



**GLOBALROAM GROUP LTD.**

(Incorporated in Republic of Singapore)  
(Company Registration No. 200607113N)

*This document has been reviewed by GlobalRoam Group Ltd. Corporate Adviser, Phillip Securities Pte Ltd. It has not been examined or approved by the OTC Capital and OTC Capital assumes no responsibility for the correctness of any of the statements or opinions made or contained in this document.*

**Singapore, 5 March 2008**

**1. Introduction:**

The Board of Directors of GlobalRoam Group Ltd. (the “**Company**”) wishes to announce that the Company has, today, entered into a conditional loan agreement (“**Loan Agreement**”) with MediaRing Ltd (Company Registration No. 199304568R), a company incorporated in Singapore and having its registered office at 750A Chai Chee Road, #05-01 Technopark @ Chai Chee, Singapore 469001 (“**MediaRing**”), whereby MediaRing agreed to advance to the Company a term loan of a principal amount of S\$5,500,000 (“**Loan**”) which shall be interest free (save as otherwise provided in the Loan Agreement), in accordance with the terms of the Loan Agreement.

**2. The Salient Terms of the Loan Agreement:**

- 2.1 **Use of the Loan:** The Loan shall be utilised by the Company solely for working capital purposes and to finance the acquisition of fixed assets to be used on any project(s) secured by the Company and its subsidiaries in the ordinary course of business.
- 2.2 **Term and Repayment:** The term of the Loan (“**Term**”) shall be a period of five (5) years commencing from the date of disbursement of the loan amount (the “**Initial Term**”), subject to early redemption upon the occurrence of certain specified exit events, or early repayment obligations upon the occurrence of any event of default. The Initial Term may be extended upon the written agreement of the Company and MediaRing.

- 2.3 **Interest:** The Loan shall be interest free, unless MediaRing issues the Written Notice (defined below), in which event interest shall be chargeable on the outstanding Loan and such interest shall accrue from day to day on the outstanding Loan from the date falling on the third (3rd) anniversary of the date of disbursement of the Loan (the “**Disbursement Date**”) and ending on the date of receipt by MediaRing of the repayment of the Loan and all interest accrued thereon in full, at a rate of 5% per annum.
- 2.4 **Issue of Warrants:** In consideration of the grant of the Loan by MediaRing to the Company, the Company will issue to MediaRing, 13,414,634 warrants (“**Warrants**”) in registered form at no cost on the Disbursement Date, conferring upon MediaRing the right to subscribe for preferred shares in the capital of the Company (“**Preferred Shares**”) in accordance with the terms of the Deed Poll (as defined below). In this connection, the Company will on Disbursement Date execute a deed poll (“**Deed Poll**”) in favour of MediaRing containing, among others, the terms and conditions of the Warrants and the Preferred Shares.
- 2.5 **Conditions Precedent:** The obligation of MediaRing to grant the Loan to the Company is conditional upon the fulfilment by the Company of certain conditions precedents, which *inter alia* include:
- (i) satisfactory completion of legal, financial and business due diligence by MediaRing on the Company and its subsidiaries;
  - (ii) the execution of the Deed Poll by the Company on the Disbursement Date and the Deed Poll being in full force and effect;
  - (iii) shareholders' approval of the Company being obtained for the allotment and issue of the Warrants, the Preferred Shares upon the exercise of the Warrants and the Conversion Shares (as defined below) upon the conversion of the Preferred Shares, in accordance with the Deed Poll;
  - (iv) shareholders' approval of the Company for the amendment of the Articles of Association of the Company to incorporate the terms and conditions of the Preferred Shares, the terms and conditions of the Warrants and certain provisions of the Key Shareholders Agreement (as defined below) in the Articles of Association of the Company and for the adoption of such amended Articles of Association of the Company in substitution for the existing Articles of Association of the Company;
  - (v) the execution of an agreement (the “**Key Shareholders Agreement**”) by the Company, MediaRing and Tan Kum Wah Clarence, Rita Agarwal and Garg Hari Krishna (the “**Key Shareholders**”) and such agreement being in full force and effect; and

- (vi) approval being granted by the OTC Committee for the issue by the Company of (a) the Preferred Shares upon the exercise of the Warrants; and (b) the Conversion Shares upon the conversion of the Preferred Shares, in accordance with the terms and conditions set out in the Loan Agreement and the Deed Poll (the "**OTC Approval**"), and the OTC Approval not having been revoked or amended, and if the OTC Approval is granted subject to conditions, such conditions being satisfied or waived by the OTC Committee.

If the conditions precedent are not fulfilled or waived by MediaRing within a period of two months from the date of the Loan Agreement, (i) the Loan Agreement will *ipso facto* cease and determine and (ii) MediaRing will be entitled to demand the immediate repayment in full any loans or advances granted by MediaRing to the Company before the Disbursement Date.

