

ARION ENTERTAINMENT SINGAPORE LIMITED

(Incorporated in Singapore)

(Company Registration Number 199407135Z)

PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF UP TO 507,397,641 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY AT AN ISSUE PRICE OF S\$0.008 FOR EACH RIGHTS SHARE, ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY ONE (1) EXISTING SHARE HELD BY SHAREHOLDERS OF THE COMPANY AS AT THE BOOKS CLOSURE DATE

- RESULTS OF THE RIGHTS ISSUE

1. INTRODUCTION

The board of directors (the “**Board**” or “**Directors**”) of Arion Entertainment Singapore Limited (the “**Company**”) refers to the Company’s announcements dated 29 September 2018, 15 October 2018, 1 November 2018, 22 November 2018, 3 December 2018, 5 December 2018, 6 December 2018 and 19 December 2018 (the “**Announcements**”) relating to the proposed renounceable non-underwritten rights issue (the “**Rights Issue**”) and the offer information statement dated 3 December 2018 (the “**Offer Information Statement**”) in relation to the Rights Issue of up to 507,397,641 new ordinary shares in the capital of the Company (the “**Rights Shares**”). Unless otherwise defined, capitalised terms used herein shall have the same meaning as ascribed to them in the Company’s announcement dated 29 September 2018 and the Offer Information Statement.

2. RESULTS OF THE RIGHTS ISSUE

Level of subscription

The Board is pleased to announce that, based on the total issued share capital of the Company of 363,552,518 Shares as at the Books Closure Date, as at the close of the Rights Issue on 19 December 2018 (the “**Closing Date**”), valid acceptances and excess applications for 274,858,024 Rights Shares were received. This represents approximately 75.60% of the 363,552,518 Rights Shares available for subscription under the Rights Issue. This includes acceptance and excess application by the Undertaking Shareholder for 38,100,000 Rights Shares and 31,970,000 Excess Rights Shares pursuant to the Irrevocable Undertaking.

Details of the valid acceptances and excess applications for the Rights Shares received are as follows:

	Number of Rights Shares	As a percentage of the total number of Rights Shares available for subscription under the Rights Issue (%)
Valid acceptances ⁽¹⁾	185,226,481	50.95
Excess applications ⁽²⁾	89,631,543	24.65
Total	274,858,024	75.60

Note:-

(1) Includes 38,100,000 Rights Shares subscribed by the Undertaking Shareholder.

(2) Includes 31,970,000 Excess Rights Shares subscribed by the Undertaking Shareholder.

Scale down of subscription of Excess Rights Shares by the Undertaking Shareholder

Based on the final results of the Rights Issue and pursuant to the Irrevocable Undertaking, the Company will scale down on the application of the Undertaking Shareholder to subscribe for the Excess Rights Shares in order to ensure that the Undertaking Shareholder's total shareholdings after completion of the Rights Issue will not be more than 14.90%. Accordingly, the application for Excess Rights Shares by the Undertaking Shareholder will be scaled down from 31,970,000 Excess Rights Shares to 16,500,000 Excess Rights Shares.

As a result, the Company will allot and issue a total of 259,388,024 Shares pursuant to the Rights Issue as follows:

	Number of Rights Shares	As a percentage of the total number of Rights Shares available for subscription under the Rights Issue (%)
Valid acceptances	185,226,481	50.95
Excess applications	74,161,543	20.40
Total	259,388,024	71.35

The resultant shareholding of the Undertaking Shareholder will be 92,700,000 Shares, representing 14.88% based on the enlarged share capital of 622,940,542 Shares after completion of the Rights Issue.

Allocation of Rights Shares for excess applications

A total of 74,161,543 Rights Shares, comprising fractional entitlements which were disregarded in arriving at the Entitled Shareholders' entitlements and shares which were not validly accepted or subscribed will be allotted to satisfy the applications for excess Rights Shares.

In the allotment of excess Rights Shares, preference has been given to the Shareholders for the rounding of odd lots, and Directors and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation (direct or through a nominee) on the Board, will rank last in priority.

Net proceeds from the Rights Issue

The total gross proceeds raised from the Rights Issue are approximately S\$2.08 million. After deducting the estimated expenses incurred in connection with the Rights Issue of approximately S\$0.25 million, the net proceeds are approximately S\$1.83 million ("**Net Proceeds**"). As disclosed in the Offer Information Statement, the Company intends to utilise the Net Proceeds in the manner as follows (save for working capital after adjusting for the subscription rate of the Rights Issue):-

Use of Net Proceeds	Allocation of Net Proceeds (S\$ million)
Publishing business	0.50
General working capital	1.33
Net Proceeds	1.83

Pending deployment of the remaining Net Proceeds, such proceeds may be deposited with banks and/or financial institutions, invested in short term money market instruments and/or marketable securities, and/or used for any other purposes on a short-term basis, as the Directors may, in their absolute discretion, deem appropriate in the interests of the Company.

