

# ASIA-PACIFIC STRATEGIC INVESTMENTS LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration No. 200609901H)

---

## PROPOSED RENOUNCEABLE RIGHTS ISSUE OF UP TO 47,928,572,362 NEW ORDINARY SHARES OF THE COMPANY WITH WARRANTS

---

### 1. INTRODUCTION

The Board of Directors (the “**Directors**”) of Asia-Pacific Strategic Investments Limited (the “**Company**”) wishes to announce that the Company is undertaking a renounceable rights issue (the “**Rights cum Warrants Issue**”) of up to 47,928,572,362 new ordinary shares of the Company (the “**Shares**”) with up to 47,928,572,362 free detachable warrants (the “**Warrants**”), on the basis of two (2) Rights Shares (as defined below) for every one (1) existing Share held by shareholders of the Company (the “**Shareholders**”) as at a books closure date to be determined (the “**Books Closure Date**”) and one (1) Warrant for every one (1) Rights Share subscribed.

The Rights cum Warrants Issue is subject to, *inter alia*, the approval of the Shareholders, which will be sought at the extraordinary general meeting of the Company (the “**EGM**”) to be convened. A circular (the “**Circular**”) to Shareholders containing further information on the Rights cum Warrants Issue, together with the notice of the EGM, will be despatched to Shareholders in due course.

### 2. DETAILS OF RIGHTS CUM WARRANTS ISSUE

#### 2.1 Terms of Rights cum Warrants Issue

The Company is offering up to 47,928,572,362 new Shares (the “**Rights Shares**”) at an issue price of S\$0.002 per Rights Share (the “**Issue Price**”), and up to 47,928,572,362 Warrants, with each Warrant carrying the right to subscribe for one (1) new Share (the “**Warrant Share**”) at the exercise price of S\$0.002 per Warrant Share (the “**Exercise Price**”), on the basis of two (2) Rights Shares for every one (1) existing Share held by Shareholders as at the Books Closure Date and one (1) Warrant for every one (1) Rights Share subscribed.

Entitled Shareholders (as defined below) will be at liberty to accept (in full or in part), decline, or otherwise renounce or trade (during the provisional allotment trading period prescribed by the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”)) their provisional allotment of Rights Shares with Warrants and will be eligible to apply for additional Rights Shares with Warrants in excess of their provisional allotments under the Rights cum Warrants Issue.

Fractional entitlements to the Rights Shares with Warrants will be disregarded in arriving at the Entitled Shareholders’ provisional allotments of Rights Shares and will, together with the provisional allotments of Rights Shares with Warrants which are not taken up or allotted for any reason, be aggregated and allotted to satisfy excess applications for Rights Shares with Warrants (if any), or disposed of or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interest of the Company.

It is hereby disclosed and confirmed that, in the allotment of excess Rights Shares with Warrants, preference will be given to the rounding of odd lots, and the 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 cum Warrants Issue,

or have representation (direct or through a nominee) on the board of the Company, will rank last in priority for rounding of odd lots and allotment of excess Rights Shares with Warrants. The Company will also not make any allotment and issue of any excess Rights Shares with Warrants that will result in a transfer of controlling interest in the Company unless otherwise approved by Shareholders in a general meeting.

The Rights Shares are payable in full upon acceptance and application by Entitled Shareholders. The Rights Shares will, upon allotment and issue, rank *pari passu* in all respects with the then existing Shares, save for any dividends, rights, allotments or other distributions, the record date for which falls before the date of issue of the Rights Shares. For this purpose, a “**record date**” means, in relation to any dividends, rights, allotments or other distributions, the date as at the close of business (or such other time as may have been notified by the Company) on which the Shareholders must be registered with the Company or The Central Depository (Pte) Limited (“**CDP**”), as the case may be, in order to participate in such dividends, rights, allotments or other distributions.

## 2.2 Terms of Warrants

The Warrants are immediately detachable from the Rights Shares upon issue, and will be issued in registered form and will be listed and traded separately on the Catalist of the SGX-ST under the book-entry (scripless) settlement system, upon the listing and quotation of the Warrants on the Catalist of the SGX-ST, subject to, *inter alia*, there being an adequate spread of holdings of the Warrants to provide for an orderly market in the Warrants.