- 2.6 **Appointment of Director:** Under the terms of the Loan Agreement, MediaRing shall have the right to appoint one (1) director to the Board of Directors of the Company at its absolute discretion.
- 2.7 **The Deed Poll:** Under the terms of the Deed Poll, the Company will issue the Warrants free from all encumbrances, at no cost, to MediaRing.

Each Warrant shall entitle the warrant holder to subscribe for one (1) Preferred Share at any time and from time to time during the exercise period (the "**Exercise Period**"). The Exercise Period will commence on and include the date of issue of the Warrants and shall expire on the earliest of (a) the date on which all the Warrants issued have been fully exercised into Preferred Shares, (b) the fifth (5th) anniversary of the date of issue of the Warrants and (c) (where MediaRing issues a written notice (the "**Written Notice**") to the Company pursuant to the Loan Agreement, to inform the Company that it does not intend to exercise any Warrants after the third (3rd) anniversary of the Disbursement Date), the date on which the Written Notice is issued by MediaRing to the Company.

The exercise price for each Preferred Shares shall be S\$0.41 (the "**Exercise Price**"). The Exercise Price and the number of Warrants will be subject to adjustments under certain circumstances in accordance with the terms of the Deed Poll.

Each Preferred Share shall be convertible, at the sole and absolute discretion of the relevant holder of the Preferred Shares, at any time and from time to time into new ordinary shares in the capital of the Company ("**Conversion Shares**"). Each Preferred Share shall initially be convertible into one (1) Conversion Share at no cost or consideration. The Conversion Shares will be subject to adjustments under certain circumstances in accordance with the terms of the Deed Poll. The Conversion Shares issued upon the conversion of the Preferred Shares shall rank *pari passu* in all respects with all existing ordinary shares (including receipt of dividends) in the capital of the Company.

2.8 **The Key Shareholders Agreement:** Pursuant to the Loan Agreement, the Company will also execute the Key Shareholders Agreement. Some of the main terms of the Key Shareholders Agreement are as follows:

2.8.1 **Moratorium and Co-Sale Rights:** Tan Kum Wah Clarence undertakes to MediaRing that during a 3-year period, he will not, without the prior written consent of MediaRing, sell, transfer or otherwise dispose of his shares in the Company, if immediately following such sale, transfer or disposal (whether in a single transaction or pursuant to a series of transactions), he would beneficially hold less than 75% of his shareholding in the Company.

Tan Kum Wah Clarence further undertakes to MediaRing and its subsidiaries ("**MediaRing Group Companies**") that in the event that he sells, transfers or dispose of or intends to sell, transfer or dispose of any of his ordinary shares in the Company which would result in him holding less than 75% of his shareholding in the Company, the MediaRing Group Company(ies) shall be entitled, but not obliged, to co-sell their Preferred Shares or Conversion Shares, as the case may be.

The other Key Shareholders, Rita Agarwal and Garg Hari Krishna, will provide moratorium undertakings on such terms as may be agreed between them and MediaRing.

2.8.2 **Right of first refusal:** Tan Kum Wah Clarence shall not sell, transfer or in any way dispose of his shares in the Company without first offering such shares to MediaRing.

Further, the Company undertakes that MediaRing shall have the right of first refusal with respect to any issue of shares, securities or convertible instruments (other than any issue of shares, securities or convertible instruments by way of rights issue) by the Company, subject to the terms of the Key Shareholders Agreement.

2.8.3 **Right to participate in Rights Issues of the Company:** The Company undertakes that if and whenever the Company undertakes any rights issue of securities, it shall grant each registered holder of the Warrants and the Preferred Shares the right to participate in such rights issue subject to the terms of the Key Shareholders Agreement.

2.9 **Priority for Admission of Conversion Shares to OTC**

Under the terms of the Loan Agreement, the Company shall, and shall procure that its Directors shall, at all times give MediaRing the first priority over all other persons to have the Conversion Shares admitted to, quoted on and tradeable on the OTC.

### **3. About the Company**

GlobalRoam Group Limited is a group of companies which provides innovative infocomm services. The group's objective is to connect people across diverse media, transcending barriers created by technology across different platforms. With its patent-pending technology, this includes bridging the mobile world to the online world, at convenience and cost savings to end-users. The Company collaborates with telecommunication companies and service providers in reaching out to new markets. Headquarter of the Company is situated in Singapore with data centers in Singapore and United States of America. GlobalRoam Group Limited is the first OTC-quoted company in Singapore. For more details, visit our website at [www.globalroam.com](http://www.globalroam.com).

### **4. Responsibility Statement**

The Directors (including those who may have delegated detailed supervision of the preparation of this announcement) have taken all reasonable care to ensure that the facts stated in this announcement are fair and accurate and that no material facts have been omitted from this announcement, and they jointly and severally accept responsibility accordingly.

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