



CSC HOLDINGS LIMITED

Co Registration No. 199707845E

PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS CUM WARRANTS ISSUE:

- (1) **REVISION OF ISSUE PRICE;**
 - (2) **RECEIPT OF WHITEWASH WAIVER FROM THE SIC AND APPOINTMENT OF IFA; AND**
 - (3) **RECEIPT OF APPROVAL IN-PRINCIPLE FROM THE SGX-ST**
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1. INTRODUCTION

- 1.1. The Board of Directors (the “**Directors**” or the “**Board**”) of CSC Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the Company’s previous announcement made on 17 August 2015 (the “**Previous Announcement**”) in relation to the Company’s proposed undertaking of a renounceable non-underwritten rights cum warrants issue (the “**Rights cum Warrants Issue**”) of up to 403,241,241 new ordinary shares in the capital of the Company (the “**Rights Shares**”) with up to 2,016,206,205 free detachable warrants (the “**Warrants**”), on the basis of one (1) Rights Share for every three (3) existing ordinary Shares (“**Shares**”) held by shareholders of the Company (the “**Shareholders**”) as at a time and date to be determined by the Directors for the purpose of determining the Shareholders’ entitlements under the Rights cum Warrants Issue (the “**Books Closure Date**”), fractional entitlements to be disregarded, and five (5) Warrants for every one (1) Rights Share subscribed.
- 1.2. Unless otherwise defined in this announcement, all capitalised terms used in this announcement shall have the same meanings and construction as ascribed to them in the Company’s Previous Announcement.

2. REVISION OF ISSUE PRICE

- 2.1. Further to the Previous Announcement, the Board wishes to announce that due to recent market conditions, the Issue Price has been revised (“**Issue Price Revision**”) from S\$0.03 to S\$0.025 per Rights Share (“**Revised Issue Price**”). The Exercise Price of the Warrants remains S\$0.01 per Warrant Share.
- 2.2. The Revised Issue Price for each Rights Share represents a discount of approximately 24% to the last traded price of S\$0.033 for Shares traded on the Official List of the SGX-ST on 17 August 2015, being the market day on which the Previous Announcement was released.
- 2.3. The net proceeds arising from the Rights cum Warrants Issue (based on the Revised Issue Price), after deducting estimated costs and expenses of S\$0.3 million relating thereto, and the intended use of such net proceeds (in the following order of priority) are set out below:

Use of Proceeds	Maximum Subscription Scenario	
	Amount (S\$ million)	Percentage (%)
1. Financing of new Tuas Yard to be constructed and its related equipment expenditures ¹	5.5 to 7.0	56 to 71
2. Working capital purposes	2.8 to 4.3	29 to 44

¹ Please refer to the Company’s previous announcements dated 2 April 2015 and 12 February 2015.

Net proceeds arising from the Rights cum Warrants Issue (based on the Revised Issue Price), before the exercise of the Warrants

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3. 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, working capital and/or such other purposes as the Directors may deem fit
- Up to approximately S\$20.2 million arising from the exercise of all of the Warrants
- 2.4. 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.
- 2.5. The Directors are of the reasonable opinion that, barring unforeseen circumstances, after taking into consideration the Company's present bank facilities, the working capital available to the Company and its subsidiaries is sufficient to meet their present requirements.
- 2.6. 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 annual report(s) of the Company, until such time the proceeds have been fully utilised.

3. RECEIPT OF WHITEWASH WAIVER FROM THE SIC AND APPOINTMENT OF IFA

- 3.1. The Board is pleased to announce that it has, on 12 October 2015, received a waiver from the SIC exempting the Concert Party Group from the requirement to make a general offer under Rule 14 of the Code in the event that the Concert Party Group's aggregate holdings in the Company increases by more than 1% in any 6-month period based on the Company's enlarged issued capital as a result of the Concert Party Group's subscription for their pro-rata entitlement of the Rights Share and the Warrants Shares arising from the exercise of pro-rata entitlement of the Warrants, subject to:
- (a) a majority of holders of voting rights of the Company present and voting at a general meeting, held before the Rights cum Warrants Issue, approve by way of a poll, a resolution (the "**Whitewash Resolution**") to waive their rights to receive a general offer from the Concert Party Group;
 - (b) the Whitewash Resolution is separate from other resolutions;
 - (c) the Concert Party Group and parties not independent of it abstain from voting on the Whitewash Resolution;
 - (d) the Concert Party Group did not acquire or is not to acquire any Shares or instruments convertible into and options in respect of Shares (other than subscriptions for, rights to subscribe for, instruments convertible into or options in respect of new Shares which has been disclosed in the Circular):
 - (i) during the period between the first announcement of the Rights cum Warrants Issue and the date Shareholders' approval is obtained for the Whitewash Resolution; and
 - (ii) in the six (6) months prior to the announcement of the Rights cum Warrants Issue but subsequent to negotiations, discussions or the reaching of understandings or agreements with the Directors in relation to such issue;

