



## ASL MARINE HOLDINGS LTD.

(Incorporated in the Republic of Singapore)  
Co. Reg. No. 200008542N

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- (A) **THE PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF UP TO 314,633,470 WARRANTS (“RIGHTS WARRANTS”) ON THE BASIS OF ONE (1) RIGHTS WARRANT FOR EVERY TWO (2) EXISTING ORDINARY SHARES; AND**
- (B) **THE PROPOSED ISSUE OF 300,625,000 NOTEHOLDER WARRANTS (AS DEFINED HEREIN) TO HOLDERS OF THE SERIES 006 NOTES AND SERIES 007 NOTES**
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### 1. INTRODUCTION

The board of directors (the “**Board**” or the “**Directors**”) of ASL Marine Holdings Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the Company’s announcement dated 31 December 2018 in relation to the proposed issue of warrants to shareholders of the Company (the “**Shareholders**”) and holders of the Series 006 Notes and Series 007 Notes (each a “**Series of Notes**”) issued by the Company pursuant to its S\$500,000,000 Multicurrency Debt Issuance Programme (the “**Noteholders**”), and the Company’s announcements dated 8 January 2019 and 9 January 2019 in relation to the consent solicitation (the “**Consent Solicitation**”) by the Company in connection with the Series 006 Notes and the Series 007 Notes (the “**Previous Announcements**”).

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 Previous Announcements.

Further to the Previous Announcements, the Board wishes to provide further details on the Proposed Warrants Issue by way of:-

- (i) a renounceable non-underwritten rights issue of up to 314,633,470 warrants (“**Rights Warrants**”, and each a “**Rights Warrant**”) on the basis of one (1) Rights Warrant for every two (2) existing ordinary shares (“**Shares**”) (the “**Rights Issue**”); and
- (ii) an issue of 300,625,000 warrants (the “**Noteholder Warrants**”) to Noteholders, on the basis of 462,500 Noteholder Warrants for every S\$250,000 Denomination Amount of the Series 006 Notes and 578,125 Noteholder Warrants for every S\$250,000 Denomination Amount of the Series 007 Notes (the “**Noteholder Warrant Issue**”),

(collectively, the “**Proposed Transactions**”).

The issue price for each Rights Warrant is S\$0.006 (the “**Issue Price**”), and each Rights Warrant will entitle the holder (a “**Rights Warrantholder**”) to subscribe for one (1) new ordinary share in the capital of the Company (“**New Share**” or “**Rights Share**”) at an exercise price of S\$0.06 for each New Share (the “**Rights Warrant Exercise Price**”), subject to the terms and conditions of the Rights Warrants as set out in the deed poll (the “**Rights Warrants Deed Poll**”) to be executed by the Company for the purposes of constituting the Rights Warrants.

The Noteholder Warrants will be issued free, and each Noteholder Warrant will entitle the Noteholder to subscribe for one (1) new ordinary share in the capital of the Company (the “**Noteholder Warrant Share**”) at the exercise price of S\$0.06 for each Noteholder Warrant Share (the “**Noteholder Warrant Exercise Price**”), subject to the terms and

conditions of the Noteholder Warrants as set out in a deed poll to be executed by the Company for the purposes of constituting the Noteholder Warrants (the “**Noteholder Warrants Deed Poll**”).

The Rights Warrants and the Noteholder Warrants will comprise the same single series of warrants with the same terms and conditions (collectively, the “**Warrants**”). The terms and conditions of the Noteholder Warrants as constituted by the Noteholder Warrants Deed Poll will be the same as the terms and conditions of the Rights Warrants as constituted by the Rights Warrants Deed Poll.

The Company will be seeking specific approval from Shareholders at an extraordinary general meeting (the “**EGM**”) to be convened to approve the Rights Issue and the Noteholder Warrants Issue. A circular to Shareholders (the “**Circular**”) setting out *inter alia* the details of and other relevant information pertaining to the Rights Issue and Noteholder Warrants Issue, together with the notice of EGM, will be despatched to Shareholders in due course.

