

Singapore Medical Group Limited
(Company Registration No. 200503187W)
(Incorporated in the Republic of Singapore)

- (1) **PROPOSED PLACEMENT OF 26,971,000 NEW ORDINARY SHARES IN THE ISSUED SHARE CAPITAL OF THE COMPANY AT A PRICE OF S\$0.162 FOR EACH PLACEMENT SHARE (THE “PLACEMENT”); AND**
- (2) **PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF UP TO 25,093,500 NEW ORDINARY SHARES IN THE ISSUED SHARE CAPITAL OF THE COMPANY, AT AN ISSUE PRICE OF S\$0.153 FOR EACH RIGHTS SHARE, ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY TEN (10) EXISTING ORDINARY SHARES IN THE ISSUED SHARE CAPITAL OF THE COMPANY HELD BY ENTITLED SHAREHOLDERS AS AT THE BOOKS CLOSURE DATE, FRACTIONAL ENTITLEMENTS TO BE DISREGARDED (THE “RIGHTS ISSUE”),**
- (COLLECTIVELY, THE “PROPOSED EXERCISES”)**
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1. INTRODUCTION

The Board of Directors (the “**Board**”) of Singapore Medical Group Limited (the “**Company**”) wishes to announce that the Company intends to undertake (a) the Placement, and upon the completion of the Placement, (b) the Rights Issue. Details of the Placement and the Rights Issue are set out below.

2. PLACEMENT

2.1 Background

The Company has on 4 November 2014 entered into placement agreements (the “**Placement Agreements**”) with the subscribers set out below (the “**Subscribers**”) pursuant to which the Company has agreed to issue an aggregate of 26,971,000 new ordinary shares in the capital of the Company (the “**Placement Shares**”) at an issue price of S\$0.162 per Placement Share (the “**Placement Price**”), amounting to an aggregate consideration of approximately S\$4.4 million, subject to and upon the terms and conditions set out in the Placement Agreement:

<u>S/N</u>	<u>Name</u>	<u>Number of Placement Shares</u>
(1)	Coop International Pte Ltd	12,800,000
(2)	Immortal Gains Ltd	2,000,000
(3)	RCY Capital Ltd	2,000,000
(4)	Ramesh S/O Pritamdas Chandiramani	1,543,000
(5)	Kingston Kwek Eik Huih	1,543,000
(6)	Lim Tiong Kheng Steven	1,234,000
(7)	Lim Chye Huat	1,234,000

(8)	Ling Wei Feng, Sandra	1,000,000
(9)	Luxe Heritage Capital Management Limited	1,000,000
(10)	Sim Mong Teck	1,000,000
(11)	Liew Chee Kong	1,000,000
(12)	Ho Kok Fi John	617,000

The Placement will be carried out by way of a private placement in Singapore pursuant to Section 272B of the Securities and Futures Act, Chapter 289 of Singapore. As such, no prospectus or offer information statement will be lodged by the Company with the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) acting as agent of the Monetary Authority of Singapore (the “**Authority**”) in connection with the Placement.

The Placement Shares will not be placed to any restricted persons under Rule 812(1) of the Listing Manual Section B: Rules of Catalist Board (the “**Listing Manual**”) of SGX-ST.

As at the date of this Announcement, the Company has an issued share capital comprising 223,964,000 Shares. After completion of the Placement, the Company would have an issued share capital comprising 250,935,000 Shares (the “**Post-Placement Issued Share Capital**”).

2.2 Issue Price and Ranking

The Placement Price represents a discount of 10.0% to the volume weighted average market price of S\$0.180 for each ordinary share in the capital of the Company (the “**Share**”), based on trades done on the Catalist Board of the SGX-ST (“**Catalist Board**”) on 31 October 2014, being the preceding full market day prior to the signing of the Placement Agreements for which there were trades carried out in the Company's Shares on the Catalist Board.

The Placement Shares shall be allotted and issued free from all claims, mortgages, charges, liens and other encumbrances and shall rank *pari passu* in all respects with 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 of the Placement.

2.3 Authority to issue Placement Shares

The Placement Shares will be issued pursuant to the general mandate authorising the directors of the Company (the “**Directors**”) to issue new Shares and convertible securities, which was granted by the shareholders of the Company (the “**Shareholders**”) by way of an ordinary resolution at the annual general meeting of the Company held on 30 April 2014 (the “**General Mandate**”).

