



CAUTIONARY ANNOUNCEMENT

The Board of Directors of Caudan Development Limited (the “Company”) wishes to inform the shareholders of the Company and the public at large that on 12th May 2016, it has, subject to the approval of the regulatory authorities and of the shareholders at a forthcoming special meeting, decided the following:

- To adopt a new constitution in place of the Memorandum and Articles of Association of the Company;
- To propose a bonus issue of 180,480,000 new ordinary shares in the proportion of 0.22 new ordinary share (rounded to 2 decimal place) for each ordinary share held and thereafter,
- To propose a rights issue of 1,000,000,000 new ordinary shares in the proportion of one new ordinary share for each ordinary share held after the bonus issue, at a price of MRe1.00 per share.

Further details and the relevant dates will be notified to the shareholders once the aforementioned formalities have been completed.

Shareholders and the investing public are therefore advised to exercise caution when dealing in the Company’s shares and will be kept informed of any further developments.

By order of the board

Jocelyne Martin
Secretary
12th May 2016

*This cautionary announcement is issued pursuant to Listing Rules 11.3 and the Securities Act 2005.
The Board of Directors of Caudan Development Limited accepts full responsibility for the accuracy of the information contained in this cautionary announcement.*