As at the date of this announcement, the existing issued share capital of the Company (excluding treasury shares) is 629,266,941 Shares (the “**Existing Share Capital**”). Assuming the completion of all the Proposed Transactions on a maximum basis in each of the Proposed Transactions, as set out in further detail below, the enlarged issued share capital of the Company (excluding treasury shares) on a diluted basis will be 1,244,525,411 Shares (the “**Enlarged Share Capital**”).

**(A) PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF UP TO 314,633,470 RIGHTS WARRANTS ON THE BASIS OF ONE (1) RIGHTS WARRANT FOR EVERY TWO (2) EXISTING SHARES**

**2. PRINCIPAL TERMS OF THE RIGHTS ISSUE**

**2.1 Basis of Provisional Allotment**

Based on the issued share capital of the Company of 629,266,941 Shares as at the date of this announcement, up to 314,633,470 Rights Warrants will be offered at the Issue Price of S\$0.006 for each Rights Warrant on the basis of one (1) Rights Warrant for every two (2) existing Shares held by Shareholders as at a time and date to be determined by the Directors, on which the register of members of the Company (the “**Register of Members**”) and share transfer books of the Company will be closed to determine the Shareholders’ entitlements to the provisional allotments of the Rights Warrants under the Rights Issue (the “**Books Closure Date**”), fractional entitlements to be disregarded.

**2.2 Form and Subscription Rights of the Rights Warrants**

The Rights Warrants will be issued in registered form and be constituted in an instrument by way of a Rights Warrants Deed Poll that sets out the terms and conditions of the Rights Warrants and which may from time to time be amended or supplemented. Each Rights Warrant will, subject to the terms and conditions to be set out in the Rights Warrants Deed Poll, carry the right to subscribe for one (1) New Share at a Rights Warrant Exercise Price of S\$0.06 for each New Share within the period during which the Rights Warrants may be exercised (the “**Rights Warrants Exercise Period**”), being the period after the date of issue of the Rights Warrants up to the close of business on the date that is 60 months from the issue date of the Rights Warrants, unless such date is a date on which the Register of Members and the register of warrant holders (the “**Register of Warrant holders**”) of the Company is closed or is not a day on which the Mainboard of the SGX-ST (the “**Mainboard**”) is open for securities trading (“**Market Day**”), in which event, the last day of the Rights Warrants Exercise Period shall be the immediately preceding Market Day on which the Register of Members and the Register of Warrant holders remain open, subject to the terms and conditions of the Rights

Warrants as set out in the Rights Warrants Deed Poll. The Rights Warrants which have not been exercised after the date of expiry shall lapse and cease to be valid for any purpose.

### 2.3 Size of the Rights Issue

Based on the Existing Share Capital and assuming that all the Entitled Shareholders (as defined below) subscribe in full for their *pro rata* entitlement of Rights Warrants under the Rights Issue, up to 314,633,470 Rights Warrants, and assuming that all of these Rights Warrants are exercised, up to 314,633,470 Rights Shares, will be issued under the Rights Issue, which would constitute 50.0% of the Existing Share Capital and 25.3% of the Enlarged Share Capital of the Company comprising 1,244,525,411 Shares.

Mr. Ang Sin Liu, Mr. Ang Kok Tian, Mr. Ang Ah Nui, Mr. Ang Kok Eng, Mr. Ang Kok Leong and Ms. Ang Swee Kuan have indicated their intention to subscribe in full for their *pro rata* entitlement of Rights Warrants under the Rights Issue.

### 2.4 Issue Price and Exercise Price

The Issue Price and the Rights Warrant Exercise Price of each Rights Warrant will be S\$0.006 and S\$0.06, respectively. As such, the total cost of each New Share would be S\$0.066 (aggregating the Issue Price and the Rights Warrant Exercise Price) which represents a discount of 11.05% to the six-month volume weighted average price of a Share on 28 December 2018, being the full Market Day before the announcement of the proposed issue of Warrants.

### 2.5 Issue and Trading of the Rights Warrants

The Rights Warrants will be issued in registered form and will be listed and traded separately on the Mainboard under the book-entry (scripless) settlement system, upon the listing and quotation of the Rights Warrants on the Mainboard, subject to, amongst others, there being an adequate spread of holdings of the Warrants to provide for an orderly market in the trading of the Warrants. Each board lot of the Rights Warrants will consist of 100 Rights Warrants or such other board lot size which the SGX-ST may require.