The Placement Shares represent approximately 12.0% of the total number of issued Shares (excluding treasury shares) of 223,964,000 Shares as at the date of this Announcement and 12.3% of the total number of issued Shares (excluding treasury shares) of 218,604,000 Shares as at the date the General Mandate was approved.

2.4 Conditions Precedent

Completion of the Placement is conditional upon, amongst others:

- (a) the approval in-principle for the listing of and quotation for the Placement Shares on the Catalist Board being obtained from the SGX-ST and not having been withdrawn and, where such approval is subject to conditions, to the extent that any conditions for the listing of and quotation for the Placement Shares on the Catalist Board are required to be fulfilled on or before completion date, they are so fulfilled; and
- (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 Agreements by any legislative, executive or regulatory body or authority of Singapore which is applicable to the Company.

Completion of the Placement is to take place on the date falling three (3) market days after the date on which the conditions precedent in the Placement Agreements have been satisfied or waived (or such other date as the Company and the Subscribers may agree in writing).

2.5 Details of the Subscribers

Each of the Subscribers is an individual investor referred to the Company by business associates and they have subscribed for the Placement Shares for financial investment purposes. No placement agents were appointed for the purposes of the Placement.

The Subscribers do not have any existing connection with the Company, its Directors, and substantial Shareholders, and are not persons to whom the Company is prohibited from issuing shares to, as provided for by Rule 812 of the Listing Manual.

Under the terms of the Placement Agreements, each Subscriber has represented and warranted to and for the benefit of the Company that it/he is not acting in concert with any party to obtain or consolidate effective control of the Company as set out in The Singapore Code on Takeovers and Mergers (the “**Take-over Code**”). None of the Subscribers will, solely as a result of the subscription for its/his respective portion of the Placement Shares, become a controlling shareholder (as defined in the Listing Manual) of the Company.

3. **RIGHTS ISSUE**

3.1 Basis of the Rights Issue

Upon completion of the Placement, the Company is proposing to undertake a renounceable non-underwritten rights issue of up to 25,093,500 new ordinary Shares in the issued share capital of the Company (the “**Rights Shares**” and each, a “**Rights Share**”) at an issue price of S\$0.153 for each Rights Share (the “**Issue Price**”), on the basis of one (1) Rights Share for every ten (10) existing Shares held by Entitled Shareholders (as defined below) as at a time and date to be determined by the Directors for the purposes of determining the provisional allotments of Entitled Shareholders under the Rights Issue (the “**Books Closure Date**”), fractional entitlements to be disregarded.

The Company has appointed Provenance Capital Pte. Ltd. as the manager for the Rights Issue.

The Rights Shares are to be issued pursuant to the General Mandate authorising the Directors to issue new Shares and convertible securities, which was granted by the Shareholders by way of an ordinary resolution at the annual general meeting of the Company held on 30 April 2014.

3.2 Principal Terms of the Rights Issue

(a) Basis of Provisional Allotment and the Issue Price

The Rights Issue is proposed to be undertaken on the basis of one (1) Rights Share for every ten (10) existing Shares held by Entitled Shareholders as at the Books Closure Date, fractional entitlements to be disregarded, at an Issue Price of S\$0.153 for each Rights Share payable in full on acceptance and/or application.

For the avoidance of doubt, the Placement Shares are eligible to participate in the Rights Issue. Based on the Company's Post-Placement Issued Share Capital of 250,935,000 Shares, the Company will issue up to 25,093,500 Rights Shares.

The Issue Price of S\$0.153 for each Rights Share represents a discount of: (i) 15.0% to the closing price of S\$0.180 per Share on the SGX-ST on 31 October 2014 (being the preceding full market day prior to the date of this Announcement for which there were trades carried out in the Company's Shares on the Catalist Board); and (ii) approximately 14.0% to the theoretical ex-rights price of S\$0.178 per Share.

(b) Status of the Rights Shares

The Rights Shares are payable in full on acceptance and/or application. The Rights Shares will, upon allotment and issue, rank *pari passu* in all respects with the existing Shares for any rights, benefits, dividends, entitlements and allotments, save that they shall not rank for any rights, benefits, dividends, entitlements and allotments the record date for which falls prior to the date of issue of the Rights Shares.

3.3 Eligibility of Shareholders to Participate in the Rights Issue

(a) Entitled Shareholders

The Rights Issue is proposed to be offered on a renounceable non-underwritten basis to Shareholders whose registered addresses with the Company or The Central Depository (Pte) Limited (the "CDP") (as the case may be) 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 to the Company or CDP (as the case may be) addresses in Singapore for the service of notices and documents (the "Entitled Shareholders"), on the basis of one (1) Rights Share for every ten (10) existing Shares held by, or standing to the credit of the Entitled Shareholders' securities accounts with the CDP, as at 5.00 p.m. on the Books Closure Date.

