

FORESTT INVESTMENT PTE. LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No. 202109334E)

29 April 2021

To: The Shareholders of Neo Group Limited

Dear Shareholder,

COMPULSORY ACQUISITION OF SHARES IN NEO GROUP LIMITED (THE “COMPANY”) PURSUANT TO SECTION 215(1) OF THE COMPANIES ACT, CHAPTER 50 OF SINGAPORE (THE “COMPANIES ACT”) BY FORESTT INVESTMENT PTE. LTD. (THE “OFFEROR”) AND RIGHTS UNDER SECTION 215(3) OF THE COMPANIES ACT

1. INTRODUCTION

1.1 **Offer.** The Offeror refers to the offer document dated 13 April 2021 (the “**Offer Document**”) in respect of the voluntary conditional cash offer (the “**Offer**”) by United Overseas Bank Limited (“**UOB**”), for and on behalf of the Offeror, to acquire all the issued and paid-up ordinary shares in the capital of the Company (the “**Shares**”) in accordance with Rule 15 of The Singapore Code on Take-overs and Mergers.

Unless otherwise defined herein, capitalised terms used in this letter (the “**Letter**”) shall bear the same meaning as set out in the Offer Document.

If you (a) have already accepted the Offer in respect of all your Shares by completing and returning a valid Acceptance Form; (b) will accept the Offer in respect of all your Shares by completing and returning a valid Acceptance Form between the date of this Letter and 25 May 2021, being the Final Closing Date (as defined below); or (c) have already sold all your Shares on the SGX-ST prior to the date of this Letter, please disregard this Letter and the accompanying Form 57 and Form 58 (each as defined below).

1.2 **Acceptances as at 19 April 2021.** On 19 April 2021, UOB announced, for and on behalf of the Offeror, that as at 6.00 p.m. (Singapore time) on 19 April 2021, the Offeror had received valid acceptances of the Offer in respect of an aggregate of 134,329,871 Shares, representing approximately 91.16% of the total number of issued Shares¹. Accordingly, the Minimum Acceptance Condition of the Offer has been satisfied and the Offer has therefore become and was declared unconditional in all respects on 19 April 2021.

1.3 **Final Closing Date.** On 19 April 2021, UOB announced, for and on behalf of the Offeror, that in accordance with Rule 22.6 of the Code, as the Offer has become unconditional as to acceptances, the Offer will remain open for acceptance for not less than 14 days after the date on which it would have closed. Accordingly, the Closing Date for the Offer has been extended from 5.30 p.m. (Singapore time) on 11 May 2021 to 5.30 p.m. (Singapore time) on 25 May 2021 (the “**Final Closing Date**”). The Offer will **not** be open for acceptance beyond 5.30 p.m. (Singapore time) on the Final Closing Date. Acceptances received after 5.30 p.m. (Singapore time) on the Final Closing Date will be rejected.

¹ Unless otherwise stated, references in this Letter to the total number of issued Shares are based on 147,350,959 Shares in issue.

1.4 **Right of Compulsory Acquisition.** As the Offeror has received valid acceptances of the Offer in respect of not less than 90% of the total number of issued Shares (other than those already held by the Offeror, its related corporations or their respective nominees as at the date of the Offer and excluding any Shares held in treasury), the Offeror is entitled, and as stated in the Offer Document and as announced on 19 April 2021, intends, to exercise its right under Section 215(1) of the Companies Act to compulsorily acquire all the Shares of Shareholders who have not accepted the Offer (the “**Dissenting Shareholders**”), at a price equal to the Offer Price of S\$0.60 in cash for each Share and on the same terms as those offered under the Offer.

2. COMPULSORY ACQUISITION UNDER SECTION 215(1) OF THE COMPANIES ACT

2.1 **Dissenting Shareholder.** According to the records maintained by The Central Depository (Pte) Limited (“**CDP**”) and/or Boardroom Corporate & Advisory Services Pte. Ltd. (the “**Share Registrar**”), as the case may be, as at 6.00 p.m. (Singapore time) on 27 April 2021, you have not accepted the Offer in respect of your Shares. Accordingly, the Offeror is writing to inform you that the Offeror wishes to exercise its right of compulsory acquisition under Section 215(1) of the Companies Act to acquire all your Shares (the “**Acquired Shares**”) at a consideration of S\$0.60 in cash for each Acquired Share (the “**Consideration**”) and on the same terms as those offered under the Offer. We enclose, for this purpose, a Notice to Dissenting Shareholder in the form prescribed under the Companies Act (“**Form 57**”).

2.2 **Compulsory Acquisition.** The Offeror will exercise its right of compulsory acquisition to acquire the Acquired Shares on or after 30 May 2021 (the “**Exercise Date**”), being the day after the expiration of one (1) month after the date on which the Form 57 is given to you subject to and on the terms set out in the enclosed Form 57 and the provisions of Section 215(4) of the Companies Act.

