

ARION ENTERTAINMENT SINGAPORE LIMITED

(Incorporated in Singapore)

(Company Registration Number 199407135Z)

PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE - CLARIFICATION ANNOUNCEMENT IN RESPECT OF ADJUSTMENTS TO EXISTING WARRANTS

The Board of Directors (the “**Board**” or “**Directors**”) of Arion Entertainment Singapore Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refer to the Company’s announcements on 29 September 2018, 15 October 2018, 1 November 2018, 22 November 2018, 3 December 2018, 5 December 2018 and 6 December 2018 (the “**Announcements**”) in respect of the Proposed Rights Issue. Reference is also made to the Offer Information Statement dated 3 December 2018 (“**OIS**”), together with the relevant forms, relating to the Proposed Rights Issue which was despatched on 5 December 2018 to shareholders who are entitled to receive the same.

Unless otherwise defined herein, all capitalized terms shall have the same meaning ascribed thereto in the Company’s announcements dated 29 September 2018 and 6 December 2018.

The Company wishes to clarify an inadvertent mathematical error in relation to the adjustments to the Outstanding Warrants.

Consequently,

- (i) The ratio applied to the Outstanding Warrants held by each Outstanding Warrantholder to arrive at the number of outstanding warrants that have been adjusted should be **1.1209:1** instead of 4.6363:1;
- (ii) The new exercise price should be **S\$0.05** instead of S\$0.01; and
- (iii) The estimated total additional Outstanding Warrants to be issued will be **16,541,718** instead of 497,618,629.

For illustration purposes, if an Outstanding Warrantholder holds 1,000 Outstanding Warrants as at the Warrants Books Closure Date, the Outstanding Warrants held by the Outstanding Warrantholder after applying the ratio of 1.1209:1 will be:

$$1,000 \times 1.1209 = 1,120$$

(Note: An adjustment to the number of warrants held by each Outstanding Warrantholder will be rounded downwards to the nearest whole warrant.)

Based on the illustration above, the Outstanding Warrantholder will hold a total of 1,120 Outstanding Warrants.

CONFIRMATION FROM AUDITORS

Pursuant to Clause 5.2.2 of the 2015 Deed Poll, the Company's auditors ("**Auditors**"), Nexia TS Public Accounting Corporation, has reviewed and confirmed that there the adjustment to the Outstanding Warrants is fair and reasonable from the procedures performed to evaluate whether the adjustment to the Outstanding Warrants is calculated in accordance with the formula set out in Clause 5.2.2 of the 2015 Deed Poll. The Auditors has also verified the mathematical accuracy of the new exercise price of each warrant as well as the adjusted number of warrants held by each Outstanding Warrant holder based on the formula set out in Clause 5.2.2 of the 2015 Deed Poll.

LISTING AND QUOTATION NOTICE FOR THE ADDITIONAL OUTSTANDING WARRANTS

The Company is in the process of applying to SGX-ST for a revised listing and quotation notice in relation to the listing and quotation on the Catalist of up to 16,541,718 Outstanding Warrants which is convertible to 16,541,718 shares.

Further announcements will be made by the Company in relation to the Warrants Adjustment as and when appropriate.

DOCUMENTS AVAILABLE FOR INSPECTION

The following documents may be inspected at the office of the Company's Warrant Agent, Tricor Barbinder Share Registration Services at 80 Robinson Road, #02-00, Singapore 068898 during normal business hours from the date of this announcement up to the date so long as any of the Outstanding Warrants remains exercisable:

- (a) A signed copy of the certificate of the Company's auditors, Nexia TS Public Accounting Corporation, certifying the adjustment to the Exercise Price and/or the number of Outstanding Warrants; and
- (b) A certificate signed by a Director setting forth brief particulars of the event giving rise to the adjustment, the Exercise Price and/or the number of Outstanding Warrants in effect prior to such adjustment, the adjusted Exercise Price and/or the number of Outstanding Warrants and the effective date of such adjustment.

IMPORTANT DATES AND EVENTS

EVENT	DATE
Warrants Books Closure Date	18 December 2018
Effective date of the Warrants Adjustment	20 December 2018
Expected date of issue and allotment of the Additional Outstanding Warrants	28 December 2018
Expected date of listing of the Additional Outstanding Warrants	28 December 2018

For and on behalf of the Board of Directors

Ng Kai Man
Executive Director
19 December 2018

*This announcement has been prepared by Arion Entertainment Singapore Limited (the “**Company**”) and its contents have been reviewed by the Company’s sponsor, PrimePartners Corporate Finance Pte. Ltd. (the “**Sponsor**”) for compliance with the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) Listing Manual Section B: Rules of Catalist (the “**Catalist Rules**”). The Sponsor has not verified the contents of this announcement.*

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume 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.

The contact person for the Sponsor is Ms Keng Yeng Pheng, Associate Director, Continuing Sponsorship (Mailing address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: sponsorship@ppcf.com.sg).