(b) Entitled Depositors

Shareholders whose securities accounts with the CDP are credited with Shares as at 5.00 p.m. on the Books Closure Date (the “**Depositors**”) will be provisionally allotted Rights Shares on the basis of the number of Shares standing to the credit of their securities accounts with the CDP as at 5.00 p.m. on the Books Closure Date.

To be “**Entitled Depositors**”, Depositors must have registered addresses with the CDP in Singapore as at the Books Closure Date or if they have registered addresses outside Singapore, must provide CDP, at 11 North Buona Vista Drive #06-07 The Metropolis Tower 2 Singapore 138589, with addresses in Singapore no later than 5.00 p.m. on the date being three (3) market days prior to the Books Closure Date, in order to receive their provisional allotments of Rights Shares.

(c) **Entitled Scripholders**

Shareholders whose Shares are registered in their own names and whose share certificates are not deposited with the 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 no later than 5.00 p.m. on the Books Closure Date by the Company's share registrar, Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte. Ltd.) (the “**Share Registrar**”), in order to be registered to determine the transferee's provisional allotments of Rights Shares.

To be “**Entitled Scripholders**”, Scripholders must have registered addresses with the Company in Singapore as at the Books Closure Date or if they have registered addresses outside Singapore, must provide the Share Registrar at 80 Robinson Road #02-00 Singapore 068898 with addresses in Singapore no later than 5.00 p.m. on the date being three (3) market days prior to the Books Closure Date, in order to receive their provisional allotments of Rights Shares.

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

Notwithstanding the foregoing, investors should note that the offer and sale of, exercise or acceptance of, or subscription for, provisional allotments of the Rights Shares to or by persons located or resident in jurisdictions other than Singapore, may be restricted or prohibited by the laws of the relevant jurisdiction. Crediting of provisional allotments of the Rights Shares to any securities account with the CDP, the receipt of any provisional allotments of the Rights Shares or receipt of the offer information statement (the “**OIS**”) and/or any of its accompanying documents, will not constitute an offer or sale in those jurisdictions in which it will be illegal to make such offer or sale, where such offer or sale will otherwise violate the securities laws of such jurisdictions or be prohibited. The Company reserves absolute discretion in determining whether any Shareholder located or resident outside Singapore may participate in the Rights Issue.

3.4 Provisional Allotments and Excess Applications

Entitled Shareholders will be at liberty to accept, decline, trade or otherwise renounce or in the case of Entitled Depositors only, trade their provisional allotments of Rights Shares on the Catalist Board during the provisional allotment trading period prescribed by the SGX-ST and will be eligible to apply for additional Rights Shares in excess of their provisional allotments of Rights Shares under the Rights Issue. Provisional allotments of Rights Shares

which are not taken up or allotted for any reason, will be aggregated and used to satisfy excess applications for Rights Shares (if any) or allotted or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit.

In the allotment of excess Rights Shares, preference will be given to the rounding of odd lots. Directors and substantial Shareholders of the Company 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, will rank last in priority for the rounding of odd lots and allotment of excess Rights Shares.

3.5 Foreign Shareholders

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 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 the Company, the 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 Rights Shares will be made to, and no purported acceptance thereof and application therefore by Foreign Shareholders will be valid.

If it is practicable to do so, arrangements may, at the discretion of the Company, be made for the provisional allotments of Rights Shares which would otherwise have been provisionally allotted to Foreign Shareholders, to be sold “nil-paid” on the Catalist Board as soon as practicable after dealings in the provisional allotments of Rights Shares commence. The net proceeds from all such sales after deducting all expenses therefrom, will be dealt with in accordance with the terms set out in the OIS.

If such provisional allotments of Rights Shares cannot be or are not sold on the Catalist Board as aforesaid for any reason by such time as the SGX-ST shall have declared to be the last day for trading in the provisional allotments of Rights Shares, the Rights Shares represented by such provisional allotments will be dealt with in such manner as the Directors may, in their absolute discretion, deem fit and no Foreign Shareholder shall have any claim whatsoever against the Company, CDP or the Share Registrar in connection therewith.

