

JARDINE CYCLE & CARRIAGE LIMITED

(Co. Reg. No.: 196900092R)

(Incorporated in the Republic of Singapore)

PROPOSED RENOUNCEABLE UNDERWRITTEN RIGHTS ISSUE TO RAISE APPROXIMATELY US\$772 MILLION

1. INTRODUCTION

- 1.1 **Rights Issue.** The board of directors (the “**Board**” or the “**Directors**”) of Jardine Cycle & Carriage Limited (the “**Company**”) wishes to announce that the Company is proposing to undertake a renounceable underwritten rights issue (the “**Rights Issue**”) of 39,523,628 new ordinary shares in the capital of the Company (the “**Rights Shares**”), at an issue price of S\$26.00 for each Rights Share (the “**Issue Price**”), on the basis of one (1) Rights Share for every nine (9) existing ordinary shares in the capital of the Company (the “**Shares**”) held by Entitled Shareholders (as defined below) as at a time and date to be determined by the Board for the purpose of determining the entitlements of the shareholders of the Company (the “**Shareholders**”) under the Rights Issue (the “**Books Closure Date**”).
- 1.2 **SGX-ST Approval.** The Company has on 18 June 2015 obtained approval in-principle (“**AIP**”) from the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for the dealing in, listing of and quotation of the Rights Shares on the Main Board of the SGX-ST. The AIP from the SGX-ST is subject to certain conditions as set out in paragraph 5.1 below.
- 1.3 **Undertaking.** As at the date of this Announcement, Jardine Strategic Holdings Limited (the “**Undertaking Shareholder**”) has an indirect interest in an aggregate of 264,421,540 Shares, representing approximately 74.34 per cent. of the issued share capital of the Company. The Undertaking Shareholder has undertaken to the Company that it will procure the subscription and payment in full for an aggregate of 29,380,171 Rights Shares (the “**Undertaken Rights Shares**”) representing 74.34 per cent. of the Rights Shares (the “**Undertaking**”). Please refer to paragraph 4.1 for further details.
- 1.4 **Joint Underwriters.** The Company has appointed CLSA Singapore Pte Ltd, Morgan Stanley Asia (Singapore) Pte. and The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch (collectively, the “**Joint Underwriters**”) as the Joint Underwriters for the Rights Issue. Other than the Undertaken Rights Shares, the Rights Issue is underwritten in full by the Joint Underwriters, subject to the terms and conditions of an underwriting agreement (the “**Underwriting Agreement**”) entered into between the Company and the Joint Underwriters on 18 June 2015.

2. DETAILS OF THE RIGHTS ISSUE

- 2.1 **Basis of Provisional Allotment.** The Rights Shares are proposed to be offered to Entitled Shareholders at the Issue Price for each Rights Share on the basis of one (1) Rights Share for every nine (9) Shares held by, or standing to the credit of the Securities Accounts (as defined below) of, Entitled Shareholders as at 5.00 p.m. (Singapore time) on the Books Closure Date. Fractional entitlements are to be disregarded.

2.2 **Size of the Rights Issue.** As at the date of this Announcement, there are 355,712,660 Shares issued by the Company. There are no outstanding share options. Therefore, based on the number of Shares in issue as at the date of this Announcement, the number of Rights Shares to be allotted and issued under the Rights Issue will be 39,523,628.

2.3 **Issue Price.** The Issue Price represents:

- (i) a discount of approximately 27.9 per cent. to the closing price of S\$36.06 per Share on the SGX-ST on 18 June 2015, being the last trading day of the Shares on the SGX-ST prior to this Announcement; and
- (ii) a discount of approximately 25.8 per cent. to the theoretical ex-rights price of S\$35.05¹ per Share.

2.4 **Ranking.** The Rights Shares are payable in full upon acceptance and/or application and will, upon allotment and issue, rank *pari passu* in all respects with the then existing issued Shares, save for any rights, allotments or other dividends, the record date for which falls before the date of issue of the Rights Shares.

2.5 **Eligibility to Participate.** The Company proposes to provisionally allot the Rights Shares to all Shareholders who are eligible to participate in the Rights Issue (the “**Entitled Shareholders**”) comprising Entitled Depositors and Entitled Scripholders (both as defined below).

Entitled Depositors

Shareholders whose Shares are registered in the name of The Central Depository (Pte) Limited (“**CDP**”) and whose securities accounts with CDP (the “**Securities Accounts**”) are credited with Shares as at 5.00 p.m. (Singapore time) on the Books Closure Date (the “**Depositors**”) will be provisionally allotted Rights Shares entitlements (the “**Nil-Paid Rights**”) on the basis of the number of Shares standing to the credit of their Securities Accounts as at the Books Closure Date. “**Entitled Depositors**” are Depositors whose registered addresses with CDP are in Singapore as at the Books Closure Date or who, at least three (3) market days prior to the Books Closure Date, provided CDP with addresses in Singapore for the service of notices and documents.

