



AYONDO LTD.
(Company Registration No.: 201728417D)
(Incorporated in the Republic of Singapore)

PROPOSED ISSUANCE OF CONVERTIBLE NOTES

(1) SUPPLEMENTAL AGREEMENT TO CN3 AGREEMENT (2) RECEIPT OF WHITEWASH WAIVER FROM THE SECURITIES INDUSTRY COUNCIL

1. INTRODUCTION

The Board of Directors (the “**Directors**” or the “**Board**”) of ayondo Ltd. (the “**Company**”) refers to the Company’s announcement made on 22 August 2019 (the “**Announcement**”) in relation to convertible note agreements entered by the Company, pursuant to which under which the Company is proposing to issue CN1, CN2 and CN3 to the Subscribers.

Unless otherwise defined or the context otherwise requires, all capitalised terms used herein bears the same meanings as in the Announcement.

2. SUPPLEMENTAL AGREEMENT TO CN3 AGREEMENT

- 2.1 Further to the Announcement, the Board wishes to announce that the Company has on 4 December 2019 entered into a supplemental agreement (“**Supplemental Agreement**”) to vary, amend and modify the terms and conditions of the convertible note agreement dated 22 August 2019 with Golden Nugget Jinzhuan Limited (“**GN**”) (“**CN3 Agreement**”) in relation to the subscription of the convertible notes up to S\$8.1 million in principal amount.
- 2.2 Pursuant to the Supplemental Agreement, the Company and GN agree to vary, amend and modify the terms and conditions of the CN3 Agreement as follows:

- (i) to insert the following new clause immediately after the existing Clause 8.2.6:

“8.2.7 it shall notify the Company and, jointly with the Company, make such announcements as may be required pursuant to Note 2(d) of Section 2 to Appendix 1 of the Singapore Code on Take-overs and Mergers on SGXNET upon the subscription of each Subsequent Tranche Note and conversion of any Convertible Note.”

- (ii) the definition of “Maturity Date” in Condition 1.1 of Schedule 2 to the CN3 Agreement shall be deleted in its entirety and replaced with the following:

““Maturity Date” means the date falling upon the earlier of:

- (a) three (3) years from the date of issue of a Convertible Note, or
(b) five (5) years from the date of issue of the Tranche 1 Note.”*

3. RECEIPT OF WHITEWASH WAIVER FROM THE SECURITIES INDUSTRY COUNCIL

- 3.1 In addition, the Board is pleased to announce that, following GN’s application to the Securities Industry Council (“**SIC**”), GN has on 4 December 2019 received the Whitewash Waiver from the SIC of the requirement for GN and its concert parties to make a general offer for the Shares under Rule 14 of the Singapore Code on Take-overs and Mergers (the “**Code**”) should GN and its concert parties’ voting rights in the Company increase to 30% or more based on the enlarged

share capital of the Company as a result of the conversion of the CN1 and CN3, subject to the following conditions:

- (a) A majority of holders of voting rights of the Company approving the Whitewash Resolution at a general meeting, before the issue of securities to GN under the Proposed Issue, by way of poll to waive their rights to receive a mandatory general offer from GN (the "Whitewash Resolution");
- (b) The Whitewash Resolution is separate from other resolutions;
- (c) GN, persons acting in concert with it as well as parties not independent of them, abstain from voting on the Whitewash Resolution;
- (d) GN and persons acting in concert with it did not acquire or is not to acquire any Shares or instruments convertible into and options in respect of the Shares (other than subscriptions for, rights to subscribe for, instruments convertible into or options in respect of new Shares which have been disclosed in the Circular in relation to the Proposed Issue):
 - (i) During the period between the date the Company makes an announcement on the Proposed Issue (the "**Announcement Date**") and the date Shareholders' approval is obtained for the Whitewash Resolution; and
 - (ii) In the six (6) months prior to the Announcement Date, but subsequent to negotiations, discussions or the reaching of understandings or agreements with the directors of the Company in relation to the Proposed Issue;
- (e) The Company appoints an independent financial adviser to advise its independent Shareholders on the Whitewash Resolution;
- (f) The Company sets out clearly in the Circular:
 - (i) Details of the Proposed Issue;
 - (ii) The dilution effect to existing holders of voting rights upon the conversion of the Notes to be issued to GN;
 - (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 in the Company held by GN and persons acting in concert with it as at the latest practicable date of the Circular;
 - (iv) The number and percentage of voting rights to be issued to, or acquired by, GN as a result of the conversion of the Notes to be issued;
 - (v) A specific and prominent reference that the issue of New Shares upon conversion of the Notes to be issued under the Proposed Issue could result in GN holding Shares carrying over 49.0% of the voting rights of the Company, and the fact that GN will be free to acquire further Shares without incurring any obligation under Rule 14 of the Code to make a general offer;
 - (vi) The independent Shareholders, by voting for the Whitewash Resolution, are waiving their rights to a general offer from GN and persons acting in concert with it at the highest price paid by GN for the Shares in the six (6) months preceding the Announcement Date; and
 - (vii) The independent 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 convertibles;

- (g) The Circular stating that the Whitewash Waiver granted by the SIC is subject to the conditions stated at (a) to (f) above;
 - (h) GN obtaining the SIC's approval in advance for those parts of the Circular that refer to the Whitewash Resolution; and
 - (i) To rely on the Whitewash Resolution, the acquisition of the Notes by GN pursuant to the Proposed Issue must be completed within three (3) months of the approval of the Whitewash Resolution. Further, the acquisition of the New Shares by the GN upon the conversion of the Notes must be completed within five (5) years of the respective dates of issue of the Notes; and
 - (j) GN 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 In accordance with the SIC's condition set out in paragraph (e) above, the Company has appointed Asian Corporate Advisors Pte. Ltd. to advise the Directors who are deemed independent and the Independent Shareholders for the purpose of the Whitewash Resolution.

4. CIRCULAR

A circular containing further information on, *inter alia*, the Proposed Issue and the advice of the independent financial adviser, together with the notice of extraordinary general meeting, will be despatched by the Company to shareholders in due course.

By Order of the Board

Foo Fatt Kah
Non-Executive Director
4 December 2019

*This announcement has been prepared by ayondo Ltd. (the "**Company**") and its contents have been reviewed by the Company's sponsor, UOB Kay Hian Private Limited (the "**Sponsor**") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalist.*

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

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