

**ECM LIBRA FINANCIAL GROUP BERHAD (“ECMLFG” OR THE “COMPANY”)**

**I. PROPOSED DISTRIBUTION OF UP TO RM320.10 MILLION BY WAY OF PROPOSED CAPITAL REDUCTION AND PROPOSED SPECIAL DIVIDEND**

**II. PROPOSED SHARE SPLIT AND PROPOSED SHARE CONSOLIDATION**

**III. PROPOSED AMENDMENT OF THE COMPANY’S MEMORANDUM AND ARTICLES OF ASSOCIATION**

**1. INTRODUCTION**

On behalf of the Board of Directors of ECMLFG (“**Board**”), the Company wishes to announce that ECMLFG proposes to undertake a distribution exercise to its entitled shareholders of up to approximately RM320.10 million by way of cash distribution or a combination of cash and distribution-in-specie of ordinary shares and/or warrants of Eastern & Oriental Berhad (“**E&O Securities**”), a company listed on the Main Market of Bursa Malaysia Securities Berhad (the “**Proposed Distribution-In-Specie**”) to be implemented in the following manner:

- (i) A proposed share capital reduction by ECMLFG equivalent to approximately RM234.74 million (based on the Company’s current issued and paid-up share capital less treasury shares), or equivalent to RM0.88 per ordinary share in ECMLFG (“**ECMLFG Shares**”) of par value RM1.00 each (the “**Proposed Capital Reduction**”); and
- (ii) The remaining amount of up to RM85.36 million or equivalent to RM0.32 per ECMLFG Share held by way of a proposed special dividend (the “**Proposed Special Dividend**”).

The E&O Securities are currently part of the portfolio of securities held under Libra Strategic Opportunity Fund (“**LSOF**”) which is held by ECMLFG. On completion of the above, ECMLFG would have a reduced issued and paid-up share capital.

In conjunction with the above, the Company wishes to announce that it also proposes to undertake the following:

- (a) A proposed share split involving the subdivision of ECMLFG Shares after the completion of the Proposed Distribution (as defined below), to facilitate the Proposed Share Consolidation (as defined below)(“**Proposed Share Split**”);
- (b) A proposed consolidation of ECMLFG Shares after the Proposed Share Split resulting in ECMLFG having a reduced issued and paid-up share capital taking into account the Proposed Distribution (“**Proposed Share Consolidation**”); and
- (c) A proposed amendment to ECMLFG’s memorandum of association (“**Memorandum**”) and articles of association (“**Articles**”) to facilitate the implementation of the Proposed Share Split and Proposed Share Consolidation (“**Proposed Amendment**”).

*(The Proposed Capital Reduction and the Proposed Special Dividend shall be collectively defined hereon, as the “**Proposed Distribution**”, whereas the Proposed Distribution, Proposed Share Split, Proposed Share Consolidation and Proposed Amendment shall be collectively defined hereon, as the “**Proposals**”).*

## **2. DETAILS OF THE PROPOSED DISTRIBUTION**

### **2.1 Proposed Capital Reduction**

The Proposed Capital Reduction is to be implemented through the reduction of the Company's share capital in accordance with the provisions of Section 64 of the Companies Act, 1965. Upon the completion of the Proposed Capital Reduction, the par value of the Company's ordinary shares will be reduced from its existing par value of RM1.00 per share.

The Proposed Capital Reduction of RM234.74 million is based on the Company's existing issued and paid-up share capital and the entitlement of ECMLFG shareholders for the Proposed Capital Reduction shall be determined based on the number of ECMLFG Shares of par value RM1.00 each held as at an entitlement date to be determined by the Board and announced at a later date ("**Entitlement Date**"). The aggregate value of the Proposed Capital Reduction has been fixed at a minimum of RM234.74 million based on ECMLFG's current issued and paid-up capital less treasury shares and up to a maximum of RM252.21 million, after assuming the exercise of all the outstanding options under the Company's existing employee share option scheme which is expiring on 30 November 2015 ("**ESOS Options**"). As a result of this, the final quantum of the Proposed Capital Reduction will be subject to change depending on the Company's final issued and paid-up share capital on the Entitlement Date.

In addition to the above and in conjunction with the Proposed Capital Reduction, the existing treasury shares held by the Company as at the date of this announcement amounting to 1,471,900 ECMLFG Shares of par value RM1.00 each will be cancelled in accordance with Section 67A of the Companies Act, 1965 ("**Proposed Cancellation**").

