

**BROADWAY INDUSTRIAL GROUP LIMITED**  
(Incorporated in the Republic of Singapore)  
(Company Registration Number 199405266K)  
(the “Company”)

**CLARIFICATION OF ANNOUNCEMENT RELATING TO THE PROPOSED DISPOSAL OF THE  
FOAM PLASTICS SOLUTIONS AND FLOW CONTROL DEVICE BUSINESSES OF THE GROUP  
FOR S\$150,000,000**

The board of directors (the “Board” or “Directors”) of Broadway Industrial Group Limited (the “Company”, together with its subsidiaries and associated companies, referred to as the “Group”) refers to the Company’s announcement dated 22 August 2016 entitled “The Proposed Disposal of the Foam Plastics Solutions and Flow Control Device Businesses of the Group For S\$150,000,000” (announcement reference no.: SG160822OTHRBI12) (“Announcement”). Unless otherwise defined herein, all defined terms used herein shall have the same meanings as used in the Announcement

Further to the Announcement, the Company wishes to make the following clarifications on the Announcement:

1. In relation to Clause 6.1 of the Announcement, the Company wishes to clarify that the Net Profits Attributable to the Disposed Businesses for the six (6)-month period ended on 30 June 2016 is approximately S\$12,917,000.

Similarly, Note 3 of paragraph 10.2 of the Announcement (which is read in conjunction with the relative figure for the Proposed Disposal for the purposes of Rule 1006(b)) should read as follows:

“Based on the net profit attributable to the Disposed Businesses and the Disposed Assets of ~~S\$11,185,000~~ approximately S\$12,917,000 for 1H2016 and the net profit of the Group of ~~S\$472,000~~ S\$2,498,000 for 1H2016.”

The net profit figures have been revised to reflect net profits before income tax and minority interests. In the Announcement, the net profits were calculated after income tax and minority interests and should have been approximately S\$11,542,000 (instead of S\$11,185,000 as stated in the Announcement).

2. In relation to the relative figure for the Proposed Disposal for the purposes of Rule 1006(b) as set out under paragraph 10.2 of the Announcement should be revised as per the below.

(b)	Rule 1006(b) – The net profits attributable to the assets to be disposed of, compared with the Group’s net profits	<del>2370%</del> <u>517%</u> <sup>(3)</sup>
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The relative figure has been revised to reflect calculations based on net profits before income tax and minority interests. In the Announcement, the net profits were calculated after income tax and minority interests.

3. In relation to Note 4 of paragraph 10.2 of the Announcement (which is read in conjunction with the relative figure for the Proposed Disposal for the purposes of Rule 1006(c)), the Company wishes to make the following clarifications:

“Based on the aggregate value of the Consideration of S\$148,882,000 to be received by the Group (before the Adjustment Amount and excluding any Restructuring and Termination Costs and transaction expenses) and the Company’s market capitalisation of S\$60,744,095 ~~S\$60,741,515~~ based on the total number of issued Shares (excluding treasury shares) of 470,884,461 multiplied by the volume weighted average price of S\$0.129 per Share transacted on the Mainboard of the Singapore Exchange Securities Trading Limited on 19 August 2016 (being the last market day preceding the date of the Agreement on which the Shares were traded).

For illustrative purpose only, the aggregate value of the Consideration received, net of estimated Adjustment Amount, compared with the Company’s market capitalisation referred to above, would be 218%.”

The Company would like to highlight that the above clarifications do not change the statement in paragraph 10 of the Announcement that the Proposed Disposal constitutes a “major transaction” under Chapter 10 of the Listing Manual and is conditional upon the approval of Shareholders at a general meeting.

By Order of the Board

**BROADWAY INDUSTRIAL GROUP LIMITED**

14 September 2016