Subject to the terms and conditions governing the Warrants to be set out in an instrument by way of a deed poll (the “**Deed Poll**”), each Warrant will carry the right to subscribe for one (1) Warrant Share at the Exercise Price at any time during the period commencing on the date of issue of the Warrants and expiring on the day immediately preceding the fifth anniversary of the date of issue of the Warrants (the “**Exercise Period**”). The Warrants that remain unexercised at the expiry of the Exercise Period shall lapse and cease to be valid for any purpose.

The Exercise Price and the number of Warrants to be held by each holder of Warrants will be subject to adjustments under certain circumstances as provided for in the Deed Poll and appropriate announcements on the adjustments will be made by the Company.

The Warrant Shares arising from the exercise of the Warrants will, upon allotment and issue, rank *pari passu* in all respects with the then existing Shares, save for any dividends, rights, allotments or other distributions, the record date for which falls before the date of issue of the Warrant Shares.

The Company shall, not later than one (1) month before the expiry of the Exercise Period (the “**Expiry Date**”), announce the expiry of the Exercise Period on SGXNET. In addition, the Company shall, not later than one (1) month before the Expiry Date, take reasonable steps to notify all holders of the Warrants in writing of the Expiry Date, and such notice shall be delivered by post to the address of the relevant holders of the Warrant(s).

## 2.3 Size of Rights cum Warrants Issue

As at the date of this announcement, the issued share capital of the Company (excluding treasury shares) comprises 11,677,961,622 Shares (the “**Existing Share Capital**”), and there are 12,286,324,559 outstanding warrants issued by the Company all of which may be exercised on or prior to the Books Closure Date (the “**Relevant Warrants**”). In the event all the Relevant Warrants are exercised, the issued share capital of the Company (excluding treasury shares) will increase to 23,964,286,181 Shares.

Based on the Existing Share Capital and assuming that (i) all of the Relevant Warrants are exercised and new Shares are issued pursuant thereto on or prior to the Books Closure Date, and (ii) all of the Entitled Shareholders subscribe and pay for their pro rata entitlements of Rights Shares (the “**Maximum Subscription Scenario**”), the Company will issue 47,928,572,362 Rights Shares and 47,928,572,362 Warrants under the Rights cum Warrants Issue.

## 2.4 Issue Price and Exercise Price

The Issue Price of S\$0.002 per Rights Share and Exercise Price of S\$0.002 per Warrant Share represent a discount of approximately 33.3% to the last traded price of S\$0.003 for Shares traded on the SGX-ST on 27 April 2018, being the full market day immediately preceding this announcement on which Shares were traded on the Catalist of the SGX-ST.

## 2.5 Further Information

The Directors are of the opinion that there is no minimum amount which must be raised from the Rights cum Warrants Issue. Hence, in view of the above and the savings enjoyed for not having to bear underwriting fees, the Company has decided to proceed with the Rights cum Warrants Issue on a non-underwritten basis.

Depending on the level of subscription for the Rights Shares, the Company will, if necessary, scale down the subscription for the Rights Shares by any of the substantial Shareholders (if such substantial Shareholder chooses to subscribe for its pro-rata Rights Shares entitlement) to avoid placing the relevant substantial Shareholder in the position of incurring a mandatory general offer obligation under the Singapore Code on Take-overs and Mergers as a result of other Shareholders not taking up their Rights Shares entitlement fully.

The terms and conditions of the Rights cum Warrants Issue are subject to such changes as the Directors may in their absolute discretion deem fit. The final terms and conditions of the Rights cum Warrants Issue will be contained in the offer information statement (the “**Offer Information Statement**”) to be despatched by the Company to Entitled Shareholders in due course.

## 3. RATIONALE AND USE OF PROCEEDS

The Company is undertaking the Rights cum Warrants Issue to strengthen the financial position and capital base of the Company and its subsidiaries (the “**Group**”). The Rights cum Warrants Issue will also provide the Shareholders with an opportunity to further participate in the equity of the Company. The net proceeds arising from the allotment and issuance of the Rights Shares (without taking into account the proceeds from the exercise of the Warrants) will be used to fund the Company’s proposed expansion in the new business of real estate development in the People’s Republic of China, funding growth and expansion (as and when opportunities arise) as well as for general working capital purposes.