Shareholders should note that in the event of an insufficient spread of holdings for the Warrants to provide for an orderly market in the trading of the Warrants, the Warrants may not be listed and quoted on the Mainboard. As a guide, the SGX-ST expects at least 100 warrant holders for a class of company warrants. Shareholders should note that in the event that permission is not granted by the SGX-ST due to an insufficient spread of holdings for the Warrants to provide for an orderly market in the trading of the Warrants, Rights Warrant holders will not be able to trade their Rights Warrants on the SGX-ST. In such event the Company shall nevertheless proceed with and complete the Rights Issue.

### 2.6 Status of the Rights Shares

The Rights Shares arising from the exercise of the Rights Warrants shall be fully paid and 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 (the “**CDP**”), as the case may be, in order to participate in such dividends, rights, allotments or other distributions.

## 2.7 **Provisional Allotments and Excess Applications**

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 SGX-ST) their provisional allotment of Rights Warrants and will be eligible to apply for additional Rights Warrants in excess of their provisional allotments under the Rights Issue.

Fractional entitlements to the Rights Warrants will be disregarded in arriving at the Entitled Shareholders' provisional allotments of Rights Warrants and will, together with the provisional allotments of Rights Warrants which are not taken up or allotted for any reason, be aggregated and allotted to satisfy excess applications for Rights 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, subject to applicable laws and the Listing Manual.

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

## 2.8 **Non-Underwritten Rights Issue**

In view of the savings enjoyed for not having to bear underwriting fees, the Company has decided to proceed with the Rights Issue on a non-underwritten basis.

## 2.9 **Scaling down of Subscriptions and Excess Applications**

Pursuant to Rule 820 of the Listing Manual, depending on the level of subscription for the Rights Warrants, the Company may at its discretion, with the approval of the SGX-ST, scale down the subscription and/or excess applications for the Rights Warrants by any of the Shareholders to avoid placing the relevant Shareholder and parties acting in concert with it (as defined in the Singapore Code on Take-overs and Mergers (the "**Take-over Code**")) in the position of incurring a mandatory general offer obligation under the Take-over Code (when the Rights Warrants are exercised into Rights Shares) as a result of other Shareholders not taking up their Rights Issue entitlement fully.

## 2.10 **Adjustments**

The Rights Warrant Exercise Price and/or the number of Rights Warrants shall from time to time be adjusted in accordance with the terms and conditions of the Rights Warrants as set out in the Rights Warrants Deed Poll. Such circumstances include, without limitation, consolidation or subdivision of Shares, capitalisation issues, rights issues and certain capital distributions. Any such adjustments will be announced by the Company via an announcement on SGXNET in compliance with the Listing Manual.

## 2.11 **Notice of Expiry**

The Company shall, no later than one (1) month before the expiry of the Rights Warrants Exercise Period, announce the expiry of the Rights Warrants Exercise Period on SGXNET. In addition, the Company shall also, no later than one (1) month before the expiry of the Rights Warrants Exercise Period, take reasonable steps to notify the Rights Warrant holders in writing of the expiry of the Rights Warrants Exercise Period, and such notice shall be delivered by post to the registered address of the Rights Warrant holder as maintained in the Register of Warrant holders.

## 2.12 Alteration to Terms

No material alteration to the terms of the Rights Warrants after the issue thereof to the advantage of the Rights Warrantholder shall be made, unless the alterations are made pursuant to the terms and conditions of the Rights Warrants as set out in the Rights Warrants Deed Poll or the prior approval of Shareholders at a general meeting has been sought.

## 2.13 Governing Law

The terms of the Rights Warrants are governed by the Laws of the Republic of Singapore.

## 2.14 Further Issues

The Company may from time to time without the consent of the Rights Warrantholders create and issue further Warrants having the same terms and conditions as the Warrants in all respects (other than in relation to the issue date) so that such further issues shall be consolidated and form a single series with the outstanding Warrants.

