



**ASIA-PACIFIC STRATEGIC INVESTMENTS LIMITED**

(Incorporated in the Republic of Singapore)

(Company Registration No. 200609901H)

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**PROPOSED SUBSCRIPTION OF 2,624,024,983 NEW ORDINARY SHARES IN THE CAPITAL OF  
THE COMPANY AT S\$0.0054 FOR EACH SUBSCRIPTION SHARE**

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**1. INTRODUCTION**

The Board of Directors (the "**Directors**") of the Company wishes to announce that it has entered into a subscription agreement dated 12 January 2016 (the "**Subscription Agreement**") with Oei Hong Leong (the "**Subscriber**").

Pursuant to the terms of the Subscription Agreement, the Company proposes to raise capital by issuing 2,624,024,983 new ordinary shares (the "**Subscription Shares**") in the capital of the Company (the "**Shares**") to the Subscriber (the "**Subscription**"), at an issue price of S\$0.0054 for each Subscription Share (the "**Issue Price**"), to raise gross proceeds of S\$14,169,735.

There will not be any prospectus or offer information statement issued in connection with the Subscription as the Subscription will be made pursuant to Section 272B of the Securities and Futures Act, Chapter 289 of Singapore.

**2. THE SUBSCRIPTION AGREEMENT**

**2.1 Subscription Shares**

The Subscriber proposes to subscribe for 2,624,024,983 Subscription Shares for an aggregate consideration of S\$14,169,735.

The Company, through its sponsor, will make an application to the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for the admission of the Subscription Shares to the Catalist of the SGX-ST and for the listing and quotation of the Subscription Shares on the Catalist of the SGX-ST.

The Subscription Shares, when issued and delivered, shall rank *pari passu* with, and shall carry all rights similar to, the existing Shares except that they will not rank for any dividend, right, allotment or other distributions, the record date for which falls on or before the completion of the Subscription.

**2.2 Shareholders' Approval**

Pursuant to Rule 803 of the SGX-ST Listing Manual Section B: Rules of Catalist (the "**Catalist Rules**"), as the issue and allotment of the Subscription Shares constitutes a transfer of a controlling interest to the Subscriber, the Company intends to seek the approval of the

Company's shareholders (the "**Shareholders**") for the issue and allotment of the Subscription Shares at an extraordinary general meeting of the Company (the "**EGM**") to be convened.

A circular containing further details on the proposed issue and allotment of the Subscription Shares and enclosing a notice of the EGM in connection therewith, will be despatched by the Company at the appropriate time to Shareholders.

### **2.3 Issue Price**

The Issue Price represents a discount of approximately 10% to the volume weighted average price of S\$0.006 per Share on 8 January 2016, being the full market day prior to the date of signing of the Subscription Agreement on which the Shares were traded.

### **2.4 Conditions**

Completion of the Subscription is conditional upon, among others:

- (a) the listing and quotation notice for the listing and quotation of the Subscription Shares on the Catalist of the SGX-ST being obtained from the SGX-ST and not revoked or amended as at the date of completion (the "**Completion Date**") and, where such approval is subject to conditions, such conditions being reasonably acceptable to the Subscriber;
- (b) the Company having obtained the approval of Shareholders in respect of the issue and subscription of the Subscription Shares pursuant to the relevant provisions of the Catalist Rules and such approval remaining valid, subsisting and adequate for the purposes of the issue of the Subscription Shares as at the Completion Date;
- (c) the issue and subscription of the Subscription Shares not being prohibited by any statute, order, rule or regulation promulgated after the date of the Subscription Agreement by any applicable legislative, executive or regulatory body or authority of Singapore;
- (d) there having been no occurrence of any event or discovery of any fact rendering any of the warranties in the Subscription Agreement untrue or incorrect in any material respect as at the Completion Date as if they had been given again on the Completion Date;
- (e) the Company and the Subscriber not being in breach of any of the undertakings and the covenants in the Subscription Agreement as at the Completion Date; and
- (f) approval having been obtained from the Ministry of Commerce of the People's Republic of China in respect of the proposed acquisition of 中房联合置业集团有限公司 by the Company which was announced by the Company on 14 January 2016 (the "**CREU Acquisition**").