There is no minimum amount to be raised from the Rights cum Warrants Issue. For the purposes of Rule 814(1)(e) of the SGX-ST Listing Manual Section B: Rules of Catalist (“**Catalist Rules**”), (i) the Directors are of the opinion that, after taking into consideration the present bank facilities, the working capital available to the Group is sufficient to meet its present requirements and the Rights cum Warrants Issue is being undertaken for the reasons stated in the previous paragraph, and (ii) consequently, they are of the opinion that, after taking into consideration the present bank facilities and the net proceeds of the

Rights cum Warrants Issue, the working capital available to the Group is sufficient to meet its present requirements.

The net proceeds arising from the allotment and issuance of the Rights Shares (without taking into account the proceeds from the exercise of the Warrants), after deducting estimated costs and expenses of S\$0.3 million relating to the Rights cum Warrants Issue, is approximately S\$95.6 million in the Maximum Subscription Scenario. The Company intends to use the net proceeds arising from the allotment and issuance of the Rights Shares in the following order of priority as set out below:

Use of Net Proceeds	Percentage of Net Proceeds (%)
1. To fund the proposed expansion in the Company's proposed new business of real estate development	50 - 80
2. Funding growth and expansion (as and when opportunities arise)	10 - 30
3. Working capital purposes	10 - 30
<b>Total</b>	100

The additional proceeds arising from the exercise of all of the Warrants in the Maximum Subscription Scenario is approximately S\$95.9 million. As and when the Warrants are exercised, the proceeds arising therefrom may, at the discretion of the Directors, be applied towards expanding the business of the Group, financing new business ventures through acquisitions and/or strategic investments and working capital.

Pending the deployment of the net proceeds raised from the Rights cum Warrants Issue, such proceeds may be deposited with banks and/or financial institutions, used for investment in short-term money markets instruments and/or marketable securities, as the Directors may deem appropriate in the interests of the Company.

The Company will make periodic announcements on the use of the proceeds from the Rights cum Warrants Issue as and when such proceeds are materially disbursed and will provide a status report on the use of proceeds from the Rights cum Warrants Issue in the interim and full year financial statements issued pursuant to Rule 705 of the Catalist Rules and in the annual report(s) of the Company, until such time the proceeds have been fully utilised.

#### **4. ELIGIBILITY TO PARTICIPATE IN THE RIGHTS CUM WARRANTS ISSUE**

The Rights cum Warrants Issue is proposed to all the “**Entitled Shareholders**”, comprising the Entitled Depositors and Entitled Scripholders (both as defined below).

##### **4.1 Entitled Depositors**

Shareholders whose securities accounts with CDP 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 with Warrants on the basis of the number of Shares standing to the credit of their securities accounts with CDP as at 5.00 p.m. (Singapore time) on the Books Closure Date.

To be “**Entitled Depositors**”, Depositors must have registered addresses in Singapore with CDP as at the Books Closure Date or if they have registered addresses outside Singapore must provide CDP, at 9 North Buona Vista Drive, #1-19/20 The Metropolis, Singapore 138588, with addresses in Singapore not later than 5.00 p.m. (Singapore time) on the date being three (3) market days prior to the Books Closure Date, in order to receive their provisional allotments of Rights Shares with Warrants.

#### **4.2 Entitled Scripholders**

Shareholders whose share certificates are not deposited with CDP and whose Shares are not registered in the name of CDP (the “**Scripholders**”) will have to submit duly completed and stamped transfers (in respect of Shares not registered in the name of CDP), together with all relevant documents of title, so as to be received up to 5.00 p.m. (Singapore time) on the Books Closure Date by the Company’s share registrar, B.A.C.S. Private Limited (the “**Share Registrar**”) in order to be registered to determine the transferee’s provisional allotments of Rights Shares with Warrants.

To be “**Entitled Scripholders**”, Scripholders must have registered addresses in Singapore with the Company as at the Books Closure Date or if they have registered addresses outside Singapore, must provide the Share Registrar at 8 Robinson Road, #03-00 ASO Building, Singapore 048544, with addresses in Singapore not later than 5.00 p.m. (Singapore time) on the date being three (3) market days prior to the Books Closure Date, in order to receive their provisional allotments of Rights Shares with Warrants.

The Entitled Depositors and Entitled Scripholders shall be collectively referred to as “**Entitled Shareholders**” in this announcement.