## 3. ELIGIBILITY TO PARTICIPATE IN THE RIGHTS ISSUE

The Company proposes to provisionally allot the Rights Warrants to the Entitled Shareholders, comprising Entitled Depositors and Entitled Scripholders (each as defined below and collectively, the “**Entitled Shareholders**”), on the basis of their shareholdings as at the Books Closure Date. Entitled Shareholders will be entitled to participate in the Rights Issue and receive the offer information statement to be issued by the Company in connection with the Rights Issue (the “**Offer Information Statement**”) together with the appropriate application forms and accompanying documents at their respective Singapore addresses as maintained with the records of CDP or the Company’s share registrar, M & C Services Private Limited (the “**Share Registrar**”), as the case may be.

### 3.1 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 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, #01-19/20 The Metropolis, Singapore 138588, with addresses in Singapore not later than 5.00 p.m. (Singapore time) on the date falling three (3) Market Days prior to the Books Closure Date, in order to receive their provisional allotments of Rights Warrants.

### 3.2 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 Share Registrar in order to be registered to determine the transferee’s provisional allotments of Rights 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 112 Robinson Road

#05-01, Singapore 068902 with addresses in Singapore not later than 5.00 p.m. (Singapore time) on the date falling three (3) Market Days prior to the Books Closure Date, in order to receive their provisional allotments of Rights Warrants.

### 3.3 **CPF Investment Scheme**

Persons who bought their Shares previously using their Central Provident Fund account savings (the “**CPF Funds**”) may use the same for the payment of the Rights Warrant Exercise Price upon exercise of the Rights Warrants (in which case, the Rights Shares arising therefrom will be held through the CPF Investment Account), in accordance with the Offer Information Statement. Such persons are not permitted to use CPF Funds, as the case may be, to (a) pay the Issue Price; (b) purchase “nil-paid” rights traded on the SGX-ST; and/or (c) purchase the Rights Warrants traded on the SGX-ST (the listing thereof subject to there being a sufficient spread of holdings of the Warrants).

### 3.4 **Foreign Shareholders**

The distribution of the Offer Information Statement and its accompanying documents may be prohibited or restricted (either absolutely or subject to various securities laws requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of those jurisdictions. For practical reasons and in order to avoid any violation of the securities legislation applicable in jurisdictions other than Singapore, the Offer Information Statement and its accompanying documents will NOT be despatched to Shareholders with registered addresses outside Singapore and who have not, at least three (3) Market Days prior to the Books Closure Date, provided CDP or the Share Registrar, as the case may be, with addresses in Singapore for the service of notices and documents (the “**Foreign Shareholders**”) and accordingly, the Rights Warrants will NOT be offered to Foreign Shareholders.

The Offer Information Statement and its accompanying documents will not be despatched, lodged, registered or filed in any jurisdiction other than Singapore. Accordingly, Foreign Shareholders will not be entitled to participate in the Rights Issue and no provisional allotment of Rights Warrants will be made to Foreign Shareholders. No purported acceptance thereof or application for any excess Rights Warrants therefor by any Foreign Shareholder will be valid.

The Offer Information Statement and its accompanying documents will also NOT be despatched to persons purchasing entitlements to Rights Warrants through the book-entry (scripless) settlement system if their registered addresses with CDP are outside Singapore (the “**Foreign Purchasers**”). Foreign Purchasers may not accept any “nil-paid” rights credited to their Securities Account unless the Company and its counsel are satisfied that such action would not result in the contravention of any registration or other legal requirement in any jurisdiction.

Entitlements to Rights Warrants which would otherwise have been provisionally allotted to Foreign Shareholders will, if practicable to do so and at the absolute discretion of the Company, be sold “nil-paid” on the SGX-ST, as soon as practicable, after dealings in the provisional allotments of Rights Warrants commence. Such sales may, however, only be effected if the Company, in its absolute discretion, determines that a premium can be obtained from such sales, after taking into account expenses to be incurred in relation thereto. The net proceeds from all such sales, after deduction of all expenses therefrom, will be pooled and thereafter distributed to Foreign Shareholders in proportion to their respective shareholdings or, as the case may be, the number of Shares entered against their names in the depository register maintained by CDP as at the Books Closure Date and sent to them at their own risk by ordinary post. If the amount of net proceeds to be distributed to any single Foreign Shareholder is less than S\$10.00, such amount shall be dealt with as the Directors may, in their absolute

discretion, deem fit in the interests of the Company and no Foreign Shareholder shall have any claim whatsoever against the Company, CDP and/or the Share Registrar in connection therewith.

