

SGXNET Announcement



AEM Holdings Ltd.
(Registration No. 200006417D)

PROPOSED BONUS ISSUE

1. Introduction

The board of directors (“**Directors**”) of AEM Holdings Ltd. (“**Company**” and together with its subsidiaries, the “**Group**”) is pleased to announce that the Company proposes to undertake a bonus issue of new ordinary shares in the capital of the Company (collectively, “**Bonus Shares**” and each, a “**Bonus Share**”) on the basis of three (3) Bonus Shares to be credited as fully paid for every one (1) existing ordinary share in the capital of the Company (“**Share**”) held by shareholders of the Company (“**Shareholders**”) as at a books closure date (“**Books Closure Date**”) to be determined by the Directors for the purpose of determining the entitlements of Shareholders (“**Proposed Bonus Issue**”).

2. Terms

2.1 As at the date of this announcement, the Company has an issued and paid-up share capital comprising 66,783,731 Shares (including treasury shares). Purely for illustration purposes, assuming there is no change in the number of issued Shares from the date of this announcement to the Books Closure Date other than 867,555 Shares to be issued pursuant to the purchase by the Company of 100% of the issued shares in the capital of Afore Oy (as announced by the Company on 1 February 2018), there will be a total of 67,651,286 issued Shares and hence 202,953,858 Bonus Shares will be issued pursuant to the Proposed Bonus Issue. The actual number of Bonus Shares to be issued by the Company will depend on the total number of issued Shares (including treasury shares) as at the Books Closure Date.

2.2 The Bonus Shares will be issued as fully paid, at nil consideration and without capitalisation of the Company’s reserves. The Bonus Shares, when allotted and issued, will rank *pari passu* in all respects with the existing issued Shares and with each other, except that the Bonus Shares will not be entitled to such dividends, rights, allotments and other distributions the record date of which falls before the date of allotment and issue of such Bonus Shares. For the avoidance of doubt, the Bonus Shares, when allotted and issued, shall not be entitled to the proposed final (tax exempt one-tier) dividend of 6.5 cents per Share in respect of the financial year ended 2017, as announced by the Company on 23 February

2018 and subject to approval by Shareholders at the forthcoming Annual General Meeting of the Company to be held in April 2018.

- 2.3 The Bonus Shares will be allotted and issued to Shareholders whose names appear in the Register of Members of the Company or who have Shares entered against their names in the Depository Registrar as at the Books Closure Date. Notice of the Books Closure Date will be given at a later date.

3. Rationale

The Company is proposing to undertake the Proposed Bonus Issue to increase the issued share capital base of the Company to reflect the growth and expansion of the Group's business, to encourage trading liquidity of the Shares and to reward and give due recognition to Shareholders for their loyalty and continuing support for the Company.

4. Approvals

- 4.1 The Proposed Bonus Issue is subject to the receipt of the approval-in-principle of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") for the dealing in, listing of and quotation for the Bonus Shares on the Official List of the Main Board of the SGX-ST as well as Shareholders' approval being obtained at an extraordinary general meeting of the Company to be convened ("**EGM**").
- 4.2 An application will be made to the SGX-ST for the dealing in, listing of and quotation for the Bonus Shares on the SGX-ST.
- 4.3 A circular containing, *inter alia*, information on the Proposed Bonus Issue and the notice of EGM will be despatched to Shareholders in due course.

5. Adjustments to Share Options / Awards

The Company will make necessary adjustments with respect to outstanding share options and share awards granted under its share incentive schemes in accordance with the rules of the schemes, after completion of the Proposed Bonus Issue.

6. Interests of Directors and controlling Shareholders

None of the Directors and controlling Shareholders have any interest, direct or indirect, in the Proposed Bonus Issue other than through their respective shareholdings in the Company.

7. Directors' Responsibility Statement

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Bonus Issue, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

8. Cautionary Statement

Shareholders and potential investors of the Company should note that the Proposed Bonus Issue is subject to, *inter alia*, the necessary approvals being obtained by the Company, and are therefore advised to exercise caution when dealing in the Shares. When in doubt, Shareholders and potential investors should consult their bankers, stockbrokers, solicitors and/or other professional advisors.

By Order of the Board

Loke Wai San
Executive Chairman

23 February 2018