



**UPP HOLDINGS LIMITED**  
(Incorporated in the Republic of Singapore)  
(Company Registration No. 196700346M)

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## **INCREASE IN ISSUED AND PAID-UP SHARE CAPITAL OF SUBSIDIARY**

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The board of directors (the “**Board**”) of UPP Holdings Limited (the “**Company**”) refers to the Company’s announcement dated 5 October 2016 and the circular to shareholders of the Company dated 16 January 2017 relating to the proposed acquisition of 18,908,208 common shares and C\$46,008,796.98 principal amount of 14% unsecured subordinated notes in the capital of Taiga Building Products Ltd. (the “**Acquisition Announcement**”). Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as in the Acquisition Announcement.

The Board wishes to announce that it has entered into the following agreements with its wholly-owned subsidiary, UPP Investments Canada Limited (“**UPP Canada**”):

- (a) a loan agreement, pursuant to which UPP Canada agreed to borrow from the Company, and the Company agreed to lend to UPP Canada, the principal sum of Canadian Dollars (“**C\$**”) 42,318,324.53; and
- (b) a subscription agreement, pursuant to which the Company agreed to subscribe for and purchase from UPP Canada, and UPP Canada agreed to allot and issue to the Company, 29,500,000 Class A Preferred shares (the “**Preferred Shares**”) in the capital of UPP Canada for the aggregate subscription price of Canadian Dollars (“**C\$**”) 29,500,000, being C\$1 per Preferred Share (the “**Subscription**”).

The aggregate proceeds from the loan and the Subscription, which comprises the total consideration for the Proposed Acquisitions, shall be applied by UPP Canada towards the Proposed Acquisitions.

As a result of the Subscription, the issued and paid-up share capital of UPP Canada has increased from C\$100 consisting of 100 common shares of C\$1 each to C\$29,500,100, consisting of 100 common shares of C\$1 each and 29,500,000 Preferred Shares of C\$1 each.

The subscription price of C\$29,500,000 was satisfied in full from the internal cash flows of the Company.

The book value and net tangible asset value of UPP Canada as at the date of this announcement are both C\$29,500,100. The Subscription is not expected to have any material impact on the consolidated net tangible assets per share and consolidated earnings per share of the Company for the current financial year ending 31 December 2017. No valuation was conducted on the common shares and Preferred Shares of UPP Canada.

None of the directors or controlling shareholders of the Company has any interest, direct or indirect, in the Subscription, other than through their shareholding interests, if any, in the Company.

### **BY ORDER OF THE BOARD**

Koh Wan Kai  
Executive Director

25 January 2017