

NTEGRATOR INTERNATIONAL LTD.
(Company Registration No. 199904281D)
(Incorporated in the Republic of Singapore)

PROPOSED BONUS ISSUE OF UP TO 353,289,897 FREE WARRANTS, EACH WARRANT CARRYING THE RIGHT TO SUBSCRIBE FOR ONE (1) NEW ORDINARY SHARE IN THE CAPITAL OF NTEGRATOR INTERNATIONAL LTD. (THE "COMPANY"), AT AN EXERCISE PRICE OF S\$0.02 FOR EACH NEW SHARE AND ON THE BASIS OF ONE (1) WARRANT FOR EVERY TWO (2) EXISTING ORDINARY SHARES HELD BY SHAREHOLDERS OF THE COMPANY AS AT THE BOOKS CLOSURE DATE (AS DEFINED BELOW), FRACTIONAL ENTITLEMENTS TO BE DISREGARDED

1. Introduction

The board of directors (the "**Directors**") of Ntegrator International Ltd. wishes to announce that the Company is proposing a bonus issue (the "**Bonus Issue**") of up to 353,289,897 free bonus warrants (the "**Warrants**" or "**Warrants 2013**"), each Warrant carrying the right to subscribe for one (1) new ordinary share in the capital of the Company (the "**New Share**") at an exercise price of S\$0.02 for each New Share (the "**Exercise Price**"), to be credited and allotted to the shareholders of the Company (the "**Shareholders**") on the basis of one (1) Warrant for every two (2) existing ordinary shares (the "**Shares**") in the capital of the Company held by the shareholders of the Company (the "**Shareholders**") as at the books closure date to be determined by the Directors (the "**Books Closure Date**"), fractional entitlements to be disregarded.

In the event that the Warrants and the New Shares cannot be issued pursuant to the general mandate approved by the Shareholders at the annual general meeting held on 30 April 2012 (the "**Share Issue Mandate**"), then the Warrants and the New Shares to be issued will be subject to such general mandate as may be approved by the Shareholders at the date of the coming annual general meeting which will be determined and announced in due course. The Company will, as and when appropriate, make such further announcement on the share issue mandate the Company has relied upon for the proposed issue of Warrants and New Shares.

2. Proposed Terms of the Bonus Issue

2.1 Terms of the Warrants

The Warrants, to be credited and allotted free to Shareholders, will be in registered form and be constituted in an instrument by way of a deed poll (the "**Deed Poll**") that sets out the terms and conditions of the Warrants and which may from time to time be amended or supplemented.

Each Warrant will, subject to the terms and conditions to be set out in the Deed Poll, carry the right to subscribe for one (1) New Share at an exercise price of S\$0.02 for each New Share payable in cash; during the period (the "**Exercise Period**") commencing from and including the date of issue of the Warrants and expiring at 5:00 p.m. on the market day immediately preceding the third (3rd) anniversary of the date of issue of the Warrants. Any Warrant which remains unexercised at the end of the Exercise Period shall thereafter lapse and cease to be valid for all purposes.

The Exercise Price of S\$0.02 for each New Share represents a discount of approximately 78.0% to the last transacted price of S\$0.091 per Share on the Catalist Board ("**SGX-Catalist**") of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") on 20 March 2013 (being the date of this announcement). The Exercise Price and the number of Warrants will be subject to adjustments under certain circumstances in accordance with the Deed Poll.

Application will be made to the SGX-ST for the listing of and quotation for the Warrants and the New Shares on SGX-Catalist. The Warrants will be listed and traded on SGX-Catalist under the book-entry (scripless) settlement system. The listing of and quotation for the Warrants and the New Shares on SGX-Catalist, if approved, is expected to be subject to, *inter alia*, there being an adequate spread of holdings of the Warrants to provide for an orderly market in the trading of the Warrants. Each board lot of the Warrants will consist of 1,000 Warrants or such other board lot size which the SGX-ST may require and as may be notified by the Company. The Warrants will be separately traded on a different counter from the existing outstanding warrants which were listed on SGX-Catalist on 13 December 2010 ("**Warrants 2010**").