The value of the Proposed Capital Reduction was determined with the intention for ECMLFG to continue to maintain an issued and paid-up share capital of at least RM30 million after the completion of the Proposals to reflect the ongoing asset base of ECMLFG. For illustration purposes only, based on the Company's existing issued and paid-up share capital, the Proposed Capital Reduction will result in the reduction of the Company's issued and paid-up share capital from RM266.75 million (after the Proposed Cancellation) to RM32.01 million.

In order to maintain ECMLFG's intended issued and paid-up share capital as described above, any aggregate value beyond the Proposed Capital Reduction to make up the difference for the full value under the Proposed Distribution shall be carried out through the Proposed Special Dividend, further details of which are set out in Section 2.2 of this announcement.

### **2.2 Proposed Special Dividend**

The Proposed Special Dividend entails the payment of the remaining amount of the Proposed Distribution of up to approximately RM85.36 million or equivalent of up to RM0.32 per ECMLFG Share of par value of RM1.00 each by way of a dividend to be offset against the Company's retained profits.

It is intended for the Proposed Special Dividend to be distributed in the form of cash or a combination of cash and the Proposed Distribution-In-Specie (representing the balance of the Proposed Distribution after taking into account the Proposed Capital Reduction).

Similar with the Proposed Capital Reduction, the total distribution under the Proposed Special Dividend is subject to the final number of E&O Securities held for distribution and their respective market price as well as upon the determination of the distribution ratio under the Proposed Distribution-In-Specie, which will be determined and announced at a later date.

Since the Proposed Special Dividend and the Proposed Capital Reduction is conditional on each other and is intended to be completed concurrently, the entitlement date for the Proposed Special Dividend shall be the same as the Entitlement Date.

### **2.3 Cash Distribution and the Proposed Distribution-In-Specie**

The proportion of the cash distribution and the Proposed Distribution-In-Specie has not been fixed at this juncture since the final value of the Proposed Distribution-In-Specie is subject to the final number of E&O Securities held for distribution and their respective market price. For example and for illustrative purposes only, during the interim period until the Entitlement Date, the E&O Securities may be realised by LSOF. In such an event, such realised cash would be included in and ultimately increase the overall pool of the cash component of the Proposed Distribution. The level of the cash component could also be affected by the market price of the E&O Securities.

Resulting from the above, the ratio for the Proposed Distribution-In-Specie cannot be determined at this juncture and will only be determined and announced at a later date. Notwithstanding this, entitled shareholders who are entitled to less than 100 shares or warrants of Eastern & Oriental Berhad under the Proposed Distribution-In-Specie would receive cash of the equivalent value of the actual number of E&O Securities that they would otherwise be entitled to receive, taking into consideration that it will be difficult to deal with shares/warrants that do not represent at least one (1) board lot, being 100 shares or warrants.

As at the date of this announcement, LSOF holds 64,083,870 Eastern & Oriental Berhad ordinary shares and 40,000,000 Eastern & Oriental Berhad warrants which translate into a total market value of approximately RM129.19 million based on the 5-market day volume weighted average price (“**VWAP**”) up to 29 May 2015, being the last market day preceding the date of this announcement, of RM1.81 for the shares and RM0.33 for the warrants.

In determining the shareholders’ entitlement under the Proposed Distribution-In-Specie, fractional entitlements, if any, will be disregarded and shall be dealt with in such manner as the Board shall in its absolute discretion deem fit and expedient to minimise the incidence of odd lots, and in the interest of the Company.

### **3. SOURCE OF FUNDS FOR THE PROPOSED DISTRIBUTION**

The Company intends to fund the cash component of the Proposed Distribution through:

- (i) Existing cash reserves;
- (ii) Cash raised from the retirement of loan assets; and
- (iii) Cash raised from the redemption of investments in unit trusts and realisation of shares held.

The remaining balance of the distribution will be in the form of the E&O Securities under the Proposed Dividend-In-Specie. In the event all the E&O Securities are fully realised in the interim period, the Proposed Distribution will then be undertaken wholly in cash.

