

# VGO CORPORATION LIMITED

Incorporated in the Republic of Singapore  
Company Registration No. 199301388D

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## PROPOSED ACQUISITION OF THE ENTIRE ISSUED AND PAID UP SHARE CAPITAL OF SKY WIN MANAGEMENT CONSULTANCY PTE LTD

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### – WAIVER FROM RULES 1015(1)(A)(II) AND 1015(4)(A) OF THE CATALIST RULES IN RESPECT OF DISCLOSURE OF PRO FORMA FINANCIAL INFORMATION

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#### 1. INTRODUCTION

The board of directors (the “**Board**” or the “**Directors**”) of VGO Corporation Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the announcement dated 6 June 2016 (the “**Previous Announcement**”) in relation to the proposed acquisition of the entire issued and paid up share capital of Sky Win Management Consultancy Pte Ltd. Unless otherwise defined herein, all capitalised terms and references have the same meaning as set out in the Previous Announcement.

In connection with the Proposed Acquisition, the Company will be seeking Shareholders’ approval for the proposed transfer of the listing of the Shares from the Main Board to the Catalist of SGX-ST (“**Proposed Transfer**”). Upon completion of the Proposed Transactions (as defined below), the Company shall be listed on Catalist of SGX-ST. Collectively, the Proposed Acquisition, Proposed Disposal and Proposed Capital Reduction are defined as Proposed Transactions.

#### 2. DISCLOSURE REQUIREMENTS

Under Rules 1015(1)(a)(ii) and 1015(4)(a) of the Listing Manual, Section B: Rules of Catalist (the “**Catalist Rules**”), the Company is required to disclose the following:

- (a) last two (2) years of historical financial information of the assets to be acquired and one (1) year of pro forma financial information (of the enlarged group);
- (b) information required by Rules 407, 416, 1010, 1011, 1012, 1013 and Part XII of Chapter 4 of the Catalist Rules, where applicable.

Rule 407 of the Catalist Rules requires compliance with Parts II and XI of the Fifth Schedule, Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 (the “**Fifth Schedule**”). Under the Fifth Schedule, pro forma financial statements are required for the most recently completed financial year and the period covered by interim financial statements, if any, where the Company has, during such period:

- (a) acquired or disposed of any assets or any entity, business or business trust (other than a common control entity, common control business or common control business trust); or
- (b) entered into any agreement to acquire or dispose of any asset or any entity, business or business trust (whether or not that entity, business or business trust is a common control entity, common control business or common control business trust),

and the net book value or absolute amount of profit or loss before tax of such asset, entity, business or business trust exceeds the prescribed thresholds under the Fifth Schedule.

### 3. APPLICATION FOR WAIVER

The Company applied to the SGX-ST for a waiver from Rules 1015(1)(a)(ii) and 1015(4)(a) of the Catalist Rules in respect of disclosure of pro forma financial information of the enlarged group after the completion of the Proposed Acquisition (the “**Enlarged Group**”) with the reasons as set out below.

#### Business and assets of Enlarged Group wholly that of the Target Group

Upon completion of the Proposed Acquisition, the business of the Company will comprise wholly of the business of the Target Group. The approval of the resolutions in relation to the Proposed Acquisition and Proposed Capital Reduction shall be conditional upon approval being obtained from Shareholders in relation to the Proposed Disposal.

As such, the operations and financial position of the existing Group are not relevant to and will not form part of the operations and financial position of the Enlarged Group. Post Completion, the Enlarged Group’s business and assets will comprise only the business and assets of the Target Group.

The Company believes that it would be reasonable for the Shareholders to only consider the business of the Target Group moving forward instead of business and financial position of the existing Group. The audited financial information of the Target Group for the latest three financial years and unaudited financial information for any interim financial period (if applicable), will be prepared in accordance with the Singapore Financial Reporting Standards for inclusion in the circular to be despatched to Shareholders in accordance with the requirements of the Catalist Rules.

#### Cost of preparation and reporting pro forma financial information outweighs benefit to Shareholders

In light of the Proposed Disposal and the Proposed Capital Reduction and that the audited financial information of the Target Group would adequately reflect the financial position of the Company upon Completion; the Company is of the view that the cost of preparation and reporting the pro forma financial information on the Enlarged Group outweighs the benefits to its Shareholders. Furthermore, combining the financial information of the existing Group with the financial information of the Target Group to arrive at the pro forma financial information of the Enlarged Group will be purely theoretical and illustrative in nature, and will not be reflective of the Enlarged Group’s financial position and results upon Completion.

Accordingly, the Company is of the view that the exclusion of the pro forma financial information of the Enlarged Group would not be prejudicial to the Shareholders.

#### Financial performance and position of existing Group

Shareholders would already be familiar with the historical financial performance and position of the existing Group and could refer to the Group’s annual reports and periodic financial results announcements. The annual report of the Group for the financial year ended 31 March 2016 has been released on 14 July 2016. The net assets value of the Group and the Company as at 31 March 2016 was approximately S\$1.2 million and S\$0.3 million respectively.

#### **4. GRANT OF WAIVER**

The Board wishes to announce that on 16 August 2016, SGX-ST granted the waiver sought and indicated that the SGX-ST has no object to granting the Company a waiver from Rules 1015(1)(a)(ii) and 1015(4)(a) of the Catalist Rules in respect of disclosure of pro forma financial information of the Enlarged Group, subject to:

- (a) the Company announcing the waiver granted, stating the reasons for seeking the waiver as required under Rule 106 of the Catalist Rules, and that the Company and/or its Board of Directors are not aware of any other material information in respect of the Company and the Proposed Acquisition which was not formerly disclosed to the investors;
- (b) the disclosure of the waiver granted and bases for seeking the waiver in the circular to shareholders; and
- (c) submission of a written confirmation from the Company that the waiver does not contravene any laws and regulations governing the Company and the articles of association of the Company.

#### **5. FURTHER INFORMATION**

The Board of Directors are not aware of any other material information in respect of the Company and the Proposed Acquisition which has not been formerly disclosed to Shareholders and potential investors.

The Company will make the necessary follow-up announcements as and when required and/or as and when material developments arise in respect of the Proposed Acquisition.

#### **6. TRADING CAUTION**

**Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company as the Proposed Acquisition is subject to certain conditions and there is no certainty or assurance as at the date of this announcement that the Proposed Acquisition will be completed.**

**The Company will make the necessary announcements when there are further developments on the Proposed Acquisition. Shareholders and potential investors of the Company are advised to read this announcement and any further announcements by the Company carefully. In the event of any doubt, Shareholders and potential investors should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.**

By Order of the Board

Lotus Isabella Lim Mei Hua  
Company Secretary  
17 August 2016