Where the provisional allotments of Rights Warrants are sold “nil-paid” on the SGX-ST, they will be sold at such price or prices as the Company may, in its absolute discretion, decide and no Foreign Shareholder shall have any claim whatsoever against the Company, CDP, the Share Registrar and/or their respective officers in connection therewith. If such provisional allotments of Rights Warrants cannot be sold or are not sold on the SGX-ST 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 Warrants, the Rights Warrants represented by such provisional allotments will be allotted and issued to satisfy applications for excess Rights Warrants or disposed of or dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company and no Foreign Shareholder shall have any claim whatsoever against the Company, CDP, the Share Registrar and/or their respective officers in connection therewith.

**SHAREHOLDERS WITH REGISTERED ADDRESSES OUTSIDE SINGAPORE WHO WISH TO PARTICIPATE IN THE RIGHTS ISSUE MAY PROVIDE AN ADDRESS IN SINGAPORE FOR THE SERVICE OF NOTICES AND DOCUMENTS BY NOTIFYING IN WRITING, AS THE CASE MAY BE, TO (I) CDP AT 9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS TOWER 2, SINGAPORE 138588 OR (II) ASL MARINE HOLDINGS LTD. C/O M & C SERVICES PRIVATE LIMITED AT 112 ROBINSON ROAD #05-01, SINGAPORE 068902, AT LEAST THREE (3) MARKET DAYS PRIOR TO THE BOOKS CLOSURE DATE**

#### **4. APPROVALS AND CONDITIONS**

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

- (a) the approval in-principle granted by the SGX-ST for the dealing, listing and quotation, of the Rights Warrants and the Rights Shares on the Mainboard of the SGX-ST having been obtained (and such approval not having been withdrawn or revoked on or prior to the closing date of the offer of the Rights Warrants under the Rights Issue), and if such approval is granted subject to conditions, such conditions being acceptable to and fulfilled by the Company;
- (b) the lodgment of the Offer Information Statement, together with all other necessary accompanying documents, in connection with the Rights Issue, with the Monetary Authority of Singapore (the “**MAS**”);
- (c) the approval of Shareholders for the Rights Issue being obtained at the EGM; and
- (d) the approval of Noteholders to the extraordinary resolutions proposed at the meetings of the Series 006 Noteholders and Series 007 Noteholders (“**Meetings**”, and each a “**Meeting**”) to be convened on 30 January 2019 or as adjourned, if applicable.

An application will be made to the SGX-ST for the dealing, listing and quotation of the Rights Warrants and the Rights Shares on the Mainboard of the SGX-ST. The Company will make the relevant announcements upon receipt of the outcome of the application.

**(B) PROPOSED ISSUE OF 300,625,000 NOTEHOLDER WARRANTS TO HOLDERS OF THE SERIES 006 NOTES AND SERIES 007 NOTES**

**5. PRINCIPAL TERMS OF THE NOTEHOLDER WARRANTS ISSUE**

**5.1 Issue Size**

The Company proposes to issue 300,625,000 Noteholder Warrants to Noteholders on the basis of 462,500 Noteholder Warrants for every S\$250,000 Denomination Amount of the Series 006 Notes and 578,125 Noteholder Warrants for every S\$250,000 Denomination Amount of the Series 007 Notes held as at the Books Closure Date. Assuming that all the Noteholder Warrants are exercised, a maximum of 300,625,000 Noteholder Warrant Shares will be issued representing 47.8% of Existing Share Capital and 24.2% of the Enlarged Share Capital of the Company comprising 1,244,525,411 Shares.