### **4. PROPOSED SHARE SPLIT AND PROPOSED SHARE CONSOLIDATION**

In conjunction with the Proposed Distribution and due to the Company's reduction of its issued and paid-up share capital, the Company proposes to also undergo a share split of ECMLFG Shares, based on a ratio to be determined and announced later, subject to the completion of the Proposed Distribution

Upon completion of the Proposed Share Split, the issued and paid-up share capital of ECMLFG is proposed to be consolidated into ordinary shares of par value RM0.50 each in ECMLFG.

In conjunction with the above, upon completion of the Proposed Share Split and the Proposed Share Consolidation, the Company's issued and paid up share capital is expected to reflect between approximately RM32.01 million and RM34.39 million, depending on the number of outstanding ESOS Options that are exercised prior to the Entitlement Date.

The consolidated ordinary shares in the Company after the Proposed Distribution and the consequential share split and share consolidation, shall upon issue and allotment, rank *pari passu* in all respects with each other, save and except that they shall not be entitled to any dividends, rights, allotments and/or any other distributions, which may be declared, made or paid to the shareholders of ECMLFG, the entitlement date of which precedes the date of allotment of the subdivided and consolidated shares.

In determining the shareholders' entitlement to the subdivided and consolidated shares, fractional entitlements, if any, will be disregarded and shall be dealt with in such manner as the Board shall in its absolute discretion deems fit and expedient in order to minimize the incidence of odd lots, and in the interest of the Company.

The completion of the Proposed Share Consolidation is conditional upon the completion of the Proposed Share Split.

## 5. PROPOSED AMENDMENT

The proposed amendments to be made to ECMLFG's Memorandum and Articles to facilitate the implementation of the Proposed Share Split and Proposed Share Consolidation are as follows:

Existing Clause	Proposed Clause
<p><b>Clause 6 of the Memorandum</b></p> <p>The capital of the Company is Ringgit Malaysia One Billion and Five Hundred Million RM1,500,000,000.00 divided into 1,500,000,000 shares of RM1.00 each. The shares in the original or any increased capital may be divided into several classes and there may be attached thereto respectively any preferential, deferred or other special rights, privileges, conditions or restrictions as to dividends, capital, voting or otherwise.</p>	<p><b>Clause 6 of the Memorandum</b></p> <p>The capital of the Company is Ringgit Malaysia One Billion and Five Hundred Million RM1,500,000,000.00 divided into <b>3,000,000,000 shares of RM0.50 each</b>. The shares in the original or any increased capital may be divided into several classes and there may be attached thereto respectively any preferential, deferred or other special rights, privileges, conditions or restrictions as to dividends, capital, voting or otherwise.</p>
<p><b>Clause 3 of the Articles</b></p> <p>The authorised share capital of the Company at the date of the adoption of these Article is Ringgit One Billion Five Hundred Million (RM1,500,000,000.00) divided into one billion five hundred million (1,500,000,000) ordinary shares of Ringgit One (RM1.00) each.</p>	<p><b>Clause 3 of the Articles</b></p> <p>The authorised share capital of the Company at the date of the adoption of these Article is Ringgit One Billion Five Hundred Million (RM1,500,000,000.00) divided into <b>three billion (3,000,000,000) ordinary shares of Fifty Sen (RM0.50) each</b>.</p>

## 6. RATIONALE, LISTING STATUS AND FUTURE PLANS

The Proposals are consistent with the objectives of ECMLFG's capital management framework which includes returning cash in excess of ECMLFG's requirement to shareholders, after taking into consideration ECMLFG's level of operations, cash, business prospects, investment plans as well as current and expected obligations.

The Board have taken cognisance of the size of the ECMLFG's operations vis-à-vis the group audited shareholders' funds, which stands at RM448.45 million as at 31 January 2015. In view of this, the Board is of the opinion that the shareholders would benefit more via the redeployment of capital to shareholders as it provides immediate value enhancement and improvement to the entitled shareholders' long term rates of return.

The Proposals provide an opportunity for the Company to redeploy excess assets to its shareholders and to reorganise its share capital base to reflect its existing level of operations and asset base.

Notwithstanding the above, ECMLFG intends to maintain its listing status subsequent to the completion of the Proposals, where ECMLFG will continue with its existing core business of fund management through its wholly-owned subsidiary Libra Invest Berhad and manage its private equity investments, which are not affected by the Proposals.

The Proposals are not expected to trigger any criteria under Practice Note 17 of Bursa Malaysia Securities Berhad's Main Market Listing Requirements, due to its continued level of operations post implementation of the Proposals.

