

SAPPHIRE CORPORATION LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 198502465W)

ANNOUNCEMENT IN RELATION TO:

- (I) THE PROPOSED SUBSCRIPTION AND ACQUISITION OF SHARES IN RANKEN INFRASTRUCTURE LIMITED – RECEIPT OF APPROVAL IN-PRINCIPLE FROM THE SGX-ST AND UPDATE ON LONG-STOP DATE OF THE AGREEMENT; AND**
 - (II) MINIMUM TRADING PRICE REQUIREMENT**
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1. INTRODUCTION

The Board of Directors (the “**Directors**”) of Sapphire Corporation Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the announcements dated 25 November 2014 and 3 June 2015 (the “**Previous Announcements**”) in relation to the entry by the Company into a conditional subscription and sale and purchase agreement (the “**Agreement**”) with Ranken Infrastructure Limited (the “**Target**”) and Best Feast Limited (the “**Vendor**”).

Unless otherwise defined, all capitalised terms used in this announcement shall bear the same meaning as ascribed to them in the Previous Announcements. Unless otherwise stated, the exchange rate of S\$1: RMB 4.75 as at 31 October 2014 has been used in this Announcement.

2. RECEIPT OF APPROVAL IN-PRINCIPLE FROM THE SGX-ST

The Board wishes to announce that the Company has today obtained the approval in-principle (“**Approval In-Principle**”) from the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) in relation to the application for listing and quotation of 165,000,000 Consideration Shares in connection with the Acquisition.

The Approval In-Principle is subject to, *inter alia*:

- (a) Compliance with the SGX-ST’s listing requirements; and
- (b) Shareholders’ approval for the Proposed Acquisition and the Proposed Subscription, and the proposed use of proceeds of RMB 282.0 million (approximately S\$59.4 million) arising from the Proposed Subscription shall be applied by the Target as follows:
 - (i) the repayment of RMB 190.0 million (approximately S\$40.0 million) owed to the Vendor by the Target for the acquisition of Cheng Du Kai Qi Rui, Ranken and its subsidiaries, provided that Ms Wang Heng and/or Mr Wang Jilu shall grant a personal guarantee or procure such guarantee to be granted for the purpose of securing total banking facilities of not less than RMB 237.5 million (approximately S\$50.0 million) for the Target Group’s working capital; and

- (ii) the proposed acquisition of the Commercial Building by Ranken for an aggregate consideration of RMB 92.0 million (approximately S\$19.4 million).

The Approval In-Principle is not to be taken as an indication of the merits of the Proposed Acquisition, the Consideration Shares, the Company and/or its subsidiaries.

A circular to the Shareholders setting out, *inter alia*, further details of the Proposed Acquisition and the Proposed Subscription, together with a notice convening the EGM, will be despatched to the Shareholders in due course.

The Company will make further announcements in relation to the Proposed Acquisition and the Proposed Subscription via SGXNET after the approval of Shareholders has been obtained for the aforementioned transactions at the EGM.

3. UPDATE ON THE LONG-STOP DATE OF THE AGREEMENT

On 3 June 2015, the Company announced that the parties had entered into a supplemental agreement dated 3 June 2015 to extend the Long-Stop Date to 22 July 2015, or such other date as the parties may agree in writing.

The Long-Stop Date has since expired. The Board wishes to inform Shareholders that it is in discussions with the Vendor regarding the extension of the Long-Stop Date. The Company will make further announcements in relation to the extension of the Long-Stop Date in due course.

4. MINIMUM TRADING PRICE REQUIREMENT

Pursuant to the Consultation Paper on Introduction of Minimum Trading Price and Codification of Regulatory Tools released by SGX-ST on 17 September 2014, issuers listed on the Main Board of the SGX-ST are required to maintain a minimum share price of S\$0.20 as a continuing listing requirement (the “**MTP Requirement**”). Pursuant to the MTP Requirement, issuers will have a 12 month transition period commencing from 2 March 2015 (the “**Required Timeline**”) to take steps to comply with the MTP Requirement. The assessment of whether an issuer has met the MTP Requirement will be based on the volume weighted average price (the “**VWAP**”) of its shares for the six (6) months preceding the date of review (such first review will take place on 1 March 2016).

If an issuer is unable to comply with the MTP Requirement at each of the quarterly review dates, it will be placed on the watch-list. In such case, the issuer must meet the MTP Requirement within 36 months from its entry into the watch-list, failing which it will be subject to delisting in accordance with the Listing Manual of the SGX-ST.

Noting the MTP Requirement, the Company will, and is, currently considering options as to how it might comply with the MTP Requirement after the completion of the Proposed Acquisition and the Proposed Subscription.

Where necessary, the Company will make further announcements of its plan(s) or course of action(s) to comply with the MTP Requirement as and when appropriate.

By Order of the Board
SAPPHIRE CORPORATION LIMITED

Teh Wing Kwan
Group Chief Executive Officer and Managing Director

27 July 2015