¹ The theoretical ex-rights price (“**TERP**”) is the theoretical market price of each Share assuming the completion of the Rights Issue, and is calculated as follows:

$$\text{TERP} = \frac{A + B}{C}$$

Where:

A = Total number of Shares multiplied by the closing price of each Share of S\$36.06 on the SGX-ST on 18 June 2015, being the last trading day of the Shares prior to this Announcement

B = Gross proceeds of the Rights Issue

C = Number of Shares after the Rights Issue

Entitled Scripholders

A person who is registered as a holder of Shares and whose share certificates are not deposited with CDP (the “**Scripholder**”) will be provisionally allotted Nil-Paid Rights on the basis of the number of Shares registered in the name of such Scripholder in the Register of Members of the Company as at 5.00 p.m. on the Books Closure Date if he is an Entitled Scripholder. “**Entitled Scripholders**” are Scripholders who have tendered to the Share Registrar valid transfers of their Shares and the certificates relating thereto for registration up to the Books Closure Date and whose registered addresses with the Company are in Singapore as at the Books Closure Date or who have, at least three (3) market days prior to the Books Closure Date, provided the Company’s Share Registrar with addresses in Singapore for the service of notices and documents.

Foreign Shareholders

The making of the Rights Issue may be prohibited or restricted in certain jurisdictions under their relevant securities laws. Subject to certain limited exceptions, for practical reasons and in order to avoid any violation of the securities legislation applicable in countries other than Singapore, the Rights Shares will not be offered to Shareholders with registered addresses outside of Singapore as at the Books Closure Date and who have not, at least three (3) market days prior to the Books Closure Date, provided CDP or the Company’s Share Registrar, as the case may be, with addresses in Singapore for the service of notices and documents (“**Foreign Shareholders**”). Accordingly, subject to certain limited exceptions, Foreign Shareholders will not be allowed to participate in the Rights Issue, no Nil-Paid Rights will be allotted to Foreign Shareholders and no purported acceptance thereof or application therefor by any Foreign Shareholder will be valid. Entitlements to Rights Shares which would otherwise accrue to Foreign Shareholders will, if practicable, be sold on the SGX-ST after dealings in the Nil-Paid Rights under the Rights Issue commence, and the net proceeds arising therefrom will be dealt with in accordance with the terms set out in the Offer Information Statement to be issued for the Rights Issue (the “**Offer Information Statement**”) and lodged with the Monetary Authority of Singapore (the “**MAS**”).

CPFIS

Shareholders who have previously purchased Shares using their Central Provident Fund (“**CPF**”) account savings (“**CPF Funds**”) under the Central Provident Fund Investment Scheme (“**CPFIS**”) can only use, subject to applicable CPF rules and regulations, their CPF Funds for the payment of the Issue Price to subscribe for their Nil-Paid Rights and (if applicable) to apply for excess Rights Shares, subject to applicable CPF rules and regulations. Such Shareholders who wish to accept Nil Paid Rights and (if applicable) apply for excess Rights Shares using CPF Funds will need to instruct their respective approved CPF agent banks with whom they hold their CPF investment accounts, to accept the Nil Paid Rights and (if applicable) apply for excess Rights Shares on their behalf in accordance with the terms and conditions in the Offer Information Statement. CPF Funds cannot, however, be used to purchase Nil Paid Rights directly from the market.

- 2.6 **Provisional Allotments.** Entitlements to subscribe for the Rights Shares will be renounceable and are expected to be tradable on the Main Board of the SGX-ST over a period to be determined by the Directors in compliance with the rules of the SGX-ST Listing Manual.

Entitled Shareholders may accept, decline, renounce or trade, in whole or in part, their Nil-Paid Rights and will be eligible to apply for additional Rights Shares in excess of their Nil-Paid Rights.

Fractional entitlements to the Rights Shares will be disregarded in arriving at Entitled Shareholders' entitlements. Fractional entitlements will, together with the Rights Shares represented by the provisional allotments of (i) Entitled Shareholders who decline, do not accept, or elect not to renounce or trade their Nil-Paid Rights under the Rights Issue and/or (ii) ineligible Shareholders (including, subject to certain limited exceptions, Foreign Shareholders), be aggregated and used to satisfy excess applications (if any), or disposed of or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit for the benefit of the Company. In the allotment of excess Rights Shares, preference will be given to the rounding of odd lots. Directors and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation (direct or through a nominee) on the board of Directors of the Company, will rank last in priority for the rounding of odd lots and allotment of excess Rights Shares.