## **7. COMPLETION RISK**

The timing and amounts to be distributed under the Proposals is subjected to the following completion risks:

- (i) unanticipated delays in timing on the retirement of loan assets and redemption of investments in unit trusts and realisation of shares;
- (ii) unanticipated realisation value from the retirement of the loan assets and redemption of investments in unit trusts and realisation of shares; and
- (iii) actual value of the E&O Securities at the entitlement date to be determined and announced later.

Additionally, the Proposed Capital Reduction will be subjected to confirmation by the High Court pursuant to Section 64 of the Companies Act, 1965 whereby the High Court will consider whether the Proposed Capital Reduction is fair and equitable to the shareholders and whether the rights and interests of ECMLFG's creditors are safeguarded and not prejudiced.

As such if, amongst other reasons, there is objection from the creditors of ECMLFG and they are able to prove that the Proposed Capital Reduction is prejudicial to them, the High Court may not sanction the Proposed Capital Reduction, thus potentially placing in jeopardy the completion of the Proposals. Nonetheless, due to the existing operations of the Company and its subsidiary and its level of debts and liabilities, the Board does not envisage that any creditor would have a good basis to object to the Proposed Capital Reduction.

In the unlikely event that the confirmation of the High Court for the Proposed Capital Reduction is not obtained, the Board will consider alternative proposal(s) taking into account ECMLFG's capital management framework described above, wherein the timing of such alternative proposal(s) is uncertain at this juncture. In the event that an alternative proposal(s) is required, there can be no assurance that shareholders will receive up to approximately RM1.20 for each ECMLFG Share of par value RM1.00 each pursuant to the Proposed Distribution.

## 8. EFFECTS OF THE PROPOSALS

We wish to emphasise that the proforma effects in this section are presented purely for illustration purposes and should not be regarded as an indication or reference to any final entitlements or distribution values under the Proposals, which will only be determined by the Board at a later date and announced after obtaining shareholders' approval. The proforma effects are prepared based on certain assumptions with the intention of demonstrating the potential financial effects of the Proposals based on circumstances and assumptions outlined in the notes of the financial effects set out herein.

**Minimum Scenario:** Assuming none of the outstanding 19,848,000 ESOS Options with an exercise price of RM1.00 each are exercised prior to the Entitlement Date.

**Maximum Scenario:** Assuming all the outstanding 19,848,000 ESOS options with an exercise price of RM1.00 each are exercised prior to the Entitlement Date.

### 8.1 Issued and paid-up share capital

Based on the existing issued and paid-up share capital of the Company, the illustrative effects of the Proposals, based on the following Minimum Scenario and Maximum Scenario, are as follows:

	Minimum Scenario			Maximum Scenario		
	No of ECMLFG Shares ('000)	Par value RM	Share capital (RM'000)	No of ECMLFG Shares ('000)	Par value RM	Share capital (RM'000)
Issued and paid-up share capital as at the date of this announcement	268,222	1.00	268,222	268,222	1.00	268,222
Cancellation of all treasury shares held	(1,472)	-	(1,472)	(1,472)	-	(1,472)
Exercise of ESOS Options	-	-	-	19,848	1.00	19,848
<b>Enlarged issued and paid-up share capital</b>	<b>266,750</b>	<b>1.00</b>	<b>266,750</b>	<b>286,598</b>	<b>1.00</b>	<b>286,598</b>
Proposed Capital Reduction	-	0.88	(234,740)	-	0.88	(252,206)
After Proposed Capital Reduction <sup>(1)</sup>	266,750	0.12	32,010	286,598	0.12	34,392
<b>After Proposed Share Split and Proposed Share Consolidation<sup>(2)</sup></b>	<b>64,020</b>	<b>0.50</b>	<b>32,010</b>	<b>68,784</b>	<b>0.50</b>	<b>34,392</b>

Notes:

<sup>(1)</sup> The actual amount under the Proposed Capital Reduction and the actual issued and paid-up capital may vary from the illustration above to minimise odd entitlements under the Proposed Capital Reduction. The Proposed Special Dividend has no effect on the issued and paid-up share capital of ECMLFG.

(2) For illustration, it is assumed that the Proposed Share Split is undertaken on the basis of one ECMLFG Share of par value RM0.12 (after the Proposed Capital Reduction) into 12 ECMLFG Shares of par value RM0.01 each and the Proposed Share Consolidation by the consolidation of 50 ECMLFG Shares into one ECMLFG Share of par value RM0.50 each.