#### **4.3 CPF Investment Scheme**

Persons who bought their Shares previously using their Central Provident Fund account savings (“**CPF Funds**”) may use the same for the payment of the Issue Price to accept their provisional allotments of Rights Shares with Warrants and (if applicable) apply for excess Rights Shares with Warrants, subject to the applicable rules and regulations of the Central Provident Fund. Such persons who wish to accept their provisional allotments of Rights Shares with Warrants will need to instruct their respective approved banks where they hold their CPF Investment Accounts, to accept their provisional allotment of Rights Shares with Warrants and (if applicable) apply for the excess Rights Shares with Warrants on their behalf in accordance with the Offer Information Statement. CPF Funds may not, however, be used for the purchase of the provisional allotments of the Rights Shares with Warrants directly from the market.

#### **4.4 Foreign Shareholders**

For practicable reasons and to avoid any violation of securities legislation applicable in countries other than Singapore, the Rights Shares with Warrants will not be offered to Shareholders with registered addresses outside Singapore as at the Books Closure Date and who have not, at least three (3) market days prior to the Books Closure Date, provided to CDP or the Share Registrar, as the case may be, addresses in Singapore for the service of notices and documents (the “**Foreign Shareholders**”). As such, no provisional allotments of the Rights Shares with Warrants will be made to, and no purported acceptance thereof and application therefor by, Foreign Shareholders will be valid.

If it is practicable to do so, arrangements may be made, at the discretion of the Company, for provisional allotments of Rights Shares with Warrants which would otherwise be provisionally allotted to Foreign Shareholders to be sold “nil-paid” on the SGX-ST as soon

as practicable after dealings in the provisional allotments of Rights Shares with Warrants commence.

## 5. ADJUSTMENTS TO WARRANTS

As a result of the Rights cum Warrants Issue, adjustments will be made to the number and/or exercise price of the Relevant Warrants of the Company.

### 5.1 Adjustment to 2013 Warrants

The Company had on 17 July 2013 issued 34,670,447 warrants (the “**2013 Warrants**”), each warrant carrying the right to subscribe for one (1) new ordinary share in the capital of the Company, at an exercise price of S\$0.05 for each new share (the “**2013 Rights cum Warrants Issue**”). The 2013 Warrants are currently listed on the Catalist under the counter “W180716” and are subject to the terms and conditions set out in the deed poll dated 14 June 2013 as amended and supplemented by the supplemental deed poll dated 10 March 2014 (the “**2013 Deed Poll**”).

As a result of the Company’s renounceable rights cum warrants issue announced on 27 November 2013 and pursuant to the 2013 Deed Poll, adjustments were made to the 2013 Warrants such that:

- (a) an additional 3,572,631 warrants were issued to then existing holders of the 2013 Warrants such that the number of additional warrants issued was calculated on the basis of 3.1346 warrants for every 1 existing 2013 Warrant held by each warrant holder as at the relevant books closure date, fractional entitlements to be disregarded; and
- (b) the exercise price of each 2013 Warrant was adjusted from S\$0.05 to S\$0.01.

As a result of the Company’s renounceable rights cum warrants issue announced on 29 June 2015 and pursuant to the 2013 Deed Poll, adjustments were made to the 2013 Warrants such that:

- (i) an additional 6,227,268 warrants were issued to then existing holders of the 2013 Warrants such that the number of additional warrants issued was calculated on the basis of 1.4375 warrants for every 1 existing 2013 Warrant held by each warrant holder as at the relevant books closure date, fractional entitlements to be disregarded; and
- (ii) the exercise price of each 2013 Warrant was unchanged at S\$0.01.

As a result of the Company’s renounceable rights cum warrants issue announced on 12 September 2017 and pursuant to the 2013 Deed Poll, adjustments were made to the 2013 Warrants such that:

- (A) an additional 3,519,341 warrants were issued to then existing holders of the 2013 Warrants such that the number of additional warrants issued was calculated on the basis of 0.3333 warrants for every 1 existing 2013 Warrant held by each warrant holder as at the relevant books closure date, fractional entitlements to be disregarded; and
- (B) the exercise price of each 2013 Warrant was unchanged at S\$0.01.

