ZAGRO ASIA LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 199406784D)

PROPOSED VOLUNTARY DELISTING OF ZAGRO ASIA LIMITED PURSUANT TO RULES 1307 AND 1309 OF THE SGX-ST LISTING MANUAL

– WAIVER OF RULE 705(1) OF THE SGX-ST LISTING MANUAL

Unless otherwise stated or the context otherwise requires, all capitalised terms used and not defined herein shall have the same meanings given to them in the Circular and the Exit Offer Letter.

1. INTRODUCTION

The board of directors (the "**Board**" or the "**Directors**") of Zagro Asia Limited (the "**Company**") refers to the Delisting and Exit Offer.

2. APPLICATION FOR WAIVER OF RULE 705(1) OF THE SGX-ST LISTING MANUAL

Under Rule 705(1) of the SGX-ST Listing Manual, the Company is required to announce its financial statements for the full financial year ended 31 December 2015 (the "**FY2015 Financial Results**") immediately after the figures are available, but in any event not later than 60 days after the end of the relevant financial year. Accordingly, the last day by which the Company must announce its FY2015 Financial Results is 29 February 2016 (the "**Deadline**").

The Company has, on 4 February 2016, applied to the SGX-ST for a waiver from Rule 705(1) of the SGX-ST Listing Manual (the "**Waiver**") based on the following main reasons:

(a) the Delisting Resolution was duly passed on 4 February 2016. Accordingly, all the Delisting Proposal Conditions are fulfilled and the Company will be delisted from the Official List of the SGX-ST;

(b) the trading in the Company's Shares has also been suspended since 9.00 a.m. on 12 February 2016 and neither Shareholders nor investors have been able to deal in the Shares on the SGX-ST with effect from 12 February 2016;

(c) the Offeror has on 18 February 2016 received valid acceptances in respect of more than 90% of all issued Shares in the Company and the Offeror is entitled to and will exercise its right of compulsory acquisition and make the Company its wholly-owned subsidiary. Also, acceptances of the Exit Offer are irrevocable. As such, no meaningful purposes would be served in releasing the full year results announcement and no Shareholders would be prejudiced by such results announcement not being released. Unnecessary time and compliance costs would be incurred for the Company; and

(d) the Exit Offer was made and the Delisting Resolution was duly passed by Shareholders and those Shareholder who have accepted the Exit Offer did so, based on whatever

information about the Group that was then available in the public domain as well as in the requisite documentation issued by the Offeror and the Company.

3. SGX-ST'S DECISION

The Board wishes to announce that the SGX-ST has on 24 February 2016 informed the Company that it has no objections to granting 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 of the SGX-ST;

(b) submission of a written confirmation from the Company that the Waiver does not contravene any laws and regulations governing the Company and the constitution of the Company; and

(c) submission of a written confirmation from the Company that it is not aware of any information that will have a material bearing on investors' decision which has yet to be announced by the Company.

4. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors of the Company (including those who have delegated detailed supervision of this announcement) have taken all reasonable care to ensure that the facts stated and opinions expressed in this announcement are fair and accurate and no material facts have been omitted from this announcement (the omission of which would render any statement in this announcement misleading in any material aspect), and they jointly and severally accept responsibility accordingly. Where any information has been extracted or reproduced from published or publicly available sources, the sole responsibility of the Directors of the Company has been to ensure, through reasonable enquiries, that such information has been accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this announcement.

BY ORDER OF THE BOARD

Chan Ying Lock
Lead Independent Director
25 February 2016