The New Shares arising from the exercise of Warrants will rank *pari passu* in all respects with the then existing issued Shares save for any dividends, rights, allotments or other distributions, the record date for which falls on or after the relevant exercise date of the Warrants, save as may be otherwise provided for in the Deed Poll. For this purpose, "record date" means, in relation to any dividends, rights, allotments or other distributions, the date as at the close of business (or such other time as may have been notified by the Company) on which Shareholders must be registered in order to participate in such dividends, rights, allotments or other distributions.

An offer information statement ("**OIS**") will be lodged with SGX-ST acting as agent of the Monetary Authority of Singapore ("**MAS**") in relation to, and for the purpose of the Bonus Issue. However, the OIS will not be despatched to the Shareholders and holders of Warrants 2010. Shareholders and holders of Warrants 2010 may download a copy of the OIS from SGX-ST's website after the OIS is lodged. An announcement will be made at a later date on the lodgement and the uploading of the OIS on the SGX-ST's website.

2.2 Trading of Odd-lots

All fractional entitlements to the Warrants will be disregarded in arriving at the entitlements of the Entitled Shareholders (defined below) and will be dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. Shareholders should note that subject to the requirement of SGX-ST, the warrants are quoted on Catalist in board lot sizes of 1,000 warrants. Following the Bonus Issue, Shareholders who hold odd lots of the Warrants (i.e. less than 1,000 Warrants) and who wish to trade in odd lots on Catalist should note (where applicable) the setting up of the Unit Share Market of the SGX-ST to allow for trading of odd lots which would be announced or disclosed in the OIS.

All fractional entitlements to the Additional Warrants 2010 have been disregarded in arriving at the entitlements of the Warrant 2010 Holders and will not be issued. Following the Adjustment (defined later), Warrant 2010 Holders who hold odd lots of Warrants 2010 (including Additional Warrants 2010) and who wish to trade in odd lots on Catalist should note (where applicable) the setting up of the Unit Share Market of the SGX-ST to allow for trading of odd lots, which would be announced or disclosed in the OIS.

2.3 Eligibility

The Warrants to be issued pursuant to the Bonus Issue will be credited and allotted to Shareholders whose names appear in the records of the Central Depository (Pte) Limited (the "**CDP**") or the Register of Members of the Company, as the case may be, as at the Books Closure Date, with registered addresses in Singapore or who have, at least five (5) consecutive market days prior to the Books Closure Date, provided to CDP or the Company, as the case may be, addresses in Singapore for the service of notices and documents (the "**Entitled Shareholders**"). The Bonus Issue will be made on the basis of one (1) Warrant for every two (2) Shares held by the Entitled Shareholders as at the Books Closure Date, fractional entitlements to be disregarded. Entitled Shareholders will be issued Warrants on the basis of their shareholdings as at the Book Closure Date.

For practical reasons and in order to avoid any violation of the relevant legislation applicable in countries other than Singapore, the Warrants will NOT be offered or credited or allotted (as the case may be) to Shareholders with registered addresses outside Singapore as at the Books Closure Date and who have not, at least five (5) market days prior thereto, provided to the Company or CDP, as the case may be, addresses in Singapore for the service of notices and documents (the "**Foreign Shareholders**"). The Warrants which would otherwise be allotted to Foreign Shareholders will, if practicable, be sold on the SGX-Catalist and the net proceeds from all such sales, after deduction of all expenses therefrom, will be pooled and thereafter distributed to Foreign Shareholders in proportion to their respective shareholdings or, as the case may be, the number of Shares entered against their names in the Depository Register or the Register of Members (as the case may be) as at the Books Closure Date and sent to them at their own risk by ordinary post. If the amount of net proceeds distributable to any single Foreign Shareholder is less than S\$10.00, such amount will be retained for the sole benefit of the Company or otherwise dealt with as the Directors may, in their absolute discretion, deem fit and no Foreign Shareholder shall have any claim whatsoever against the Company or CDP or the Directors or share registrar or the Sponsor (as defined herein) and their respective officers in respect of such sales or the proceeds thereof, of such entitlements to the Warrants.

