

SGXNET Announcement



AEM Holdings Ltd.
(Registration No. 200006417D)

PROPOSED BONUS ISSUE

1 INTRODUCTION

The Board of Directors of AEM Holdings Ltd. (the “**Company**”) wishes to announce that the Company is proposing to undertake a bonus issue of new ordinary shares in the capital of the Company (collectively, “**Bonus Shares**” and each, a “**Bonus Share**”) to its shareholders on the basis of one (1) Bonus Share to be credited as fully paid for every one hundred (100) existing ordinary shares in the capital of the Company (“**Shares**”) (including treasury shares) held as at a record date (“**Record Date**”) to be determined by the Directors for the purpose of determining the entitlements of shareholders, fractional entitlements to be disregarded (the proposed bonus issue, the “**Proposed Bonus Issue**”). Fractional entitlements to the Proposed Bonus Issue will be disposed of or dealt with in such manner as the Directors may in their absolute discretion deem fit for the benefit of the Company.

2 TERMS OF THE PROPOSED BONUS ISSUE

- 2.1 As at the date of this Announcement, the Company has an issued and paid-up share capital comprising 311,886,486 Shares including 2,985,129 treasury shares. Purely for illustrative purposes, assuming that there are no changes to the number of issued Shares and treasury shares of the Company Shares from the date of this announcement to the Record Date, up to 3,118,865 Bonus Shares will be issued pursuant to the Proposed Bonus Issue. The actual number of Bonus Shares to be issued will depend on the total number of Shares as at the Record Date.
- 2.2 The Bonus Shares will be issued pursuant to a share issue mandate to be approved by the shareholders at the forthcoming annual general meeting of the Company (the “**2024 AGM**”) (the share issue mandate, the “**General Mandate**”). The General Mandate, if passed at the 2024 AGM, will (unless varied or revoked by the Company in a general meeting) empower the Directors of the Company, effective until the conclusion of the next annual general meeting of the Company, or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier, to, *inter alia*, issue shares, including by way of a bonus issue, on a pro rata basis to shareholders up to a number not exceeding, in total, fifty per centum (50%) of the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company at the time of the passing of the resolution approving the General Mandate.
- 2.3 As at the date of this Announcement, the Company has 308,901,357 issued Shares (excluding treasury shares and subsidiary holdings). Accordingly, assuming that from the date of this announcement to the time the General Mandate is passed at the 2024 AGM no further Shares are issued, or purchased or acquired by the Company to be held as treasury shares, the maximum number of Shares that the Company may issue to shareholders on a pro rata basis pursuant to the General Mandate is 154,450,678 Shares. The number of Bonus Shares proposed to be issued pursuant to the Proposed Bonus Issue will be less than the maximum number of Shares that can be issued to shareholders on a pro rata basis pursuant to the General Mandate.

- 2.4 The Bonus Shares will be allotted and issued as fully paid, at nil consideration, at no cost to entitled shareholders and without capitalisation of the Company's reserves. The Bonus Shares when allotted and issued, will rank *pari passu* in all respects with the then existing issued Shares and with each other, except that the Bonus Shares will not be entitled to any dividends, rights, allotments or other distributions the record date of which falls on a date before the date of allotment and issue of such Bonus Shares.
- 2.5 The Bonus Shares will be allotted and issued to shareholders whose names appear in the register of members of the Company or who have Shares entered against their names in the depository register as at the Record Date on the basis of the number of such Shares registered in their names or standing to the credit of their securities accounts as at the Record Date. Notice of the Record Date will be given at a later date, after the necessary approvals for the Proposed Bonus Issue have been obtained.

3 RATIONALE FOR THE PROPOSED BONUS ISSUE

The Company is undertaking the Proposed Bonus Issue to reward and give due recognition to shareholders for their loyalty and continuing support for the Company, and to reflect the Board of Directors' confidence in the future value of the Company's business that will accrue from current investments made.

4 APPROVALS FOR THE PROPOSED BONUS ISSUE

- 4.1 The Proposed Bonus Issue is subject to, *inter alia*, (a) the receipt of the in-principle approval of the Singapore Exchange Securities Trading Limited (the "SGX-ST") for the listing of and quotation for the Bonus Shares on the Official List of the Main Board of the SGX-ST and (b) the General Mandate being passed by shareholders at the 2024 AGM.
- 4.2 The Company will make an application to the SGX-ST for the listing of and quotation for the Bonus Shares on the SGX-ST.

5 ADJUSTMENTS TO SHARE AWARDS

The Company will make necessary adjustments with respect to outstanding share options and share awards granted under the AEM Holdings Employee Share Option Scheme 2014 and the AEM Performance Share Plan 2017 in accordance with the rules of the AEM Holdings Employee Share Option Scheme 2014 and the AEM Performance Share Plan 2017 respectively, after completion of the Proposed Bonus Issue.

6 COMPLIANCE WITH RULE 838 OF THE LISTING MANUAL

- 6.1 Pursuant to Rule 838 of the Listing Manual of the SGX-ST, an issuer must satisfy the SGX-ST that its daily weighted average price, adjusted for the bonus issue, will not be less than S\$0.50. The SGX-ST may take into account an issuer's adjusted price for the month preceding the application date.
- 6.2 Purely for illustrative purposes, assuming that the application to the SGX-ST will be made by the Company on the date of this announcement, the lowest daily weighted average price of the Shares in the month preceding the date of this announcement would be S\$2.70 and accordingly, the theoretical ex-bonus price would be computed as follows:

$$\begin{array}{rclcl}
 \text{theoretical} & & \text{S\$2.70} & & \\
 \text{ex-bonus} & & & & \\
 \text{price} & = & \frac{\quad}{101} & \times & 100 \\
 & & & & \\
 & = & \text{S\$2.67} & &
 \end{array}$$

- 6.3 Based on the above computation, the theoretical ex-bonus price would not be less than S\$0.50.

7 CAUTION IN TRADING

Shareholders and potential investors should note that the Proposed Bonus Issue is subject to, *inter alia*, the necessary approvals being obtained by the Company, and are therefore advised to exercise caution when dealing or trading in the Shares. In the event of any doubt, shareholders and potential investors

of the Company should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

By Order of the Board

Chandran Nair
Chief Executive Officer
28 February 2024