- 2.7 **Acceptance, excess application and payment.** The procedures for acceptance, excess application and payment by Entitled Depositors and the procedures for acceptance, splitting, renunciation, excess application and payment by Entitled Scripholders will also be set out in the Offer Information Statement. The terms and conditions of the Rights Issue are subject to such changes as the Directors may deem appropriate. The final terms and conditions of the Rights Issue will be contained in the Offer Information Statement to be despatched to Entitled Shareholders in due course.
- 2.8 **Odd Lots.** Shareholders should note that they are able to trade odd lots in board lots of one Share on the Unit Share Market of the SGX-ST.

3. RATIONALE AND USE OF PROCEEDS

- 3.1 **Rationale.** On 2 April 2015, the Company acquired a 24.9 per cent. interest in Siam City Cement Public Company Limited ("**Siam City Cement**") from Thai Roc-Cem Ltd., a wholly-owned subsidiary of Holcim Ltd, for a total consideration equivalent to some US\$615 million (the "**SCCC Investment**"), following which Siam City Cement became the Company's associated company.

To fund the SCCC Investment, the Company had drawn down US\$626 million by way of (a) US\$313 million on a US\$325 million term loan facility from The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch and (b) US\$313 million on a US\$325 million term loan facility from the Bank of Tokyo-Mitsubishi UFJ, Ltd. Singapore Branch (collectively, the "**Term Loans**") on 1 April 2015. The Company is proposing the

Rights Issue to raise proceeds (i) to repay the Term Loans, (ii) to repay certain short-term indebtedness of the Group, and (iii) for general corporate purposes including making strategic investments and/or acquisitions.

- 3.2 **Use of proceeds.** The estimated amount of the proceeds of the Rights Issue (net of estimated costs, expenses and commissions incurred in connection with the Rights Issue) will be approximately S\$1.0 billion (US\$768 million).

The Company intends to use the net proceeds of the Rights Issue as follows:

- (a) to repay the Term Loans (approximately 82 per cent.);
- (b) to repay certain short-term indebtedness of the Group (approximately 6 per cent.); and
- (c) for general corporate purposes including making strategic investments and/or acquisitions (approximately 12 per cent.).

The Company will make periodic announcements on the utilisation of the proceeds from the Rights Issue as and when the funds from the Rights Issue are materially disbursed and provide a status report on the use of the proceeds from the Rights Issue in the Company's annual report.

Pending the deployment of the net proceeds from the Rights Issue, such proceeds may be deposited with banks and/or financial institutions, invested in short-term money market instruments, or used for any other purposes on a short-term basis, as the Directors may in their absolute discretion deem fit.

4. IRREVOCABLE UNDERTAKING AND UNDERWRITING AGREEMENT

- 4.1 **Irrevocable Undertaking.** As at the date of this Announcement, the Undertaking Shareholder has an indirect interest in an aggregate of 264,421,540 Shares, representing approximately 74.34 per cent. of the issued share capital of the Company.

On 18 June 2015, the Undertaking Shareholder had irrevocably undertaken that, *inter alia*:

- (a) as at 5.00 p.m. on the Books Closure Date, it will procure that not less than 264,421,540 Shares will be registered in the name of its subsidiaries in the Register of Members of the Company; and
- (b) subject to and conditional upon the underwriting obligations of the Joint Underwriters under the Underwriting Agreement having become unconditional on or prior to the last date for acceptance and payment for the Rights Shares under the Rights Issue (the "**Closing Date**"), it will, not later than the Closing Date, procure the subscription and payment in full for the Undertaken Rights Shares.

- 4.2 **Underwriting.** Other than the Undertaken Rights Shares, the Rights Issue is underwritten in full by the Joint Underwriters on the terms and subject to the conditions of the

Underwriting Agreement. In consideration of the Joint Underwriters' agreement to underwrite 10,143,457 Rights Shares (the "**Underwritten Rights Shares**"), the Company will pay the Joint Underwriters an underwriting commission of 1.5 per cent. on the aggregate Issue Price of the Underwritten Rights Shares. In accordance with the terms of the Underwriting Agreement, the Joint Underwriters are not entitled to terminate the Underwriting Agreement on the occurrence of certain "force majeure events" on or after the commencement of the trading of the Shares on an "ex-rights" basis.