As a result of the Rights cum Warrants Issue and pursuant to the 2013 Deed Poll, the Company is required to make adjustments to the number as well as the exercise price of the 2013 Warrants (the “**2013 Warrants Adjustments**”). As at the date of this announcement, there were 14,078,669 outstanding, unexercised 2013 Warrants. Taking into account the conditions set out in the 2013 Deed Poll, the number of 2013 Warrants will be increased from 14,078,669 to a maximum of 18,100,944 warrants, representing an increase of a maximum of 4,022,275 warrants (the “**Adjustment 2013 Warrants**”) and the 2013 Warrants Adjustments are as follows:

- (I) the exercise price of each 2013 Warrant will be unchanged at S\$0.01;
- (II) entitled warrant holders will be entitled to another 0.2857 warrants (the “**Adjustment 2013 Warrant(s)**”) for every one (1) existing 2013 Warrant held, fractional entitlements to be disregarded; and
- (III) each Adjustment 2013 Warrant will carry the right to subscribe for one (1) new ordinary share in the capital of the Company (the “**Adjustment 2013 Warrant Share(s)**”).

The 2013 Warrants Adjustments are subject to certification by the Company’s auditors as required by the terms of the 2013 Deed Poll. The 2013 Warrants Adjustments as set out above will change depending on the actual number of outstanding, unexercised 2013 Warrants on the books closure date for the 2013 Warrants Adjustments.

The issue of the Adjustment 2013 Warrants and the Adjustment 2013 Warrant Shares will be undertaken pursuant to the specific mandate granted by Shareholders at the extraordinary general meeting of the Company held on 31 March 2014.

The 2013 Warrants and the Adjustment 2013 Warrants, when issued, will expire on 16 July 2018.

## 5.2 Adjustment to 2014 Warrants

The Company had on 7 May 2014 issued 715,210,185 warrants (the “**2014 Warrants**”), each warrant carrying the right to subscribe for one (1) new ordinary share in the capital of the Company, at an exercise price of S\$0.02 for each new share (the “**2014 Rights cum Warrants Issue**”). The 2014 Warrants are currently listed on the Catalist under the counter “W190506” and are subject to the terms and conditions set out in the deed poll dated 3 April 2014 (the “**2014 Deed Poll**”).

As a result of the Company’s renounceable rights cum warrants issue announced on 29 June 2015 and pursuant to the 2014 Deed Poll, adjustments were made to the 2014 Warrants such that:

- (a) an additional 456,038,343 warrants were issued to then existing holders of the 2014 Warrants such that the number of additional warrants issued was calculated on the basis of 1.4375 warrants for every 1 existing 2014 Warrant held by each warrant holder as at the relevant books closure date, fractional entitlements to be disregarded; and
- (b) the exercise price of each 2014 Warrant was adjusted from S\$0.02 to S\$0.01.

As a result of the Company’s renounceable rights cum warrants issue announced on 12 September 2017 and pursuant to the 2014 Deed Poll, adjustments were made to the 2014 Warrants such that:

- (i) an additional 257,734,778 warrants were issued to then existing holders of the 2014 Warrants such that the number of additional warrants issued was calculated on the basis of 0.3333 warrants for every 1 existing 2014 Warrant held by each warrant holder as at the relevant books closure date, fractional entitlements to be disregarded; and
- (ii) the exercise price of each 2014 Warrant was unchanged at S\$0.01.

As a result of the Rights cum Warrants Issue and pursuant to the 2014 Deed Poll, the Company is required to make adjustments to the number as well as the exercise price of the 2014 Warrants (the “**2014 Warrants Adjustments**”). As at the date of this announcement, there were 1,031,017,308 outstanding, unexercised 2014 Warrants. Taking into account the conditions set out in the 2014 Deed Poll, the number of 2014 Warrants will be increased from 1,031,017,308 to a maximum of 1,325,578,952 warrants, representing an increase of a maximum of

294,561,644 warrants (the “**Adjustment 2014 Warrants**”) and the 2014 Warrants Adjustments are as follows:

- (A) the exercise price of each 2014 Warrant will be unchanged at S\$0.01;
- (B) entitled warrant holders will be entitled to another 0.2857 warrants (the “**Adjustment 2014 Warrant(s)**”) for every one (1) existing 2014 Warrant held, fractional entitlements to be disregarded; and
- (C) each Adjustment 2014 Warrant will carry the right to subscribe for one (1) new ordinary share in the capital of the Company (the “**Adjustment 2014 Warrant Share(s)**”).

The 2014 Warrants Adjustments are subject to certification by the Company’s auditors as required by the terms of the 2014 Deed Poll. The 2014 Warrants Adjustments as set out above will change depending on the actual number of outstanding, unexercised 2014 Warrants on the books closure date for the 2014 Warrants Adjustments.

