



## ASPIAL CORPORATION LIMITED

(Incorporated in the Republic of Singapore)  
(Company Registration No. 197001030G)

### ANNOUNCEMENT

#### PROPOSED DISTRIBUTION *IN SPECIE* OF SHARES IN AF GLOBAL LIMITED BY AF CORPORATION PTE. LTD.

#### 1. INTRODUCTION

The Board of Directors (“**Board**”) of Aspial Corporation Limited (“**Aspial**” or the “**Company**”) is pleased to announce that AF Corporation Pte. Ltd. (“**AFC**”), a private limited company jointly controlled by the Company and Fragrance Group Limited (“**Fragrance**”), proposes to undertake a distribution *in specie* (the “**AFC Distribution**”) to distribute substantially all of the 881,383,569 ordinary shares (the “**AF Global Shares**”) in the capital of AF Global Limited (“**AF Global**”) held by AFC to the Company and Fragrance in proportion to their shareholdings in AFC.

The AFC Distribution will be effected by way of dividend distribution, repayment of shareholders’ loans and/or capital reduction exercise to be undertaken by AFC (the “**AFC Restructuring Exercise**”). The Company will receive the AF Global Shares free of cash outlay. The AF Global Shares will be distributed free of encumbrances and together with all rights attaching thereto on and from the date the AFC Distribution is effected. The AFC Distribution is subject to the approval of the shareholders of AFC and the completion of the AFC Restructuring Exercise.

#### 2. INFORMATION ON AF GLOBAL

AF Global is a public limited company incorporated in Singapore on 14 June 1973 and listed on the Singapore Exchange Securities Trading Limited (“**SGX-ST**”). As at the date of this Announcement, AF Global has a market capitalisation of approximately S\$156.2 million and has 1,055,639,464 AF Global Shares in issue.

The principal activities of AF Global are investment holding and the provision of management services to its subsidiary companies. The group comprising AF Global and its subsidiaries (“**AF Global Group**”) invests in and develops properties, provides a full suite of real estate consultancy services and owns and operates hotels and serviced residences.

Based on the unaudited consolidated financial results of the AF Global Group for the second quarter and half-year period ended 30 June 2019 (the “**AF Global 2Q Results**”):

- (i) the revenue and net profit of the AF Global Group are approximately S\$15.3 million and S\$20.8 million respectively for the half-year period ended 30 June 2019; and
- (ii) the net asset value of the AF Global Group is approximately S\$250.2 million as at 30 June 2019.

### **3. RATIONALE FOR THE AFC DISTRIBUTION**

AFC proposes to undertake the AFC Distribution to simplify the holding structure of AF Global. The Company is supportive of the AFC Distribution as the AFC Distribution will cater the Company greater flexibility to deal directly with its AF Global Shares.

### **4. EFFECT OF THE AFC DISTRIBUTION**

#### **4.1 The Company's shareholding in AF Global before the AFC Distribution.** As at the date hereof:

4.1.1 AFC is jointly owned by the Company and Fragrance on a 50:50 basis;

4.1.2 AFC holds 881,383,569 AF Global Shares, representing approximately 83.49 per cent. of the total number of AF Global Shares in issue; and

4.1.3 the Company does not have any direct interest in AF Global. However, by virtue of its 50 per cent. shareholding in AFC:

(i) the Company is deemed to have an interest in 881,383,569 AF Global Shares, representing approximately 83.49 per cent. of the total number of AF Global Shares in issue; and

(ii) the Company has an effective interest in 440,691,784 AF Global Shares, representing approximately 41.75 per cent. of the total number of AF Global in issue.

#### **4.2 The Company's shareholding in AF Global after the AFC Distribution.** Immediately after the AFC Distribution:

4.2.1 the Company will cease to hold a deemed interest in the 881,383,569 AF Global Shares currently held by AFC and will have a direct interest in 440,691,784 AF Global Shares, representing approximately 41.75 per cent. of the total number of AF Global in issue; and

4.2.2 there will be no change to the Company's effective interest in AF Global.

### **5. FINANCIAL EFFECTS**

The Company does not expect the AFC Distribution to have a material effect on the net tangible assets per share, the earnings per share and the leverage ratio of the Aspial Group.

### **6. SECURITIES INDUSTRY COUNCIL**

The Securities Industry Council of Singapore has confirmed that the AFC Distribution will not give rise to an obligation by the Company to make an offer for all the AF Global Shares not owned by it or persons acting in concert with it under The Singapore Code on Take-overs and Mergers.

**7. CAUTIONARY NOTE**

**The AFC Distribution is subject to the completion of the AFC Restructuring Exercise. The Company will provide an update as and when the AFC Restructuring Exercise and the AFC Distribution is completed. In the meantime, shareholders of the Company are advised to exercise caution when dealing in the shares in the Company and to refrain from taking any action in respect of their shares in the Company which may be prejudicial to their interests.**

By Order of the Board  
**ASPIAL CORPORATION LIMITED**

Lim Swee Ann  
Company Secretary  
22 August 2019