**5.2 Issue Price and Exercise Price**

The issue price for each Noteholder Warrant is free. The Noteholder Warrant Exercise Price of S\$0.06 for each Noteholder Warrant Share represents a discount of 19.14% to the six-month volume weighted average price of a Share on 28 December 2018, being the full Market Day before the announcement of the Proposed Issue of Warrants. Accordingly, Shareholders' approval will be sought at the EGM for the Noteholder Warrant Issue in accordance with Rule 811(3) of the Listing Manual.

**5.3 Form and Subscription Rights of the Noteholder Warrants**

300,625,000 Noteholder Warrants will be issued in registered form and will be subject to the terms and conditions of the Noteholder Warrants to be set out in the Noteholder Warrants Deed Poll. Each Noteholder Warrant will carry the right to subscribe for one (1) Noteholder Warrant Share at the Noteholder Warrant Exercise Price of S\$0.06 for each Noteholder Warrant Share at any time after the date of issue of the Noteholder Warrants up to the close of business on the date that is 60 months from the issue date of the Noteholder Warrants ("**Noteholder Warrants Exercise Period**"), unless such date is a date on which the Register of Members and the Register of Warrantheolders of the Company is closed or is not a Market Day, in which case, the last day of the Noteholder Warrants Exercise Period shall be the immediately preceding Market Day on which the Register of Members and the Register of Warrantheolders remain open, subject to the terms and conditions of the Noteholder Warrants as set out in the Noteholder Warrants Deed Poll. The Noteholder Warrants which have not been exercised after the date of expiry shall lapse and cease to be valid for any purpose.

**5.4 Issue and Trading of the Noteholder Warrants**

The Noteholder Warrants will be issued in registered form and will be listed and traded separately on the Mainboard under the book-entry (scripless) settlement system, upon the listing and quotation of the Noteholder Warrants on the Mainboard, subject to, amongst others, there being an adequate spread of holdings of the Warrants to provide for an orderly market in the trading of the Warrants.

Noteholders should note that in the event of an insufficient spread of holdings for the Warrants to provide for an orderly market in the trading of the Warrants, the Warrants may not be listed and quoted on the Mainboard. As a guide, the SGX-ST expects at least 100 warranttheolders for a class of company warrants. Noteholders should note that in the event that permission is not granted by the SGX-ST due to an insufficient spread of holdings for the Warrants to provide for an orderly market in the trading of the Warrants, holders of Noteholder Warrants will not be able to trade their Noteholder Warrants on the SGX-ST. In such event the Company shall nevertheless proceed with and complete the Noteholder Warrant Issue.



## 5.5 Status of the Noteholder Warrant Shares

The Noteholder Warrant Shares arising from the exercise of the Noteholder Warrants shall be fully paid and 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 Noteholder Warrant 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 CDP, as the case may be, in order to participate in such dividends, rights, allotments or other distributions.

## 5.6 Adjustments

The Noteholder Warrant Exercise Price and/or the number of Noteholder Warrants shall from time to time be adjusted in accordance with the terms and conditions of the Noteholder Warrants as set out in the Noteholder Warrants Deed Poll. Such circumstances include, without limitation, consolidation or subdivision of Shares, capitalisation issues, rights issues and certain capital distributions. Any such adjustments will be announced by the Company via an announcement on SGXNET in compliance with the Listing Manual.

## 5.7 Notice of Expiry

The Company shall, no later than one (1) month before the expiry of the Noteholder Warrants Exercise Period, announce the expiry of the Noteholder Warrants Exercise Period on SGXNET. In addition, the Company shall also, no later than one (1) month before the expiry of the Noteholder Warrants Exercise Period, take reasonable steps to notify the holder of Noteholder Warrants in writing of the expiry of the Noteholder Warrants Exercise Period, and such notice shall be delivered by post to the registered address of the holder of Noteholder Warrants as maintained in the Register of Warrantheolders.

## 5.8 Alteration to Terms

No material alteration to the terms of the Noteholder Warrants after the issue thereof to the advantage of the holder of Noteholder Warrants shall be made, unless the alterations are made pursuant to the terms and conditions of the Noteholder Warrants as set out in the Noteholder Warrants Deed Poll or the prior approval of Shareholders at a general meeting has been sought.

## 5.9 Governing Law

The terms of the Noteholder Warrants are governed by the Laws of the Republic of Singapore.

