

CHINA HONGCHENG HOLDINGS LIMITED
(Incorporated in Bermuda)
Company Registration Number: 39504
(the "**Company**")

**WAIVER OF RULES 707(1), 707(2) AND 705(2) OF THE LISTING MANUAL
ANNOUNCEMENT**

1. INTRODUCTION

The Board of Directors of the Company (the "**Board**") refers to the exit offer in cash by Capital Vantage Pte Limited (the "**Offeror**") to acquire all the ordinary shares in the capital of the Company ("**Shares**") held by all the shareholders ("**Shareholders**") pursuant to Rule 1306 read with Rule 1309 of the Listing Manual ("**Listing Manual**") of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") in connection with the notification issued by the SGX-ST ("**Delisting Notification**") and received by the Company on 2 September 2015 informing it that the SGX-ST will proceed to delist the Company (the "**Delisting**") pursuant to Rule 1315 of the Listing Manual (the "**Exit Offer**").

The Board also refers to the announcement dated 8 September 2016 by the Offeror whereby the Offeror announced its intention to compulsorily acquire all the remaining Shares of the Shareholders who have not accepted the Exit Offer prior to 5.30 p.m. on 9 September 2016 (Singapore time) (being the final closing date of the Exit Offer) (the "**Dissenting Shareholders**").

The Offeror had on 12 October 2016 despatched to the Dissenting Shareholders a notice regarding, *inter alia*, the exercise of its rights of compulsory acquisition pursuant to Section 102(1) of the Companies Act 1981 of Bermuda ("**Compulsory Acquisition**").

2. APPLICATION FOR WAIVER OF RULES 707(1), 707(2) AND 705(2) OF THE LISTING MANUAL

Pursuant to Rule 707(1) of the Listing Manual, the annual general meeting of the Company must be held by the end of October 2016.

Pursuant to Rule 707(2) of the Listing Manual, the Company must issue its annual report for the financial year ended 30 June 2016 to Shareholders and the SGX-ST at least 14 days before the date of its annual general meeting.

Pursuant to Rule 705(2) of the Listing Manual, the Company is required to announce its interim unaudited financial statements for the first quarter ended 30 September 2016 ("**1Q FY2017 Results**") immediately after the figures are available, but in any event not later than 45 days after the quarter end, being 14 November 2016.

The Company had on 11 October 2016 made an application (the "**Application**") to the SGX-ST for a waiver of compliance from the requirements of Rules 707(1), 707(2) and 705(2) of the Listing Manual (the "**Waiver**") for the following reasons:

- (a) As the Company will eventually be delisted pursuant to the Delisting, the issue of the annual report for the financial year ended 30 June 2016 and announcement of the 1Q FY2017 Results would not prove to be of much benefit to the minority Shareholders of the Company, and would incur unnecessary costs for the Company.

- (b) Further, all the Shares of the Dissenting Shareholders are to be compulsorily acquired by the Offeror and as the Company will only have a sole Shareholder in the Offeror after the completion of the Compulsory Acquisition exercise, the preparation of the annual report, the holding of an annual general meeting and the preparation of the 1Q FY2017 Results for announcement would result in unnecessary compliance costs, without serving much meaningful purpose.
- (c) No Shareholder will be prejudiced in any way should the Waiver be granted as trading in the Shares has already been suspended since 5.05 p.m. on 1 October 2015 pursuant to the Delisting Notification and will remain suspended until completion of the Compulsory Acquisition exercise and the Delisting.

3. NO OBJECTION LETTER FROM THE SGX-ST

The SGX-ST had on 17 October 2016 informed the Company that it has no objection to the Application for the Waiver, subject to the following:

- (a) the Company announcing the Waiver granted, the reasons for seeking the Waiver and the conditions as required under Rule 107 of the Listing Manual;
- (b) submission of a written confirmation to the SGX-ST from the Company that the Waiver does not contravene any laws and regulations governing the Company and the articles of association of the Company; and
- (c) submission of a written confirmation to the SGX-ST from the Company that it is not aware of any information that will have the material bearing on investors' decision which has yet to be announced by the Company.

The Company had on 12 October 2016 submitted the relevant written confirmations referred to in paragraphs (b) and (c) above to the SGX-ST.

As such, the Company will not be holding its annual general meeting and issuing its annual report for the financial year ended 30 June 2016, and announcing its 1Q FY2017 Results.

This Announcement is made in compliance with Rule 107 of the Listing Manual.

4. DELISTING

Upon the completion of the Compulsory Acquisition, the Company will become a wholly-owned subsidiary of the Offeror and will be delisted from the Official List of the SGX-ST. The date and time of the Delisting will be announced in due course.

BY ORDER OF THE BOARD
CHINA HONGCHENG HOLDINGS LIMITED

Bob Low Siew Sie
Lead Independent Director

18 October 2016