3.6 Irrevocable Undertakings

The following Shareholders (collectively, the “**Undertaking Shareholders**”) have provided the Irrevocable Undertakings (as defined below) to the Company to, *inter alia*, fully subscribe for the Entitled Rights Shares (as defined below), as an indication of their support and commitment to the Company:

- (i) Mr. Tony Tan Choon Keat, a controlling Shareholder of the Company, who directly holds 50,798,715 Shares, representing approximately 20.2% of the Post-Placement Issued Share Capital;
- (ii) Silver Mines Global Limited, a controlling Shareholder of the Company, which directly holds 38,484,285 Shares, representing approximately 15.3% of the Post-Placement Issued Share Capital; and

- (iii) Dr. Beng Teck Liang, a controlling Shareholder of the Company, who directly holds 44,655,000 Shares, representing approximately 17.8% of the Post-Placement Issued Share Capital.

The Undertaking Shareholders hold an aggregate of 133,938,000 Shares, representing approximately 53.4% of the Post-Placement Issued Share Capital. Accordingly, the Undertaking Shareholders will be entitled to subscribe for an aggregate of 13,393,799 Rights Shares (the “**Entitled Rights Shares**”).

As an indication of each Undertaking Shareholder’s support and commitment to the Company, each Undertaking Shareholder has, pursuant to and subject to the terms of a deed of undertaking dated 4 November 2014 entered into by each of the Undertaking Shareholders in favour of the Company (collectively, the “**Deeds of Undertaking**”), agreed to, *inter alia*:

- (i) as at the Books Closure Date, directly and/or through one or more of its/his nominee(s), own not less than the following number of Shares:

Name	Total Number of Shares Owned
Mr. Tony Tan Choon Keat	50,798,715
Silver Mines Global Limited	38,484,285
Dr. Beng Teck Liang	44,655,000
Total	133,938,000

- (ii) not sell, transfer or otherwise deal with any of the Shares that it/he owns or controls as at the date of the Deed of Undertaking, during the period between the date of the Deed of Undertaking and the date of issue of the Rights Shares;
- (iii) participate in the Rights Issue undertaken by the Company by subscribing and paying for all of the provisional allotments of the Entitled Rights Shares in accordance with the terms and conditions and the procedures for subscription as set out in the OIS issued in connection with the Rights Issue;
- (iv) procure confirmation from a Singapore licensed financial institution that it/he has sufficient financial resources to fulfill his obligations pursuant to the undertaking; and
- (v) not withdraw the undertakings,

(collectively, the “**Irrevocable Undertakings**”).

The Deeds of Undertaking shall lapse and shall cease to have any effect upon the Rights Issue being, *inter alia*, withdrawn, lapsed or closed.

In view of the Irrevocable Undertakings, the Company has decided to proceed with the Rights Issue on a non-underwritten basis.

Based on the Post-Placement Issue Share Capital, the number of Rights Shares to be issued pursuant to the Rights Issue will be as follows:

Scenarios	No. of Rights Shares to be issued	Rights Shares as a percentage of the enlarged issued share capital after completion of the Rights Issue (%)	Total number of issued Shares after completion of the Rights Issue
Minimum Subscription Scenario¹	13,393,799	5.1	264,328,799
Maximum Subscription Scenario²	25,093,500	9.1	276,028,500

Notes:

- (1) Assuming only the Undertaking Shareholders subscribe and pay for the Entitled Rights Shares pursuant to their respective Deeds of Undertaking, and none of the other Shareholders subscribes and pays for any Rights Shares.
- (2) Assuming all Shareholders (including Undertaking Shareholders) subscribe and pay for all the Rights Shares (including Entitled Rights Shares).

3.7 Option to scale down

Depending on the level of subscription for the Rights Shares, the Company will, if necessary and upon approval of the Sponsor and/or SGX-ST, scale down a Shareholder's application to subscribe for the Rights Issue to:

- (i) ensure that the relevant Shareholder does not hold a controlling interest in the Company, which is prohibited under Rule 803 of the Listing Manual, unless prior approval of Shareholders is obtained in a general meeting; or
- (ii) avoid placing the relevant Shareholder and parties acting in concert with it (as defined in the Take-over Code) in the position of incurring a mandatory bid obligation under the Take-over Code as a result of other Shareholders not taking up their Rights Shares entitlements fully.

For the avoidance of doubt, the option to scale down shall not apply to the Undertaking Shareholders' applications to subscribe for the Entitled Rights Shares.