The issue of the Adjustment 2014 Warrants and the Adjustment 2014 Warrant Shares will be undertaken pursuant to the specific mandate granted by Shareholders at the extraordinary general meeting of the Company held on 31 March 2014.

The 2014 Warrants and the Adjustment 2014 Warrants, when issued, will expire on 6 May 2019.

### **5.3 Adjustment to 2015 Warrants**

The Company had on 20 November 2015 issued 2,593,863,776 warrants (the “**2015 Warrants**”), each warrant carrying the right to subscribe for one (1) new ordinary share in the capital of the Company at an exercise price of S\$0.005 for each new share, pursuant to a rights cum warrants issue (the “**2015 Rights cum Warrants Issue**”). The 2015 Warrants are currently listed on the Catalist under the counter “W201119” and are subject to the terms and conditions set out in the deed poll dated 20 October 2015 (the “**2015 Deed Poll**”).

As a result of the Company’s renounceable rights cum warrants issue announced on 12 September 2017 and pursuant to the 2015 Deed Poll, adjustments were made to the 2015 Warrants such that:

- (a) an additional 863,915,268 warrants were issued to then existing holders of the 2015 Warrants such that the number of additional warrants issued was calculated on the basis of 0.3333 warrants for every 1 existing 2015 Warrant held by each warrant holder as at the relevant books closure date, fractional entitlements to be disregarded; and
- (b) the exercise price of each 2015 Warrant was adjusted from S\$0.005 to S\$0.004.

As a result of the Rights cum Warrants Issue and pursuant to the 2015 Deed Poll, the Company is required to make adjustments to the number as well as the exercise price of the 2015 Warrants (the “**2015 Warrants Adjustments**”). As at the date of this announcement, there were 3,455,920,834 outstanding, unexercised 2015 Warrants. Taking into account the conditions set out in the 2015 Deed Poll, the number of 2015 Warrants will be increased from 3,455,920,834 to a maximum of 4,443,277,416 warrants, representing an increase of a maximum of 987,356,582 warrants (the “**2015 Introducer Warrants**”) and the 2015 Warrants Adjustments are as follows:

- (i) the exercise price of each 2015 Warrant will be adjusted from S\$0.004 to S\$0.003;
- (ii) entitled warrant holders will be entitled to another 0.2857 warrants (the “**Adjustment 2015 Warrant(s)**”) for every one (1) existing 2015 Warrant held, fractional entitlements to be disregarded; and



- (iii) each Adjustment 2015 Warrant will carry the right to subscribe for one (1) new ordinary share in the capital of the Company (the “**Adjustment 2015 Warrant Share(s)**”).

The 2015 Warrants Adjustments are subject to certification by the Company’s auditors as required by the terms of the 2015 Deed Poll. The 2015 Warrants Adjustments as set out above will change depending on the actual number of outstanding, unexercised 2015 Warrants on the books closure date for the 2015 Warrants Adjustments.

The issue of the Adjustment 2015 Warrants and the Adjustment 2015 Warrant Shares will be undertaken pursuant to the specific mandate granted by Shareholders at the extraordinary general meeting of the Company held on 15 October 2015.

The 2015 Warrants and the Adjustment 2015 Warrants, when issued, will expire on 19 November 2020.

#### **5.4 Adjustment to 2018 Warrants**

The Company had on 31 January 2018 issued 7,785,307,748 warrants (the “**2018 Warrants**”), each warrant carrying the right to subscribe for one (1) new ordinary share in the capital of the Company at an exercise price of S\$0.003 for each new share, pursuant to a rights cum warrants issue (the “**2018 Rights cum Warrants Issue**”). The 2018 Warrants are currently listed on the Catalist under the counter “W230130” and are subject to the terms and conditions set out in the deed poll dated 29 December 2017 (the “**2018 Deed Poll**”).

As a result of the Rights cum Warrants Issue and pursuant to the 2018 Deed Poll, the Company is required to make adjustments to the number as well as the exercise price of the 2018 Warrants (the “**2018 Warrants Adjustments**”). As at the date of this announcement, there were 7,785,307,748 outstanding, unexercised 2018 Warrants. Taking into account the conditions set out in the 2018 Deed Poll, the number of 2018 Warrants will be increased from 7,785,307,748 to a maximum of 10,009,570,171 warrants, representing an increase of a maximum of 2,224,262,423 warrants (the “**2018 Introducer Warrants**”) and the 2018 Warrants Adjustments are as follows:

- (a) the exercise price of each 2018 Warrant will be adjusted from S\$0.003 to S\$0.002;
- (b) entitled warrant holders will be entitled to another 0.2857 warrants (the “**Adjustment 2018 Warrant(s)**”) for every one (1) existing 2018 Warrant held, fractional entitlements to be disregarded; and
- (c) each Adjustment 2018 Warrant will carry the right to subscribe for one (1) new ordinary share in the capital of the Company (the “**Adjustment 2015 Warrant Share(s)**”).

