,000,000 Shares. No Shares were previously issued under the General Mandate prior to the Placement and as such, the number of remaining Shares that may be issued pursuant to the General Mandate on a pro-rata basis is 200,000,000 Shares, of which the maximum number of Shares to be issued other than on a pro-rata basis is 100,000,000 Shares.

The Placement Shares, when fully paid and issued, shall rank *pari passu* with and shall carry all rights similar to the existing Shares except that they will not rank for any dividend, right, allotment or other distributions, the record date for which falls on or before the Completion Date (as defined below).

Pursuant to the allotment and issue of the Placement Shares, the Company’s issued and paid-up share capital will increase from 200,000,000 Shares as at the date of this announcement, to 205,000,000 Shares. Such number of Placement Shares represents approximately 2.5% of the existing issued and paid up share capital of the Company as at the date of this announcement, and approximately 2.4% of the enlarged issued and paid-up share capital of the Company after the Proposed Placement.

2.2 The Placement Price

The Placement Price represents a discount of 9.64% to the volume weighted average price of S\$0.2656 for trades done on the shares of the Company on the Catalist on the full market day on which the signing of the Subscription Agreement (being 8 January 2018).

2.3 Conditions Precedent

Completion of the Proposed Placement is conditional upon, *inter alia*:-

- (a) the receipt of listing and quotation notice for the listing of and quotation for all the Placement Shares on the Catalist being obtained from the SGX-ST; and
- (b) the Company and the Subscriber not being in breach of any of the representations, warranties, undertakings and covenants in the Subscription Agreement as at the Completion Date (as defined in section 2.4 below).

The Company’s Sponsor, RHT Capital Pte. Ltd., will be submitting an application on behalf of the Company to the SGX-ST for the listing of and quotation for the Placement Shares on the Catalist of the SGX-ST. The Company will be make the necessary announcements once the listing and quotation notice for the listing and quotation of the Placement Shares is obtained from SGX-ST.

There will not be any prospectus or offer information statement issued in connection with the Proposed Placement as the Proposed Placement will be made pursuant to exemptions under Sections 274 and 275 of the SFA.

2.4 Completion

Completion of the Proposed Placement will occur within three business days after the Company's receipt of the Aggregate Consideration from the Subscriber ("**Completion Date**").

3. INFORMATION ON THE SUBSCRIBER

- 3.1 The Subscriber is a fund of R3 Asset Management Pte. Ltd. and seeks to invest in small-mid cap Asian companies.
- 3.2 The Subscriber is an existing shareholder of the Company, and currently holds 3,373,000 Shares in the Company. The Subscriber was introduced to the Group by various business contacts and was independently approached by the Company. The Subscriber has expressed an interest to invest further in the Company and, as the Company understands, has entered into the Subscription Agreement for investment purposes only and will not be holding the Placement Shares on trust or as a nominee.
- 3.3 The Subscriber does not hold any interest in any investment or any directorship in the Company or businesses in competition with the Group. The Subscriber has no connection with the Company, its Directors and substantial shareholders (including any business relationship), and is not a person to whom the Company is prohibited from using Shares to, as provided for in Rule 812 of the Listing Manual of the SGX-ST (Section B: Rules of Catalist). In addition, the Company will not allot and issue the Placement Shares without the prior approval of the Company's shareholders in a general meeting if such allotment and issuance would bring about a transfer of controlling interest.

4. FINANCIAL EFFECTS OF THE PROPOSED PLACEMENT

The table illustrates the financial effects of the Proposed Placement on (i) the net tangible asset per share of Group (assuming the Proposed Placement had been completed at the end of that financial year); and (ii) the earnings per share of the Group (assuming that the Proposed Placement had been completed at the beginning of that financial year) based on the unaudited financial statements of the Group for the half year ended 30 June 2017 are set out below:

	Before the Proposed Placement US\$ (cents)	After the Proposed Placement US\$ (cents)
Effect of the Proposed Placement on the net tangible asset per share	0.8	1.2
Effect of the Proposed Placement on the earnings per share	(0.1)	(0.1)

The financial effects of the Proposed Placement on the Group are for illustrative purposes only and are, therefore, not indicative of the actual financial performance or position of the Group after the completion of the Proposed Placement.

5. RATIONALE FOR PLACEMENT AND USE OF PROCEEDS

- 5.1 The Company has on 8 January 2018 entered into a non-binding memorandum of understanding (the “**MOU**”) with the Subscriber. Under the MOU, the parties intend to co-operate with each other on, *inter alia*, the introduction by R3 Asset Management Pte. Ltd. to the Group of new retail brands, strategic alliances and acquisition targets that synergise with the Group’s analytics and e-commerce distribution networks, and contribution of its expertise, strategic advice and business contacts in the consumer retail market in furtherance of the business of the Group.
- 5.2 Further, the Subscriber is an existing shareholder of the Company and wanted to increase their investment stake further in the Company and the placement would allow the Subscriber to increase its stake in the Company. The increase in stake would further align the Subscriber’s interest following the MOU wherein R3 Asset Management Pte. Ltd. will introduce the Company new retail brands, strategic alliances and acquisition targets that synergise with the Company’s analytics and e-commerce distribution networks, and contribute its expertise, strategic advice and business contacts in the consumer retail market to grow the business of the Company.
- 5.3 The net proceeds to be raised by the Company from the Proposed Placement (after deducting estimated expenses of S\$21,000) are approximately S\$1.179 million (“**Net Proceeds**”). The Company intends to utilise 100% of the Net Proceeds of S\$1.179 million to fund the general working capital requirements of the Group.
- 5.4 Pending the deployment of the Net Proceeds, the Company intends to place the Net Proceeds from the Proposed Placement with banks and/or financial institutions or use the Net Proceeds for any other purposes on a short-term basis, as the Directors may deem fit.
- 5.5 The Company will make periodic announcements on the utilisation of the Net Proceeds 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 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.

6. 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.

7. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the Directors or substantial shareholders of the Company or their respective associates has any interest, direct or indirect, in the Proposed Placement, other than through their shareholdings in the Company. None of the Directors or substantial shareholders of the Company or their respective associates have any connection (including business relation) with the Subscriber.

8. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the Subscription Agreement are available for inspection at the Company’s Singapore office at 46 East Coast Road, #09-06 Eastgate Commercial Building, Singapore 428766 for three months from the date of this announcement.

9. 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.

10. CAUTIONARY STATEMENT

Shareholders are advised to exercise caution in trading in their shares as there is no certainty or assurance as at the date of this announcement that the Proposed Placement will be completed. Shareholders should consult their stock brokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

By Order of the Board

Low Yik Sen
Executive Chairman and Managing Director
11 January 2018

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:

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