## 8.2 Distributable amount under the Proposed Distribution

The table below sets out the quantum which shareholders would receive for each ECMLFG Share held based on the Minimum Scenario and the Maximum Scenario:

	Minimum Scenario		Maximum Scenario	
	Total (up to)	Per ECMLFG Share <sup>(1)</sup>	Total (up to)	Per ECMLFG Share <sup>(1)</sup>
	RM'000	RM	RM'000	RM
Distribution under the Proposed Capital Reduction	234,740	0.88	252,206	0.88
Distribution under the Proposed Special Dividend	85,360	0.32	91,711	0.32
<b>Total Proposed Distribution</b>	<b>320,100</b>	<b>1.20</b>	<b>343,917</b>	<b>1.20</b>

Note:

(1) Par value of RM1.00 each.

## 8.3 Substantial shareholders' shareholdings

The Proposed Distribution has no effect on the shareholdings of ECMLFG's substantial shareholders and the effects shown would only relate to the effects of the Proposed Share Split and Proposed Share Consolidation.

### Minimum Scenario

	As at 21 May 2015				After the Proposed Share Split and Share Consolidation <sup>(1)</sup>			
	Direct		Indirect		Direct		Indirect	
	No. of ECMLFG Shares ('000)	%	No. of ECMLFG Shares ('000)	%	No. of ECMLFG Shares ('000)	%	No. of ECMLFG Shares ('000)	%
Lim Kian Onn	56,163	21.1	1,437	0.5	13,479	21.1	345	0.5
Equity Vision Sdn Bhd	43,506	16.3	-	-	10,441	16.3	-	-
Hikkaya Jaya Sdn Bhd	16,514	6.2	-	-	3,963	6.2	-	-
Tan Sri Azman Hashim	-	-	74,195	27.8	-	-	17,807	27.8
Amcorp Group Berhad	9,777	3.7	16,514	6.2	2,346	3.7	3,963	6.2
Amcorp Capital Markets Sdn Bhd	-	-	16,514	6.2	-	-	3,963	6.2
Clear Goal Sdn Bhd	-	-	30,689	11.5	-	-	7,365	11.5



## Maximum Scenario

	As at 21 May 2015 <sup>(2)</sup>				After the Proposed Share Split and Share Consolidation <sup>(1)</sup>			
	Direct		Indirect		Direct		Indirect	
	No. of shares ('000)	%	No. of shares ('000)	%	No. of shares ('000)	%	No. of shares ('000)	%
Lim Kian Onn	65,559	22.9	1,437	0.5	15,734	22.9	345	0.5
Equity Vision Sdn Bhd	43,506	15.2	-	-	10,441	15.2	-	-
Hikkaya Jaya Sdn Bhd	16,514	5.8	-	-	3,963	5.8	-	-
Tan Sri Azman Hashim	-	-	74,195	25.9	-	-	17,807	25.9
Amcorp Group Berhad	9,777	3.4	16,514	5.8	2,346	3.4	3,963	5.8
Amcorp Capital Markets Sdn Bhd	-	-	16,514	5.8	-	-	3,963	5.8
Clear Goal Sdn Bhd	-	-	30,689	10.7	-	-	7,365	10.7
Dato' Sri Kalimullah Masheerul Hassan	21,857	7.6	-	-	5,246	7.6	-	-

### Notes:

<sup>(1)</sup> For illustration, it is assumed that the Proposed Share Split is undertaken on the basis of one ECMLFG Share of par value RM0.12 (after the Proposed Capital Reduction) into 12 ECMLFG Shares of par value RM0.01 each and the Proposed Share Consolidation by the consolidation of 50 ECMLFG Shares into one ECMLFG Share of par value RM0.50 each.

<sup>(2)</sup> Assuming the respective substantial shareholders exercise in full their entitlements under the ESOS Options.

## 8.4 Earnings and earnings per share

The Proposals will result in, *inter alia*, the redemption of the group's loan portfolio which currently stands at approximately RM80 million, which are expected to be redeemed by the fourth quarter of the financial year ending 31 January 2016. Upon completion of the Proposals, ECMLFG will cease to earn any recurring interest income from loans or any gains from LSOF.