- (e) the Company appoints an independent financial adviser to advise independent shareholders on the Whitewash Resolution;
- (f) the Company setting out clearly in its Circular to Shareholders:
 - (i) details of the Rights cum Warrants Issue;
 - (ii) the possible dilution effect to existing holders of voting rights as a result of the Concert Party Group acquiring (A) the Rights Shares and (B) the Warrants Shares upon exercise of the Warrants;
 - (iii) the number and percentage of voting rights in the Company as well as the number of instruments convertible into, rights to subscribe for and options in respect of Shares held by the Concert Party Group as at the Latest Practicable Date;
 - (iv) the number and percentage of voting rights to be issued to the Concert Party Group as a result of its acquisition of (A) the Rights Shares and (B) the Warrants Shares upon exercise of the Warrants;
 - (v) that the Shareholders, by voting for the Whitewash Resolution, are waiving their rights to a general offer from the Concert Party Group the highest price paid by the Concert Party Group for Shares in the Company in the past 6 months preceding the commencement of the offer;
 - (vi) that the Shareholders by voting for the Whitewash Resolution, could be forgoing the opportunity to receive a general offer from another person who may be discouraged from making a general offer in view of the potential dilution effect of the Warrants;
 - (vii) specific and prominent reference to the fact that the Rights cum Warrants Issue could result in the Concert Party Group holding Shares carrying over 49% of the voting rights of the Company and the fact that the Concert Party Group would then be free to acquire further Shares without incurring any obligation under Rule 14 of the Code to make a general offer;
- (g) the Circular states that the Whitewash Waiver is subject to the conditions stated in sub-paragraphs (a) to (f) above;
- (h) the Company obtains the SIC's approval in advance for those parts of the Circular that refer to the Whitewash Resolution;
- (i) to rely on the Whitewash Resolution, the acquisition of the Rights Shares and Warrants by the Concert Party Group must be completed within three (3) months of the date of approval of the Whitewash Resolution and the acquisition of the Warrants Shares by the Concert Party Group upon the exercise of the Warrants must be completed within five (5) years of the date of the issue of the Warrants; and
- (j) the Concert Party Group will comply or procure the relevant person(s) to comply with the disclosure requirements set out in Note 2 on Section 2 of Appendix 1 of the Code.

3.2. Further to the SIC's condition set out in paragraph 3.1(e) above, the Company has appointed Deloitte & Touche Corporate Finance Pte Ltd, to advise the independent directors and independent shareholders in relation to the Whitewash Resolution.

4. RECEIPT OF APPROVAL IN-PRINCIPLE FROM THE SGX-ST

4.1. The Board is pleased to announce that it had, on 30 October 2015, received approval in-principle from the SGX-ST, for the listing and quotation of:

- (a) up to 403,241,241 Rights Shares at the Revised Issue Price of S\$0.025 per Rights Share;
- (b) up to 2,016,206,205 Warrants, each carrying the right to subscribe for one (1) new ordinary share in the capital of the Company (the “**New Shares**”) at the Exercise Price of S\$0.01 for each New Share; and
- (c) up to 2,016,206,205 New Shares to be issued credited as fully-paid upon the exercise of the Warrants,

pursuant to a proposed renounceable non-underwritten rights issue of Rights Shares with Warrants on the basis of one (1) Rights Share for every three (3) Shares held by entitled Shareholders of the Company as at Books Closure Date, fractional entitlements to be disregarded, and five (5) Warrants for every one (1) Rights Share subscribed.

4.2. The approval in-principle of the SGX-ST is subject to the following:

- (a) compliance with the SGX-ST's listing requirements;
- (b) shareholders' approval for the Rights cum Warrants Issue;
- (c) a written undertaking from the Company that it will comply with Listing Rules 704(30), 815 and 1207(20) in relation to the use of the proceeds from the Rights cum Warrants Issue and from the exercise of the Warrants 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;
- (d) a written undertaking from the Company that it will comply with the confirmation given under Listing Rule 877(10) with regards to the allotment of any excess Rights Shares;
- (e) a written confirmation from financial institution(s) as required under Listing Rule 877(9) that the shareholders who have given the irrevocable undertakings have sufficient financial resources to fulfil their obligations under its undertakings;
- (f) a written confirmation from the Company that there is a satisfactory spread of warrant holders (at least 100) to provide an orderly market for the Warrants in compliance with Listing Rule 826;
- (g) a written confirmation from the Company that the terms of the warrant issue do not permit revision of the exercise price/ratio in any form, other than in compliance with Listing Rule 829(1);
- (h) a written undertaking from the Company that Listing Rules 820, 830 and 831 will be complied with; and
- (i) disclosure in the Circular and via SGXNET whether TH Investments Pte Ltd intends to subscribe for their entitlement in the Rights cum Warrants Issue.

4.3. The SGX-ST's in-principle approval is not to be taken as an indication of the merits of the Rights cum Warrants Issue, the Rights Shares, the Warrants, the Company and/or its subsidiaries.

- 4.4. Further information on the Rights cum Warrants Issue will be provided in the Circular to be despatched to Shareholders, and an extraordinary general meeting will be convened to seek the approval of Shareholders for the Rights cum Warrants Issue, in due course.

5. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Save as disclosed herein, 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.

6. 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 circular in its proper form and context.

7. TRADING CAUTION

Shareholders and potential investors of the Company are advised to read this announcement and any further announcements by the Company carefully. Shareholders of the Company are advised to refrain from taking any action in respect of their securities in the Company which may be prejudicial to their interests, and to exercise caution when dealing in the securities of the Company. In the event of any doubt, shareholders of the Company should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

BY ORDER OF THE BOARD

Lee Quang Loong
Company Secretary

4 November 2015