## 5.10 Further Issues

The Company may from time to time without the consent of the holders of Noteholder Warrants create and issue further Warrants having the same terms and conditions as the Warrants in all respects (other than in relation to the issue date) so that such further issues shall be consolidated and form a single series with the outstanding Warrants.

## 5.11 Rules 804 and 812 of the Listing Manual

The Noteholder Warrants Issue will not be offered to a person who is a Director or substantial shareholder or any other person in the categories set out in Rule 812(1) of the Listing Manual to subscribe for any of the Noteholder Warrants, unless specific Shareholders' approval for such subscription is obtained at the EGM.

In accordance with Rule 804 of the Listing Manual, no Director, or associate of such Director, may participate directly or indirectly in the Noteholder Warrants Issue, unless specific Shareholders' approval for such allotment is obtained at the EGM.

## **6. APPROVALS AND CONDITIONS**

The Noteholder Warrants Issue is subject to and conditional upon, *inter alia*, the following:

- (a) the approval in-principle granted by the SGX-ST for the dealing, listing and quotation, of the Noteholder Warrants and the Noteholder Warrant Shares on the Mainboard of the SGX-ST having been obtained (and such approval not having been withdrawn or revoked on or prior to the closing date of the offer of the Noteholder Warrants under the Noteholder Warrant Issue), and if such approval is granted subject to conditions, such conditions being acceptable to and fulfilled by the Company;
- (b) the lodgment of the Offer Information Statement, together with all other necessary accompanying documents, in connection with the Noteholder Warrant Issue, with the MAS;
- (c) the approval of Shareholders for the Noteholder Warrant Issue being obtained at the EGM; and
- (d) the approval of Noteholders to the extraordinary resolutions proposed at the Meetings to be convened on 30 January 2019 or as adjourned, if applicable.

An application will be made to the SGX-ST for the dealing, listing and quotation of the Noteholder Warrants and the Noteholder Warrant Shares on the Mainboard of the SGX-ST. The Company will make the relevant announcements upon receipt of the outcome of the application.

## **7. RATIONALE AND USE OF PROCEEDS**

### **7.1 Rationale**

The Noteholder Warrants Issue is proposed as partial compensation to the Noteholders for the reduction in interest rate in relation to the Consent Solicitation. The Directors also believe that the Rights Issue and the Noteholder Warrants Issue will provide the holders of Noteholder Warrants and the Rights Warrant holders with the opportunity to further participate in the equity of the Company by subscribing for new shares through the exercise of the Noteholder Warrants and the Rights Warrants. In addition, the Directors believe that the proceeds arising from the Rights Issue and the exercise of the Noteholder Warrants and the Rights Warrants (as and when exercised), will

- (i) expand and strengthen the capital base of the Company;
- (ii) provide additional working capital for the Company; and
- (iii) allow the Company to set aside cash for repayment to the Noteholders (which may include servicing of existing obligations and/or additional partial redemption).

## 7.2 Use of Proceeds

Assuming that all the Rights Warrants are subscribed in full by the Entitled Shareholders, an aggregate of 314,633,470 Rights Warrants will be issued pursuant to the Rights Issue. The net proceeds from the subscription of the Rights Warrants (“**Net Proceeds**”) will amount to S\$1,187,800 after deducting professional fees and related expenses of Rights Issue and Noteholder Warrant Issue of approximately S\$700,000.

Assuming further that all of the Rights Warrants and Noteholder Warrants are exercised, the Company will raise additional proceeds (“**Exercise Proceeds**”) of approximately S\$36,915,508.

The Company intends to use the Net Proceeds from the Rights Issue for the Group’s general working capital purposes.

As and when the Warrants are exercised, the Company intends for the Exercise Proceeds arising therefrom to be applied to the following purposes:-

<b>Use of Exercise Proceeds</b>	<b>%</b>
1. General working capital	Approximately 50%
2. Repayment to Noteholders (which may include servicing of existing obligations and/or additional partial redemption)	Approximately 50%

Pending the deployment of the Net Proceeds and the Exercise proceeds for the purpose set out above, 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 shall not, however, apply the proceeds to the repayment of any other loans, including but not limited to loans from shareholders, banks and/or other financial institutions.