5. APPROVALS

5.1 **Listing Approval.** The AIP is subject to the following:

- (a) compliance with the SGX-ST's listing requirements; and
- (b) a written undertaking from the Company that it will comply with Rules 704(30), 815 and 1207(20) of the Listing Manual in relation to the use of the proceeds from the Rights Issue 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; and
- (c) a written undertaking from the Company that it will comply with the confirmation given in Rule 877(10) of the Listing Manual with regards to the allotment of any excess Rights Shares; and
- (d) a written confirmation from financial institution(s) as required under Rule 877(9) of the Listing Manual that the substantial shareholder who has given the Undertaking has sufficient financial resources to fulfill its obligations under the Undertaking.

The Company has submitted the undertakings and confirmations referred to in (b) and (c) above to the SGX-ST.

The AIP granted by the SGX-ST is not to be taken as an indication of the merits of the Rights Issue, the Rights Shares, the Nil-Paid Rights, the Company and/or its subsidiaries.

5.2 **Lodgement of Offer Information Statement.** In addition to the AIP, the Rights Issue is subject to, *inter alia*, the lodgement by the Company with the MAS of the Offer Information Statement together with all other accompanying documents (if applicable), to be issued by the Company in connection with the Rights Issue.

6. INDICATIVE TIMELINE OF KEY EVENTS

An indicative timetable listing certain important dates and times relating to the Rights Issue is set out below. All dates and times referred to below are Singapore dates and times.

Last day of Shares traded "cum-rights" : 23 June 2015

First day of Shares traded “ex-rights”	: 24 June 2015 from 9.00 a.m.
Books Closure Date	: 26 June 2015 at 5.00 p.m.
Despatch of Offer Information Statement and accompanying forms to Entitled Shareholders	: 1 July 2015
Commencement of trading of Nil-Paid Rights	: 1 July 2015 at 9.00 a.m.
Last date and time for splitting and trading of Nil-Paid Rights	: 9 July 2015 at 5.00 p.m.
Last date and time for acceptance of and payment for Rights Shares	: 15 July 2015 at 5.00 p.m. for CDP (Entitled Depositors) and Share Registrar (Entitled Shareholders) 15 July 2015 at 9.30 p.m. for Electronic Applications through ATMs of Participating Banks)
Last date and time for renunciation of and payment for Rights Shares	: 15 July 2015 at 5.00 p.m.
Last date and time for application and payment for excess Rights Shares	: 15 July 2015 at 5.00 p.m. for CDP (Entitled Depositors) and Share Registrar (Entitled Shareholders) 15 July 2015 at 9.30 p.m. for Electronic Applications through ATMs of Participating Banks)
Expected date for issuance of the Rights Shares	: 23 July 2015
Expected date and time for the listing and commencement of trading of Rights Shares	: 24 July 2015 from 9.00 a.m.

The above timetable is indicative only and is subject to change.

GENERAL

- 7.1 **Offer Information Statement.** The terms and conditions of the Rights Issue are subject to such changes as the Directors may deem appropriate. Further details of the Rights Issue will be made available in the Offer Information Statement to be despatched to Entitled Shareholders in due course.
- 7.2 **Further announcements.** Where appropriate, further details will be disclosed in subsequent announcements.

By Order of the Board

Ho Yeng Tat
Group Company Secretary

Singapore, 18 June 2015

IMPORTANT NOTICE

This Announcement is for information only and does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to acquire, any Rights Shares or to take up any entitlements to Rights Shares in any jurisdiction in which such an offer or solicitation is unlawful. No person should acquire any Rights Shares except on the basis of the information contained in the Offer Information Statement. The information contained in this Announcement is not for release, publication or distribution to persons in the United States and should not be distributed, forwarded to or transmitted in or into any jurisdiction where to do so might constitute a violation of applicable securities laws or regulations. The issue, exercise or sale of Rights Shares and the acquisition or purchase of the Rights Shares are subject to specific legal or regulatory restrictions in certain jurisdictions. The Company assumes no responsibility in the event there is a violation by any person of such restrictions.

The distribution of this Announcement, the Offer Information Statement, the provisional allotment letters and/or the application forms for Rights Shares and excess Rights Shares into jurisdictions other than Singapore may be restricted by law. Persons into whose possession this Announcement and such other documents come should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. Neither the content of the Company's website nor any website accessible by hyperlinks on the Company's website is incorporated in, or forms part of, this Announcement.

This release is not an offer for sale of securities in the United States or elsewhere. The Nil-Paid Rights, the Rights Shares, the provisional allotment letters and/or the application forms for Rights Shares and excess Rights Shares have not been and will not be registered under the United States Securities Act of 1933 (the "Securities Act"), and may not be offered or sold in the United States unless registered under the Securities Act or pursuant to an exemption from, or in a transaction not subject to, registration under the Securities Act. There will be no public offering of securities in the United States.