2.3 **Registration of Transfer.** On or after the Exercise Date, the Offeror will, *inter alia*, pay to the Company the Consideration for the Acquired Shares. Upon, *inter alia*, payment of the Consideration to the Company as aforesaid, the Company will cause all the Acquired Shares to be transferred to the Offeror and will register the Offeror as the holder of the Acquired Shares as soon as practicable. The Consideration will be credited by the Company into a separate bank account and held by the Company on trust for you.

2.4 **Settlement.** Subject to and in accordance with the provisions of Section 215(1) of the Companies Act and the terms set out in the enclosed Form 57, as soon as practicable after the Exercise Date:

- (a) if your Shares are held through a Securities Account maintained with CDP, CDP will, on behalf of the Company, despatch remittance via CDP’s Direct Crediting Service (“**DCS**”) to credit your cash distributions directly into your designated bank account for Singapore Dollars for the appropriate amount of the Consideration payable to you in respect of the Acquired Shares, or by such other manner as you may have agreed with CDP for the payment of any cash distributions; and
- (b) if your Shares are held in scrip form, the Share Registrar will, on behalf of the Company, despatch remittance in the form of a Singapore Dollar crossed cheque for the appropriate amount of the Consideration payable to you in respect of the Acquired Shares (or your designated agents, as you may direct) by ordinary post, at your own risk, to your address as it appears in the Register of Members of the Company, as maintained by the Share Registrar.

2.5 **No Action Needed.** No action needs to be taken by you in relation to Form 57 to effect the transfer of your Shares and to entitle you to payment for your Shares, which payment will be made to you in accordance with paragraphs 2.3 and 2.4 above.

3. RIGHTS UNDER SECTION 215(3) OF THE COMPANIES ACT

3.1 **Non-Assenting Shareholder.** Under Section 215(3) of the Companies Act, you have the right to require the Offeror to acquire your Shares. In connection therewith, a Notice to Non-Assenting Shareholder in the form prescribed under the Companies Act (“**Form 58**”) is enclosed with this Letter. Subject to and in accordance with Section 215 of the Companies Act, you may, within three (3) months from the giving of the Form 58 to you (that is, by 29 July 2021), require the Offeror to acquire your Shares, and the Offeror shall be entitled and bound to acquire your Shares at the Consideration and on the same terms as those offered under the Offer (or otherwise in accordance with Section 215(3) of the Companies Act).

3.2 **No Action Needed.** As the Offeror will be proceeding to compulsorily acquire your Shares on the terms set out in the enclosed Form 57 and as described in paragraph 2 above, **you need not take any action in relation to Form 58. Nevertheless, if you wish to exercise your right under Section 215(3) of the Companies Act or if you are in any doubt, you should seek your own independent legal advice.**

4. FREE FLOAT AND DELISTING

4.1 **Free Float Requirement.** Rule 723 of the Catalist Rules requires the Company to ensure that at least 10% of the Shares (excluding Shares held in treasury) is at all times held by the public (the “**Free Float Requirement**”). As announced by the Company on 19 April 2021, the percentage of Shares held by the public as at 6.00 p.m. (Singapore time) on 19 April 2021 is approximately 8.84% and is therefore less than the requisite 10% under the Free Float Requirement. As stated in the Offer Document, the Offeror intends to privatise the Company and does not intend to preserve the listing status of the Company, and does not intend to undertake or support any action for any trading suspension in the Shares to be lifted.

4.2 **Delisting of the Company.** Following the completion of the compulsory acquisition by the Offeror under Section 215(1) of the Companies Act, the Company will be a wholly-owned subsidiary of the Offeror and will be delisted from the SGX-ST. The date and time of the delisting of the Company from the SGX-ST will be announced by the Company in due course.

5. GENERAL

If you are in any doubt about any of the matters referred to in this Letter, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

If you have sold or otherwise transferred any or all of your Shares, please forward this Letter and the accompanying Form 57 and Form 58 immediately to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for onward transmission to the purchaser or transferee.

6. RESPONSIBILITY STATEMENT

The Directors of the Offeror (including those who may have delegated detailed supervision of this Letter) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Letter are fair and accurate and that no material facts have been omitted from this Letter, the omission of which would make any statement in this Letter misleading.

Where any information has been extracted or reproduced from published or otherwise publicly available sources (including, without limitation, information relating to the Company or the Group), the sole responsibility of the Directors of the Offeror has been to ensure, through reasonable enquiries, that such information is accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this Letter.

The Directors of the Offeror jointly and severally accept full responsibility accordingly.

Yours faithfully,
For and on behalf of
FORESTT INVESTMENT PTE. LTD.



Neo Kah Kiat
Director

Enclosed: Form 57 and Form 58