Where such Warrants are sold on SGX-Catalist, they will be sold at any such price or prices as the Company, may in its absolute discretion, decide and deem fit and no Foreign Shareholder shall have any claim whatsoever against the Company or CDP or the Directors or share registrar or the Sponsor (as defined herein) in respect of such sales.

Any entitlements to the Warrants not taken up for any reason and fractional entitlements to the Warrants which are disregarded and not allotted to Entitled Shareholders will be aggregated and sold on SGX-Catalist for the benefit of the Company or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company.

3. Rationale of the Bonus Issue and Use of Proceeds

The Directors are proposing the Bonus Issue to reward Shareholders for their continued participation in and support for the Company, and to raise funds for the Company and its subsidiaries ("**Group**") in the future. The Directors believe that the Bonus Issue will provide Shareholders with an opportunity to increase their equity participation in the Company and potentially increase the Company's capital base and strengthen its balance sheet.

As at the date hereof, the Company has 610,169,013 Shares (excluding treasury Shares) that have been issued and are fully paid-up (the "**Existing Issued Share Capital**"). None of the Shares are subject to moratorium. As at the date hereof, an aggregate of 20,778,000 employee share options ("**Share Options**") have been granted and are exercisable, with exercise prices of approximately S\$0.13, S\$0.04 and S\$0.04 respectively for each of the three tranches of Share Options. The three tranches of Share Options, which have different commencement dates and conversion periods, are all exercisable during the period commencing from 11 September 2007 and ending on 25 August 2019 (both dates inclusive). In addition, as at the date hereof, an aggregate of 75,632,781 Warrants 2010 have been granted and are exercisable, at an exercise price of S\$0.02 during the exercise period commencing from 13 December 2010 and ending on 6 December 2013 (both dates inclusive).

Based on the Existing Issued Share Capital, the Bonus Issue will comprise up to 305,084,507 Warrants representing approximately up to 50.0% of the Existing Issued Share Capital. Assuming that all the Warrants issued are exercised, the Share capital would increase to 915,253,520 Shares, representing approximately 150.0% of the Existing Issued Share Capital.

In the event that all the Share Options and Warrants 2010 are exercised and new Shares are issued before Books Closure Date, the issued Share capital excluding treasury shares will increase to 706,579,794 Shares (the "**Enlarged Issued Share Capital**").

Based on the Enlarged Issued Share Capital, the Bonus Issue will comprise up to 353,289,897 Warrants representing approximately up to 57.9% of the Existing Issued Share Capital. Assuming that all the Warrants issued pursuant to the Bonus Issue are exercised, the Share capital would increase to up to 1,059,869,691 Shares, representing approximately 173.7% of the Existing Issued Share Capital.

Assuming that all the 353,289,897 Warrants issued are exercised, the Company will receive gross proceeds of approximately S\$7.1 million. The estimated net proceeds (the “**Net Proceeds**”) from the exercise of the Warrants, after deducting estimated expenses of the Bonus Issue, will amount to approximately S\$6.9 million. The Company intends to utilise the Net Proceeds for investments, repayment of borrowings and/or general working capital purposes for the Group, as the Director may deem fit.

As and when any significant amount of the Net Proceeds is deployed, the Company will make the necessary announcements and subsequently provide a status report on the use of such Net Proceeds in its annual report. Pending the deployment of the Net Proceeds for the uses identified above, the Net Proceeds may be placed as deposits with financial institutions or invested in short-term money market or debt instruments or for any other purposes on a short-term basis as the Directors may deem fit.

4. Approval

The Warrants and the New Shares will be issued pursuant to the following general mandate approved by the Shareholders at the annual general meeting held on 30 April 2012:

“That pursuant to Section 161 of the Companies Act, Cap. 50 and Rule 806 of the Catalist Rules, authority be given to the Directors of the Company to issue shares (“Shares”) whether by way of rights, bonus or otherwise, and/or make or grant offers, agreements or options (collectively, “Instruments”) that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into Shares at any time and upon such terms and conditions and to such persons as the Directors may, in their absolute discretion, deem fit provided that:

- a. the aggregate number of Shares (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed one hundred percent (100%) of the total number of issued shares (excluding treasury shares) in the capital of the Company at the time of the passing of this Resolution, of which the aggregate number of Shares and convertible securities to be issued other than on a pro-rata basis to all shareholders of the Company shall not exceed fifty percent (50%) of the total number of issued shares (excluding treasury shares) in the capital of the Company;*
- b. for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (a) above, the total number of issued shares (excluding treasury shares) shall be based on the total number of issued shares (excluding treasury shares) of the Company as at the date of the passing of this Resolution, after adjusting for:
 - (i) new shares arising from the conversion or exercise of convertible securities;*
 - (ii) new shares arising from exercising share options or vesting of share awards outstanding or subsisting at the time this Resolution is passed; and*
 - (iii) any subsequent bonus issue, consolidation or subdivision of Shares.**

- c. *in exercising the authority conferred by this Resolution, the Company shall comply with the requirements imposed by the SGXST from time to time and the provisions of the Catalist Rules for the time being in force (in each case, unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Companies Act, Cap. 50 and otherwise, the Articles of Association of the Company; and*
- d. *unless revoked or varied by the Company in general meeting, such authority shall continue in force until the conclusion of the Company's next Annual General Meeting or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier."*

In the event that the Warrants and the New Shares cannot be issued in time pursuant to the Share Issue Mandate, then the Warrants and the New Shares to be issued will be subject to the general mandate as may be approved at the date of the coming annual general meeting which will be determined and announced in due course.

An application will be made to the SGX-ST for permission to deal in, and the listing of and quotation for all the Warrants, the New Shares, and if any and where applicable, the Additional Warrants 2010 the Additional Share Options, and their underlying Shares to be issued upon exercise, on the SGX-Catalist. The OIS will be lodged with SGX-ST acting as agent of MAS in due course before the Warrants are issued. The date for the Books Closure Date will only be fixed and announced after the SGX-ST has issued the Notice or approved the Bonus Issue (as the case may be).

The Bonus Issue is subject to, *inter-alia*, the following:-

- (a) the receipt of the confirmation-in-principle from the Company's continuing sponsor ("**Sponsor**"), Asian Corporate Advisors Pte. Ltd., for the listing of and quotation for up to 353,289,897 Warrants, and up to 353,289,897 New Shares, and if any and where applicable, the Additional Warrants 2010 (defined below), the Additional Share Options (defined below), and their underlying Shares to be issued upon exercise;
- (b) the listing and quotation notice ("**Notice**") from the SGX-ST for the listing of and quotation for all the Warrants and New Shares on the SGX-Catalist ;and
- (c) there being an adequate spread of holdings of the Warrants to provide for an orderly market in the trading of the Warrants.

5. Adjustments to Warrants 2010 and Share Options

Pursuant to the Ntegrator Share Option Scheme and the deed poll executed by the Company for Warrants 2010, the number of Share Options and Warrants 2010 and their exercise prices may be subject to adjustments ("**Adjustment**") in view of the Bonus Issue. Additional Warrants 2010 ("**Additional Warrants 2010**") and additional Share Options ("**Additional Share Options**") may be issued as a result of such Adjustment. The Company will make such further announcements on the adjustments for Warrants 2010 after such adjustments for Warrants 2010 have been confirmed or reviewed (as the case may be) pursuant to the provisions of the deed poll constituting Warrants 2010.

6. Responsibility Statement

The Directors of the Company (including any Director who may have delegated detailed supervision of the preparation of this announcement) 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, the facts stated and opinions expressed in this announcement are fair and accurate in all material respects as at the date hereof, and that there are no material facts the omission of which would make this announcement misleading in any material respect, and where any information has been extracted from, published or otherwise, publicly available sources, the responsibility of the Directors is to ensure through reasonable enquires that such information is accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this announcement.

By Order of the Board

Jimmy Chang
Managing Director
Ntegrator International Ltd.
20 March 2013

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor ("Sponsor"), Asian Corporate Advisors Pte.Ltd, for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**Exchange**"). The Company's Sponsor has not independently verified the contents of this announcement including the correctness of any of the figures used, statements or opinions made.*

This announcement has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this announcement including the correctness of any of the statements or opinions made or reports contained in this announcement.

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