The Proposals are expected to be completed in the fourth quarter of the Group's financial year ending 31 January 2016 and would reduce the consolidated earnings and earnings per share of ECMLFG for the financial year ending 31 January 2016 given that the earnings base will be reduced to the anticipated earnings from the Group's fund management business. Any expected gain (or losses) from the Company's remaining private equity investments after the Proposals would only be realised upon disposal as the Company does not equity account these investments.

## 8.5 Net Assets (“NA”)

For illustrative purposes only, the proforma effect of the Proposals on the consolidated NA of ECMLFG based on its latest available audited consolidated statement of financial position as at 31 January 2015 and assuming that the Proposals had been effected on 31 January 2015, are set as below:

		Minimum Scenario		Maximum Scenario	
	Audited as at 31 January 2015 (RM'000)	After Proposed Distribution (RM'000)	After Proposed Share Split and Share Consolidation (RM'000)	After Proposed Distribution (RM'000)	After Proposed Share Split and Share Consolidation (RM'000)
Share capital	268,222	32,010	32,010	34,392	34,392
Retained profit	121,894	36,534	36,534	30,183	30,183
Other reserves	58,331	58,331	58,331	58,331	58,331
<b>Shareholders' funds / NA</b>	<b>448,447</b>	<b>126,875</b>	<b>126,875</b>	<b>122,906</b>	<b>122,906</b>
<b>NA per share (RM)</b>	<b>1.67</b>	<b>0.47</b>	<b>1.98</b>	<b>0.43</b>	<b>1.79</b>
Event subsequent to balance sheet date <sup>(1)</sup>	(30,760)				
<b>Illustrative adjusted NA<sup>(2)</sup></b>	<b>417,687</b>	<b>96,115</b>	<b>96,115</b>	<b>92,146</b>	<b>92,146</b>
<b>Illustrative NA per share (RM)<sup>(2)</sup></b>	<b>1.56</b>	<b>0.36</b>	<b>1.50</b>	<b>0.32</b>	<b>1.34</b>
Number of ordinary shares ('000)	268,222	266,750 <sup>(3)</sup>	64,020 <sup>(4)</sup>	286,598 <sup>(3)</sup>	68,784 <sup>(4)</sup>

**Notes:**

<sup>(1)</sup> Subsequent to the audited balance sheet date of 31 January 2015, the market value of Eastern & Oriental Berhad's shares has declined from its carrying value as at 31 January 2015 of RM2.29 each to RM1.81 each based on the 5-market day VWAP up to 29 May 2015, being the latest market day immediately preceding the date of this announcement. As a result, the market value of LSOF's holding of 64,083,870 Eastern & Oriental Berhad shares has declined by approximately RM30.76 million since 31 January 2015, resulting in an illustrative adjusted NA per share of RM1.56 as at 31 January 2015.

<sup>(2)</sup> Adjusted after taking into account the event subsequent to balance sheet date for illustrative purposes only.

<sup>(3)</sup> To derive these amounts, an adjusted share capital was used after adjusting for the Proposed Cancellation.

<sup>(4)</sup> After the Proposed Share Split and Proposed Share Consolidation, each ECMLFG Share would be at a par value of RM0.50.

## **9. APPROVALS REQUIRED**

The Proposals are subject to the following approvals:

- (a) the approval of the shareholders for the Proposals at an extraordinary general meeting to be convened;
- (b) the High Court of Malaya for a court order confirming the Proposed Capital Reduction pursuant to Section 64 of the Companies Act, 1965;
- (c) Bursa Securities' approval for the Proposed Share Split and Proposed Share Consolidation; and
- (d) any other relevant authorities' approval or consent, if required.

Each of the Proposals is conditional on each other and the Proposed Capital Reduction and Proposed Special Dividend shall take place concurrently.

The Proposed Share Consolidation is subject to the completion of the Proposed Share Split.

## **10. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS**

None of the directors and substantial shareholders of ECMLFG and/or persons connected to them have any direct or indirect interest in the Proposals save for their respective entitlements as shareholders of the Company, which are also available to all other entitled shareholders.

## **11. DIRECTORS' STATEMENT**

The Board, after having considered and deliberated on all aspects of the Proposals including its rationale, is of the opinion that the Proposals are in the best interest of the Company and its shareholders.

## **12. ESTIMATED TIMEFRAME FOR COMPLETION**

Barring unforeseen circumstances, the Proposals are expected to be completed in the fourth quarter of the Group's financial year ending 31 January 2016.