3.8 Approvals

The Rights Issue is subject to, *inter alia*, the following:

- (i) the approval in-principle for the listing of and quotation for the Rights Shares on the Catalist Board being obtained from the SGX-ST and not having been revoked or amended and, where such approval is subject to conditions, to the extent that any conditions for the listing of and quotation for the Rights Shares on the Catalist

Board are required to be fulfilled on or before the date of issue of such Rights Shares, they are so fulfilled;

- (ii) lodgement of the OIS, together with all other accompanying documents (if applicable) with the SGX-ST acting as agent of the Authority; and
- (iii) all other necessary consents, approvals and waivers required from any person, financial institution or regulatory body or authority of Singapore or elsewhere under any and all agreements applicable to the Company and/or applicable laws for the Rights Issue and to give effect to the Rights Issue being obtained and not having been revoked or amended before the last date for acceptance of and payment for the Rights Shares.

CIMB Bank Berhad, Singapore Branch, acting as sponsor to, and on behalf of, the Company (the “**Sponsor**”), will submit an additional listing confirmation to the SGX-ST for permission for the listing of and quotation for the Rights Shares on the Catalist Board. An appropriate announcement will be made in due course to notify Shareholders when the listing and quotation notice is obtained.

4. PURPOSE AND USE OF PROCEEDS FROM THE PROPOSED EXERCISES

4.1 Purpose and Use of Proceeds from the Placement

The Placement is proposed to raise funds towards funding the growth and expansion of the Company and its subsidiaries (collectively, the “**Group**”), details of which are set out below.

Based on the Placement Price, the amount of proceeds from the allotment and issuance of Placement Shares will be approximately S\$4.4 million.

After deducting estimated expenses of approximately S\$160,000 incurred in connection with the Placement, the estimated net proceeds from the Placement is approximately S\$4.2 million (the “**Placement Proceeds**”).

The Company intends to utilise the Placement Proceeds in the following manner:

- (a) approximately S\$2.2 million or 52.4% of the Placement Proceeds for the expansion of the Company's aesthetic business; and
- (b) approximately S\$2.0 million or 47.6% of the Placement Proceeds to enhance the financial flexibility of the Group to capitalize on potential growth and acquisition opportunities.

4.2 Purpose and Use of Proceeds from Rights Issue

The Rights Issue is proposed to raise funds towards funding the growth and expansion of the Group, details of which are set out below.

Based on the Minimum Subscription Scenario and the Maximum Subscription Scenario, the amount of proceeds from the allotment and issuance of the Rights Shares and the net

proceeds from the Rights Issue (after deducting estimated expenses of approximately S\$280,000 incurred in connection with the Rights Issue) (the “**Rights Issue Proceeds**”) are estimated to be approximately as follows:

Scenario	Gross Proceeds (S\$)	Rights Issue Proceeds (S\$)
Minimum Subscription Scenario ⁽¹⁾	2.0 million	1.8 million
Maximum Subscription Scenario ⁽²⁾	3.8 million	3.6 million

Notes:

- (1) *Assuming only the Undertaking Shareholders subscribe and pay for the Entitled Rights Shares pursuant to their respective Deeds of Undertaking, and none of the other Shareholders subscribes and pays for any Rights Shares.*
- (2) *Assuming all Shareholders (including Undertaking Shareholders) subscribe and pay for all the Rights Shares (including Entitled Rights Shares).*

Based on the Minimum Subscription Scenario, the Company intends to utilise the Rights Issue Proceeds in the following manner:

- (a) approximately S\$1.0 million or 55.6% of the Rights Issue Proceeds to grow its existing medical specialist business; and
- (b) approximately S\$0.8 million or 44.4% of the Rights Issue Proceeds to strengthen the financial position of the Group by enlarging the Company's working capital and capital base.

The Rights Issue Proceeds, based on the Minimum Subscription Scenario, will be sufficient to meet the Company's present funding requirements.

Based on the Maximum Subscription Scenario, the Company intends to utilise the Rights Issue Proceeds in the following manner:

- (a) approximately S\$2.0 million or 55.6% of the Rights Issue Proceeds to grow its existing medical specialist business; and
- (b) approximately S\$1.6 million or 44.4% of the Rights Issue Proceeds to strengthen the financial position of the Group by enlarging the Company's working capital and capital base.

4.3 Changes to Use of Proceeds

Any change to the use of the Placement Proceeds or Rights Issue Proceeds (collectively, the “**Net Proceeds**”) will be subject to the Listing Manual and appropriate announcements by the Company shall be made if necessary.

Pending the deployment of the Net Proceeds for the purposes mentioned above, the Net Proceeds may be deposited with banks and/or financial institutions, invested in short-term

money markets and/or marketable securities, or used for any other purposes on a short-term basis, as the Directors may, in their absolute discretion, deem fit.