**The Company will make periodic announcements on the use of the proceeds from the Rights Issue and Noteholder Warrant Issue as and when such proceeds are materially disbursed and will provide a status report on the use of proceeds from the Rights Issue and Noteholder Warrant Issue in the annual report(s) of the Company, until such time the proceeds have been fully utilised. The Company will disclose a breakdown with specific details on the use of the proceeds for working capital in announcements and annual reports.**

## 8. FINANCIAL EFFECTS OF THE PROPOSED TRANSACTIONS

### 8.1 Bases and Assumption

The pro forma financial effects of the Proposed Transactions are presented for illustration only and are not intended to reflect the actual future financial situation of the Company after the completion of the Proposed Transactions. These illustrative pro forma financial effects have been computed based on the Group’s latest audited consolidated financial results for FY2018 and do not take into account any transaction expenses incurred in connection with the Proposed Transactions.

## 8.2 Share Capital

	<b>Number of Shares (excluding treasury shares)</b>
Before the Proposed Transactions <sup>(1)</sup>	629,266,941
Number of new Shares pursuant to the Proposed Transactions	615,258,470
Enlarged share capital after completion of the Proposed Transactions	1,244,525,411

**Note:**

(1) Based on 629,266,941 Shares (excluding treasury shares) in issue as at the date of this announcement.

## 8.3 Earnings per Share (“EPS”)

Assuming that the Proposed Transactions had been completed on 1 July 2017, the effect of the Proposed Transactions on the Group’s EPS for FY2018 will be as follows:

	<b>(Loss) / Earnings per Share (S\$ cents)</b>
Before the Proposed Transactions <sup>(1)</sup>	(11.11)
EPS adjusted pursuant to the issue of the new Shares under the Proposed Transactions	(5.62)

**Note:**

(1) Based on 629,266,941 Shares (excluding treasury shares) in issue as at the date of this announcement.

## 8.4 Net Tangible Assets (“NTA”)

Assuming that the Proposed Transactions had been completed on 30 June 2018, the effect of the Proposed Transactions on the Group’s NTA per Share as at 30 June 2018 will be as follows:

	<b>Group (as at 30 June 2018)</b>
<b><u>As reported</u></b>	
NTA (S\$’000)	304,019
NTA per Share <sup>(1)</sup> (S\$ cents)	48.31
<b><u>After issue of the new Shares pursuant to the Proposed Transactions</u></b>	
Adjusted NTA (S\$’000)	342,122
Adjusted NTA per Share (S\$ cents)	27.49

**Note:**

(1) Based on 629,266,941 Shares (excluding treasury shares) in issue as at the date of this announcement.

## **9. CIRCULAR AND OFFER INFORMATION STATEMENT**

As the Rights Issue and the Noteholder Warrants Issue are subject to specific approval of Shareholders at the EGM to be convened, the Circular containing further information on the Rights Issue and the Noteholder Warrants Issue, together with the Notice of EGM, will be despatched to Shareholders in due course.

The terms and conditions of the Rights Issue and the Noteholder 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 Issue and the Noteholder Warrants Issue will be contained in the Offer Information Statement and its accompanying documents to be lodged with the MAS. The Offer Information Statement will be despatched by the Company to Entitled Shareholders in due course following the EGM.

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

Save as disclosed in this announcement and the Previous Announcements, none of the Directors or substantial Shareholders has any interests, direct or indirect, in the Rights Issue or the Noteholder Warrants Issue, other than through each of their respective shareholding interests, direct and/or indirect, in the Company.

## **11. 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 Issue, the Noteholder 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 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.

## **12. CAUTIONARY STATEMENT**

**Shareholders are advised to exercise caution in trading their Shares and Noteholders are advised to exercise caution in trading their Notes. There is no assurance that the Noteholder Warrants Issue and the Rights Issue would be completed. The Company will make further announcements as appropriate or when there are further developments. Shareholders and Noteholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders and Noteholders should consult their stock brokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.**

BY ORDER OF THE BOARD

Ang Kok Tian  
Chairman, Managing Director and CEO  
26 January 2019