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Supportive to get GEM Funding of RM120 million

KUALA LUMPUR, Malaysia--([BUSINESS WIRE](#))--Main Board listed [Supportive International](#) Holdings Bhd ("SIHB") is pleased to announce that it has entered into an equity line of credit agreement with GEM Global Yield Fund Limited and GEM Investment Advisors, Inc. ("ELC Agreement"). Pursuant to the ELC Agreement, the Company may, at its discretion and subject to the terms and conditions of the ELC Agreement, over a period of up to three (3) years from the date of signing of the ELC Agreement, require GEM to subscribe for new SIHB Shares of up to an aggregate sum of RM120,000,000. ("Proposed Private Placement")

SIHB has an existing issued and paid-up share capital of RM218,488,000 comprising 218,488,000 SIHB Shares. The Proposed Private Placement entails issuance of up to 43,697,600 new SIHB Shares representing up to twenty percent (20%) of the issued and paid-up share capital of the Company ("Placement Shares") together with 35,000,000 detachable warrants ("Warrants") to GEM. Each Warrant shall entitle the holder to subscribe for one (1) new SIHB Share at the Exercise Price of RM1.90 at any time during the Exercise Period of five (5) years from the date of issue. The Warrants if fully exercised, will raise additional RM66,500,000 to the Company.

Dato' Lee Kuang Shing, Executive Chairman of SIHB said: "We are very pleased to have entered into this agreement and partner with the GEM Group, given their global expertise and proven reputation in the capital markets and structured transactions worldwide. The timing is just right as SIHB is embarking on overseas ventures such as the e-commerce project in Hunan Province of China and on-going resort property development projects in Malaysia and soon in Western Australia. The Proposed Private Placement will enable SIHB to raise funds expeditiously and strengthen its balance sheet position without incurring interest costs, as compared to bank borrowings. These will enhance the earnings of SIHB for the next few years substantially.

About SIHB - (Stock Name: Supportive International, Stock Code: 7131.KL) SIHB is one of the largest turnkey ODM/ OEM of home theatre systems for multinational corporations such as Panasonic, Yamaha, JVC since 1996 for export markets worldwide. SIHB has achieved good profits over the past 10 years and has also ventured into mix property developments in Malaysia and an e-commerce project in China since 2009.

Contact: Ms S.H. Tan – shtan@supportive.com.my | + 604-4426888

About GEM – Global Emerging Markets Group, www.gemgroup.ch was founded in 1991. GEM is a USD 3.4 billion Swiss-based investment group having completed 285 transactions in 60 countries. The firm is an alternative investment group that manages a diverse set of investment vehicles across the world. GEM's funds include: CITIC/GEM Fund; VC Bank/GEM Mena Fund; Kinderhook; GEM Global Yield Fund; GEM India and Banco Pine/GEM Funds.

Contact: Warren P. Baker, III – wbaker@gemny.com | +1 (212) 582-3400

Contacts

Supportive International Holdings Bhd (SIHB)
Ms S.H. Tan, + 604-4426888
shtan@supportive.com.my

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