

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

**PROPOSED BONUS ISSUE OF UP TO 247,344,297 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 247,344,297 free bonus warrants (the "**Warrants**" or "Warrants 2010"), 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 as at the books closure date to be determined by the Directors (the "**Books Closure Date**"), fractional entitlements to be disregarded.

The Warrants and the New Shares will be issued pursuant to the general mandate approved by the Shareholders at the annual general meeting held on 30 April 2010 (the "**Share Issue Mandate**").

## **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 a price, payable in cash of at exercise price of S\$0.02 for each New Share; during the period (the "**Exercise Period**") commencing on and including the date of issue of the Warrants and expiring at 5:00 p.m. on the market day immediately preceding the [third] (3<sup>rd</sup>) anniversary of the date of issue of the Warrants. Any Warrant which remains unexercised at the end of the Exercise Period shall 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 50% to the last transacted price of S\$0.04 per Share on the Catalist Board ("**SGX-Catalist**") of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") on 26 October 2010 (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 14 October 2009 ("**Warrants 2009**").

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 2009. Shareholders and holders of Warrants 2009 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 of the OIS and the uploading of the OIS on the SGX-ST's website.

## **2.2 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 SGX-Catalist.

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 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.

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 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 in their absolute discretion deem fit and no Foreign Shareholder shall have any claim whatsoever against the Company or CDP 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.

## **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 the Company and their support, 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 the 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 379,217,794 Shares (excluding treasury Shares) that have been issued and are fully paid-up (the "**Existing Issued Share Capital**"). 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 for each of the three series of Share Options. The three series of Share Options which have different commencement dates and conversion periods and they are 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 94,692,801 Warrants 2009 have been granted and are exercisable, with an exercise price of S\$0.02 and exercise period commencing from 14 April 2010 and ending on 11 October 2012 (both dates inclusive).

Based on the Existing Issued Share Capital, the Bonus Issue will comprise up to 189,608,897 Warrants representing approximately up to 50.0% of the Existing Issued Share Capital. Assuming that all the Warrants issued pursuant to the Bonus Issue are exercised, the Share capital of the Company would increase to 568,826,691 Shares, representing approximately 150.0% of the Existing Issued Share Capital.

In the event that all the Share Options and Warrants 2009 are exercised and Shares are issued before Books Closure Date, the issued Share capital of the Company will increase to 494,688,595 Shares (the "**Enlarged Issued Share Capital**").

Based on the Enlarged Issued Share Capital, the Bonus Issue will comprise up to 247,344,297 Warrants representing approximately up to 65.2% 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 742,032,892 Shares, representing approximately 195.7% of the Existing Issued Share Capital.

Assuming that all the Warrants issued pursuant to the Bonus Issue are exercised, the Company will receive gross proceeds of approximately S\$4.9 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\$4.8 million. The Company intends to utilise the Net Proceeds for the 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 2010:

*"That authority be and is hereby given to the directors of the Company to:*

- (a) (i) *issue Shares each whether by way of rights, bonus or otherwise; and/or*
- (ii) *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 for such*

*purposes and to such persons as the directors of the Company may in their absolute discretion deem fit; and*

*(b) issue Shares (including in pursuance of any Instrument made or granted by the directors of the Company while this Special Resolution was in force), provided that:*

*(i) the aggregate number of Shares to be issued pursuant to this Special Resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Special Resolution) does not exceed one hundred per cent. (100%) of the total number of issued Shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (ii) below), whether on a pro-rata or non pro-rata basis; and*

*(ii) (subject to such manner of calculation as may be prescribed by the SGX-ST), for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (i) above, the percentage of issued Shares (excluding treasury shares) shall be based on the number of issued Shares (excluding treasury shares) in the capital of the Company at the time this Special Resolution is passed, after adjusting for:*

*(A) new Shares arising from the conversion or exercise of any convertible securities or Share options or vesting of Share awards which are outstanding or subsisting at the time this Special Resolution is passed; and*

*(B) any subsequent bonus issue, consolidation or sub-division of Shares;*

*(iii) in exercising the authority conferred by this Special Resolution, the Company shall comply with the requirements imposed by the SGX-ST from time to time and the provisions of Section B: Rules of Catalist of the Listing Manual of the SGX-ST (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, and the Articles of Association of the Company; and*

*(iv) (unless revoked or varied by the Company in general meeting) the authority conferred by this Special Resolution shall continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier.”*

SGX-ST had on 22 October 2010 granted waiver from compliance with Rule 825 of the Catalist Rules to the Company with respect to the Bonus Issue of warrants to Entitled Shareholders, subject to: -

- (i) The Company making an immediate announcement that the waiver has been granted;
- (ii) The Company disclosing the reasons for seeking the waiver; and
- (iii) The Company and/or any of its Board of Directors are not aware of any other material information (including but not limited to financial information) in respect to the Company which was not formerly disclosed to the investors.

In relation to condition (ii) above, the waiver had been sought for the reason of the Proposed Bonus Issue will be offered in a pro-rata basis and to allow the Company greater flexibility in determining its capital structure.

The Company and its Directors confirm that, as at the date of the application for the waiver and the date of this announcement, to the best of their knowledge, they are not aware of any other material information in respect of the Company which was not formerly disclosed to the investors.

The Bonus Issue is subject to, *inter-alia*, the receipt of the confirmation-in-principle for the listing of and quotation for up to 247,344,297 Warrants, up to 247,344,297 New Shares, Additional Warrants 2009 (defined below), if any, Additional Share Options (defined below), if any, and their underlying Shares to be issued upon exercise, if any, from its continuing sponsor (“**Sponsor**”), Asian Corporate Advisors Pte. Ltd. and the listing and quotation notice (“**Notice**”) from the SGX-ST for the listing and quotation of all the Warrants and New Shares on the SGX-Catalist, and there being an adequate spread of holdings of the Warrants to provide for an orderly market in the trading of the Warrants.

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, the Additional Warrants 2009 (defined below), if any and where applicable, the Additional Share Options, if any and where applicable, and their underlying Shares to be issued upon exercise, if any and where applicable, 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.

## 5. Adjustments to Warrants 2009 and Share Options

Pursuant to the Ntegrator Share Option Scheme and the deed poll executed by the Company for Warrants 2009, the number of Share Options and Warrants 2009 and their exercise prices may be subject to adjustments. Additional Warrants 2009 (“**Additional Warrants 2009**”) and Share Options (“**Additional Share Options**”) may be issued as a result. The Company will make such further announcements on the adjustments to Warrants 2009 after the adjustments to Warrants 2009 have been confirmed or reviewed (as the case may be) by the auditor of the Company.

## 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.  
26 October 2010

*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.*

*The contact person for the Sponsor is Ms Foo Quee Yin.  
Telephone number: 6221 0271*