The 2018 Warrants Adjustments are subject to certification by the Company’s auditors as required by the terms of the 2018 Deed Poll. The 2018 Warrants Adjustments as set out above will change depending on the actual number of outstanding, unexercised 2018 Warrants on the books closure date for the 2018 Warrants Adjustments.

The issue of the Adjustment 2018 Warrants and the Adjustment 2018 Warrant Shares will be undertaken pursuant to the specific mandate granted by Shareholders at the extraordinary general meeting of the Company held on 6 December 2017.

The 2018 Warrants and the Adjustment 2018 Warrants, when issued, will expire on 30 January 2023.

The Adjustment 2013 Warrants, the Adjustment 2014 Warrants, the Adjustment 2015 Warrants and the Adjustment 2018 Warrants shall be collectively known as the Adjustment Warrants.

The Adjustment 2013 Warrant Shares, the Adjustment 2014 Warrant Shares, the Adjustment 2015 Warrant Shares and the Adjustment 2018 Warrant Shares shall be collectively known as the Adjustment Warrant Shares.

## **6. APPROVALS**

- 6.1 The Rights cum Warrants Issue is subject to, *inter alia*,
- (i) the receipt of the listing and quotation notice from the SGX-ST for the listing and quotation of the Rights Shares, the Warrants, the Warrant Shares, the Adjustment Warrants and the Adjustment Warrant Shares on the Catalist of the SGX-ST;
  - (ii) the issue and allotment of the Rights Shares, the Warrants and the Warrant Shares having been approved by Shareholders at the EGM; and
  - (iii) the lodgment of the Offer Information Statement with the SGX-ST (acting as agent of the Monetary Authority of Singapore).
- 6.2 The Company will be making an application to the SGX-ST through its continuing sponsor, Stamford Corporate Services Pte. Ltd., for permission to deal in and for the listing and quotation of the Rights Shares, the Warrants, the Warrant Shares, the Adjustment Warrants and the Adjustment Warrant Shares on Catalist. An appropriate announcement on the outcome of such application will be made in due course.
- 6.3 A circular to Shareholders containing, *inter alia*, the notice of the EGM in relation to the Rights cum Warrants Issue will be despatched to Shareholders in due course. The Offer Information Statement will be lodged with the SGX-ST (acting as agent of the Monetary Authority of Singapore) and despatched to Entitled Shareholders in due course following the EGM if the Rights cum Warrants Issue is approved at the EGM.

## **7. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS**

None of the Directors and substantial Shareholders has any interests, direct or indirect, in the Rights cum Warrants Issue, other than through each of their respective shareholding interests, direct and/or indirect, in the Company.

## **8. RESPONSIBILITY STATEMENT**

The Directors 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 Rights cum Warrants Issue, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in the announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors 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.

## **9. CAUTIONARY STATEMENT**

**Shareholders and potential investors are advised to exercise caution when dealing or trading in the Shares. The Rights cum Warrants Issue is subject to certain conditions. As at the date of this announcement, there is no certainty or assurance that the Rights cum Warrants Issue will materialise or that no changes will be made to the terms thereof. The Company will make the necessary announcements when there are further developments.**

**Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully. Shareholders and potential investors should consult their stockbrokers, bank managers, solicitors, accountants, tax advisers or other professional advisers if they have any doubt about the actions they should take.**

## **10. FURTHER ANNOUNCEMENTS**

Further announcements will be made by the Company in relation to the Rights cum Warrants Issue as and when appropriate.

### **BY ORDER OF THE BOARD**

Dato' Dr. Choo Yeow Ming  
Chairman and Chief Executive Officer

4 May 2018

---

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, Stamford Corporate Services Pte Ltd (the "**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). The Sponsor had 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 statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr Ng Joo Khin.  
Telephone number: 6389 3000. Email: [jookhin.ng@morganlewis.com](mailto:jookhin.ng@morganlewis.com)