

## ANNOUNCEMENT

### PROPOSED ISSUE OF CONVERTIBLE BONDS

#### Approval in-principle

The Board of Directors of the Company refers to the announcement announced on 19 January 2017 in relation to the above proposed issue of Convertible Bonds. All capitalised terms herein shall bear the meanings ascribed to them in the said announcement, unless otherwise defined herein.

Further thereto, the Board wishes to announce that the Company has received an approval in principle from the SGX-ST dated 6 April 2017 (the **AIP Letter**) in respect of the Company's application for the listing and quotation of up to 2,000,000,000 new ordinary shares in the capital of the Company to be issued upon conversion of the Convertible Bonds, subject to compliance with the SGX-ST's listing requirements.

The approval in principle by SGX-ST is subject to the following:

- (a) Compliance with the Exchange's listing requirements;
- (b) Submission of the following documents:
  - (i) Independent Shareholders' approval for the proposed issue of Convertible Bonds at an extraordinary general meeting to be convened;
  - (ii) A written undertaking from the Company that it will comply with Rule 704(30) and Rule 1207(20) of the Listing Manual in relation to the use of the proceeds from the proposed placement of shares 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;
  - (iii) A written undertaking from the Company that it will comply with Rules 803 and 831 of the Listing Manual; and
  - (iv) A written undertaking from the Company to announce any adjustment made pursuant to Rule 829 of the Listing Manual.

With respect to the conditions under the AIP Letter, the Company confirms the following:

- (i) That it will comply with the Exchange's listing requirements; and
- (ii) The documents in respect of items (b)(ii), (iii) and (iv) will be provided by the Company to the SGX-ST.

The Conversion Shares will, when issued, rank *pari passu* in all respects with and carry all rights similar to existing ordinary shares of the Company, save that they will not rank for dividend, right, allotment or other distributions, the record date of which falls on or before the conversion date of the Convertible Bonds, and will be admitted to listing on the SGX-ST.

It should be noted that the AIP Letter is not an indication of the merits of the proposed issue of Convertible Bonds, the Conversion Shares, the Company and/or its subsidiaries.

The Company will also be convening an Extraordinary General Meeting (after the conclusion of the Eighteenth Annual General Meeting) for the approval by shareholders of the proposed issue of Convertible Bonds and will be making available a copy of the circular to shareholders with details of the resolutions to be passed on the following website on 12<sup>th</sup> April 2017:

[http://www.sgx.com/wps/portal/sgxweb/home/company\\_disclosure/company\\_announcements](http://www.sgx.com/wps/portal/sgxweb/home/company_disclosure/company_announcements)

By order of the Board  
HLH GROUP LIMITED

Helen Campos  
Company Secretary

6 April 2017