## **3. INFORMATION ON THE SUBSCRIBER**

- 3.1 The Subscriber was introduced to the Company through mutual business associates and the Company's management, and was interested in participating in the CREU Acquisition. There is no introducer's fee payable in respect of the Subscription.

- 3.2 The Subscriber is a well-known investor as well as a successful businessman in Southeast Asia, Hong Kong and China real estate and capital markets. He is the chairman of the board of directors of, among others, OHL Foundation, Oei Hong Leong Art Museum Limited and Canadian Metropolitan Properties Corporation.
- 3.3 As at the date of this announcement, the Subscriber does not have a direct or indirect interest in any shares of the Company. The Subscriber is not related to the vendors in respect of the CREU Acquisition.
- 3.4 No placement agent has been appointed in relation to the Subscription. In addition, the Subscription Shares will not be issued to any of the persons set out in Rule 812(1) of the Catalist Rules.

#### **4. FINANCIAL EFFECTS OF THE SUBSCRIPTION**

- 4.1 As at the date of this announcement, pursuant to the allotment and issue of the Subscription Shares, the Company's issued and paid-up share capital (excluding treasury shares) will increase from 3,890,795,664 shares to 6,514,820,647 shares. Such number of Subscription Shares represents 67.4% of the existing issued and paid-up share capital (excluding treasury shares) of the Company as at the date of this Announcement and approximately 40.3% of the enlarged issued and paid-up share capital (excluding treasury shares) of the Company after the Subscription (assuming that no further shares are issued pursuant to the conversion of outstanding convertible securities on or prior to the completion of the Subscription).
- 4.2 The Company intends to complete the Subscription simultaneously with the CREU Acquisition. For illustration purposes assuming that the Subscription and the CREU Acquisition were completed on the date of this Announcement and no further shares are issued pursuant to the conversion of outstanding convertible securities as at the date of this Announcement, the number of Subscription Shares and consideration shares issued pursuant to the CREU Acquisition would represent approximately 29% and 28% respectively of the enlarged issued and paid-up share capital (excluding treasury shares) of the Company after the Subscription and the CREU Acquisition. As such, taking into account the fact that the Subscriber and the vendors in respect of the CREU Acquisition are not related to each other, the Subscription and the CREU Acquisition will not trigger an obligation on the part of the Subscriber or the vendors in respect of the CREU Acquisition to make a mandatory general offer for the shares in the Company.
- 4.3 The financial effects of the Subscription on the Company and its subsidiaries (the "**Group**") have been calculated for illustrative purposes only and do not purport to be indicative or a projection of the results and financial position of the Group or the Company after completion of the Subscription. The table below sets out the financial effects of the Subscription on the Group based on the following bases and assumptions:

#### **DEFINITIONS**

"**2013 Warrants**" means the outstanding and unexercised warrants issued by the Company pursuant to the deed poll entered into by the Company on 14 June 2013.

"**2014 Warrants**" means the outstanding and unexercised warrants issued by the Company pursuant to the deed poll entered into by the Company on 3 April 2014.

**“Introducer Warrants”** means the outstanding and unexercised warrants issued by the Company pursuant to the deed poll entered into by the Company on 20 March 2014.

**“2015 Rights cum Warrants Issue”** means the Company’s renounceable right cum warrants issue pursuant to which, inter alia, 3,373,458,070 new shares and 3,373,458,070 free detachable warrants were offered through an offer information statement dated 28 October 2015.

**“2015 Warrants”** means the outstanding and unexercised warrants issued by the Company pursuant to the deed poll entered into by the Company on 20 October 2015.