The Company undertakes to make periodic announcements on the use of the Net Proceeds as and when such proceeds are materially disbursed and will report on the use of the Net Proceeds in the annual report(s) of the Company, until such time when such proceeds have been fully utilised. Where there is any material deviation from the stated use of proceeds, the Company will announce the reasons for such deviation.

5. NON-UNDERWRITTEN RIGHTS ISSUE

The Rights Issue will not be underwritten. The Company has decided to undertake the Rights Issue on a non-underwritten basis in view of the Irrevocable Undertakings provided by the Undertaking Shareholders and the savings in cost by the Company in respect of underwriting fees.

6. CONFIRMATION OF DIRECTORS

The Directors are of the opinion that:

- (a) after taking into consideration the Group's present banking facilities, the working capital available to the Group is sufficient to meet its present requirements. Nevertheless, the Company still intends to undertake the Placement for (i) the expansion of the Company's aesthetic business, and (ii) to enhance the financial flexibility of the Group to capitalize on potential growth and acquisition opportunities; and the Rights Issue to (i) grow its existing medical specialist business, and (ii) strengthen the financial position of the Group by enlarging the Company's working capital and capital base; and
- (b) after taking into consideration the Group's present banking facilities, the Placement Proceeds and the Rights Issue Proceeds (based on the Minimum Subscription Scenario), the working capital available to the Group is sufficient to meet its present requirements.

7. INTEREST OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Save for the disclosure of the Directors' and substantial Shareholders' shareholding interest in the Company set out in the table below, none of the Directors nor any substantial Shareholders or their respective associates has any interest, direct or indirect, in the Placement or the Rights Issue. None of the Directors nor any substantial Shareholders or their respective associates has any connection (including business relationship) with the Subscribers.

Directors	Direct Interest		Deemed Interest	
	Number of Shares	Percentage of issued share	Number of Shares	Percentage of issued share

		capital on date of this Announcement (%)		capital on date of this Announcement (%)
Mr. Tony Tan Choon Keat	50,798,715	22.68	-	-
Dr. Beng Teck Liang	44,655,000	19.94	-	-
Mr. Jimmy Yim Wing Kuen	2,725,000	1.22	-	-
	Direct Interest		Deemed Interest	
Substantial Shareholders	Number of Shares	Percentage of issued share capital on date of this Announcement (%)	Number of Shares	Percentage of issued share capital on date of this Announcement (%)
Silver Mines Global Limited	38,484,285	17.18	-	-
Red Ancient Global Ltd	-	-	38,484,285	17.18
Dr. Ho Choon Hou ¹	-	-	38,484,285	17.18

8. LISTING AND QUOTATION

The Company will make an application to the SGX-ST through the Sponsor for the listing of and quotation for the Placement Shares and Rights Shares on the Catalist Board. The Company will make the necessary announcements once the listing and quotation notice has been obtained from the SGX-ST.

9. OFFER INFORMATION STATEMENT

The terms and conditions of the Rights Issue are subject to such changes as the Directors may deem fit. The final terms and conditions of the Rights Issue will be contained in the OIS to be lodged with the SGX-ST acting as agent of the Authority and despatched to Entitled Shareholders in due course.

¹ Silver Mines Global Limited is a wholly owned subsidiary of Red Ancient Global Ltd, which is wholly owned by Dr. Ho Choon Hou. Accordingly, pursuant to Section 7 of the Companies Act, Chapter 50 of Singapore, Dr. Ho Choon Hou is deemed to be interested in the shares of the Company held by (i) Silver Mines Global Limited; and (ii) Red Ancient Global Ltd, as the case may be.

10. 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 Placement, the Rights 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 this 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 this Announcement in its proper form and context.

11. DOCUMENTS FOR INSPECTION

Copies of the Placement Agreements are available for inspection at 290 Orchard Road #13-01 Paragon Singapore 238859 during normal business hours (by prior appointment) for a period of three (3) months from the date of this Announcement.

12. FURTHER ANNOUNCEMENTS

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

By Order of the Board

Dr Beng Teck Liang
Chief Executive Officer
4 November 2014

This document has been prepared by the Company and its contents have been reviewed by the Company's sponsor CIMB Bank Berhad, Singapore Branch (the "Sponsor"), for compliance with the relevant rules of the SGX-ST, this being the SGX-ST Listing Manual Section B: Rules of Catalyst. The Sponsor has not independently verified the contents of this document.

This document has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.

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