

RELIANCE PACIFIC BERHAD (“RPB” or “the Company”)

Term Loan and Bank Guarantee of RM71 Million from RHB Bank Berhad

1. Introduction

The Board of Directors of Reliance Pacific Berhad (RPB) wish to announce that on 25 August 2015 it has secured additional banking facilities of RM71 Million from RHB Bank Berhad

2. Information on the Banking Facilities

The Banking Facilities include Term Loan of RM70 Million and Bank Guarantee of RM1 Million. The Term Loan is for a period of up to 96 months from the date of the 1st drawdown.

3. Rationale

The Banking Facility shall be utilised for the purposes:-

- (i) Refinance all existing credit facilities with Malayan Banking Berhad to release legal charges on Avillion Port Dickson land.
- (ii) Refinance RPB’s existing credit facilities with OCBC Bank to release legal charge on Admiral Hill Hotel Sdn Bhd.
- (iii) To repay existing short term Overdraft 3 (OD3) granted for start-up cost of the Property Division and as working capital and to release existing lien holder caveat over Land held under Geran 76526 and 64282 and five super prime units of Avillion Admiral Cove Resort’s Marina View Suites.
- (iv) Deposit guarantee pursuant to Housing Developer Account requirement under the Housing Developer Act and for issuance of performance bond/guarantee and/or financing guarantee/deposit to regulatory bodies. The Bank Guarantee facility will be made available for 3rd party utilisation by all RPB’s subsidiaries, subject to execution of Letter of Indemnity and Board resolution.

4. Effects of the Banking Facilities

4.1 Issued and Paid Up Share Capital And Substantial Shareholdings

The Banking Facilities has no effects on the issued and paid up share capital of the Company and the substantial shareholdings of the Company.

4.2 Net Tangible Asset

There is no material effects on the net tangible assets of the RPB Group for the financial year ended 31 March 2015.

4.3 Earning Per Share

There is no material effects on the earnings per share of the RPB Group for the financial year ending 31 March 2016.

5. Directors' and Major Shareholders' interest

None of the Directors and /or Major Shareholders of the Company or persons connected with them have any interest, direct or indirect in the Banking Facility.