**“Century 21 Acquisition”** means the Company’s acquisition of Century 21 Hong Kong Limited for a consideration of S\$1,000,000 satisfied by issuance of 33,333,333 new ordinary shares.

## **BASES AND ASSUMPTIONS**

- (a) the audited financial statements of the Group for the financial year ended 30 June 2015 (“**FY2015**”), adjusted for the effect of the Century 21 Acquisition, the 2015 Rights cum Warrants Issue, the exercise of 206,969 2013 Warrants and the exercise of 50,206,779 2014 Warrants;
- (b) the financial impact on the consolidated net tangible assets (“**NTA**”) per Share of the Group is computed based on the assumption that the Subscription and the CREU Acquisition were completed on 30 June 2015;
- (c) the financial impact on the consolidated earnings per Share (“**EPS**”) of the Group is computed based on the assumption that the Subscription and the CREU Acquisition were completed on 1 July 2014; and
- (d) none of the outstanding convertible securities of the Company are converted into shares. As at the date of this Announcement, the Company has 3,543,994,077 outstanding warrants in the principal amount of S\$29,122,160, which can be converted into shares.

	<b>Before the allotment and issue of the Subscription Shares</b>	<b>After the allotment and issue of the Subscription Shares, but before the completion of the CREU Acquisition</b>	<b>After the allotment and issue of the Subscription Shares, and completion of the CREU Acquisition<sup>1</sup></b>
<b>Share Capital</b>			
Paid-up share capital (S\$’000)	163,686	177,826	193,382
No. of shares (’000)	3,890,796	6,514,821	9,048,362
<b>NTA (RM’000)</b>	149,100	192,023	241,760

<sup>1</sup> For illustration purposes only, assuming that the Company completes the Subscription simultaneously with the CREU Acquisition.

<b>NTA per share (RM cents)</b>	3.8	2.9	2.7
<b>EPS (RM cents)</b>	(0.2)	(0.1)	(0.2)

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

- 5.1 The net proceeds from the Subscription (after deducting expenses relating thereto of approximately S\$30,000) of approximately S\$14,139,735 will be used by the Company to finance the cash consideration of the CREU Acquisition and to pay the costs and expenses relating to the CREU Acquisition.
- 5.2 Pending the deployment of the net proceeds, such proceeds may be deposited with banks or financial institutions, invested in money market instruments or marketable securities, or used as part of treasury management, as the Directors may, in their absolute discretion, deem fit from time to time.
- 5.3 The Company will make periodic announcements on the utilisation of proceeds from the Subscription as and when such proceeds are materially disbursed and provide a status report on the use of such proceeds in the Company's annual report. Where there is any material deviation from the stated use of proceeds, the Company will announce the reasons for such deviation.
- 5.4 The Directors are of the opinion that after taking into consideration the present bank facilities available to the Group, the working capital available to the Group is sufficient to meet its present requirements. The Directors are further of the opinion that after taking into consideration the Group's present banking facilities and the net proceeds, the working capital available to the Group is sufficient to meet its present requirements.

## **6. ADJUSTMENT TO WARRANTS**

As a result of the Subscription, adjustments may be made to the number and/or exercise price of the existing outstanding warrants of the Company. The Company will in due course make the relevant announcement and notify holders of the warrants of such adjustments.

## **7. GENERAL**

None of the Directors and substantial Shareholders has any interests, direct or indirect, in the Subscription, other than through each of their respective shareholding interests, direct and/or indirect, in the Company.

The Company will make the necessary announcements once the listing and quotation notice for the listing and quotation of the Subscription Shares has been obtained from the SGX-ST.

## **BY ORDER OF THE BOARD**

Dato' Dr. Choo Yeow Ming  
Chairman and Chief Executive Officer

14 January 2016

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This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, Stamford Corporate Services Pte Ltd (the "**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). The Sponsor had not independently verified the contents of this announcement. 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 correctness of any statements or opinions made or reports contained in this announcement.

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