3. ALLOTMENT AND ISSUE OF RIGHTS SHARES

In the case of Entitled Depositors, Purchasers, and Entitled Scripholders and their renounees (who have furnished valid Securities Account numbers in the relevant form comprised in the provisional allotment letter) with valid acceptances for Rights Shares and/or (if applicable) successful applications for excess Rights Shares, physical share certificate(s) representing such number of Rights Shares will be registered in the name of CDP or its nominee and despatched to CDP within ten (10) Market Days after the Closing Date, and CDP will thereafter credit such number of Rights Shares to their relevant Securities Accounts. CDP will then send to the relevant subscribers by ordinary post, at their own risk, a notification letter stating the number of Rights Shares that have been credited to their respective Securities Accounts.

In the case of Entitled Scripholders and their renounees with valid acceptances for Rights Shares and/or (if applicable) successful applications for excess Rights Shares and who have, *inter alia*, failed to furnish or furnished incorrect or invalid Securities Account numbers in the relevant form in the PAL, physical share certificate(s) representing such number of Rights Shares will be sent by ordinary post, at their own risk, to their mailing addresses in Singapore as maintained with the Share Registrar within ten (10) Market Days after the Closing Date.

4. DISTRIBUTION OF THE NET SALE PROCEEDS OF “NIL-PAID” RIGHTS OF FOREIGN SHAREHOLDERS

There were no “nil-paid” Rights Shares which would otherwise have been provisionally allotted to Foreign Shareholders that were sold “nil-paid” on Catalist during the “nil-paid” rights trading period as provided in the Offer Information Statement. Accordingly, there are no net sale proceeds of “nil-paid” rights of Foreign Shareholders.

5. REFUND FOR INVALID OR UNSUCCESSFUL ACCEPTANCES AND EXCESS APPLICATIONS

Where any acceptance for Rights Shares and/or application for excess Rights Shares is invalid or unsuccessful in full or in part, the amount paid on acceptance and/or application or surplus application monies, will be returned or refunded to such applicants without interest or any share of revenue or other benefit arising therefrom within fourteen (14) days after the Closing Date by any one or a combination of the following:

- (a) where the acceptance and/or application had been made through the Share Registrar, by means of a crossed cheque drawn in Singapore currency on a bank in Singapore and sent by ordinary post at the relevant applicant’s own risk to the relevant applicant’s mailing address as recorded with the Share Registrar;

- (b) where the acceptance and/or application had been made through Electronic Application through an ATM, by crediting the relevant applicant's bank account with the relevant Participating Bank at the relevant applicant's own risk, the receipt by such bank being a good discharge to the Company and CDP of their obligations, if any, thereunder; or
- (c) where the acceptance and/or application had been made through CDP, by means of a crossed cheque drawn in Singapore currency on a bank in Singapore and sent by ordinary post at the relevant applicant's own risk to the relevant applicant's mailing address as maintained with CDP or in any such manner as they may have agreed with CDP for the payment of any cash distributions, as the case may be.

6. TRADING OF ODD LOTS OF THE RIGHTS SHARES

Entitled Shareholders should note that the Rights Issue may result in them holding odd lots of Shares (that is, lots other than board lots of 100 Shares). Following the Rights Issue, Entitled Shareholders who hold odd lots of Shares and who wish to trade in odd lots of Shares on the SGX-ST should note that they will be able to do so on the Unit Share Market of the SGX-ST which allows trading of odd lots with a minimum of one (1) Share. The market for trading of such odd lots of Shares may be illiquid. Furthermore, Entitled Shareholders who hold odd lots of the Rights Shares and who wish to trade in odd lots on the SGX-ST should note that there is no assurance that they can acquire such number of Shares to make up one (1) board lot of 100 Shares, or to dispose of their odd lots (whether in part or in whole) on the SGX-ST.

7. ISSUANCE AND LISTING OF THE RIGHTS SHARES

The Board expects that 259,388,024 Rights Shares will be allotted and issued on or about 26 December 2018 pursuant to the Rights Issue. The Rights Shares are expected to be listed and quoted on the Catalist with effect from 9.00 a.m. on or about 28 December 2018. The completion of the Rights Issue will be announced by the Company on SGXNet in due course.

The listing and quotation notice granted by the SGX-ST on 31 October 2018 is not to be taken as an indication of the merits of the Rights Issue, the Rights Shares, the Company, its subsidiaries and their securities.

The Rights Shares, when allotted and issued, will rank *pari passu* in all respects with the then existing issued Shares, save that they will not rank for any dividends, rights, allotments or other distributions, the record date for which falls before the date of issue of the Rights Shares.

The Company wishes to take this opportunity to thank the Shareholders for the support towards the successful completion of the Rights Issue.

For and on behalf of the Board of Directors

Ng Kai Man
Executive Director
25 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).