

DUKANG DISTILLERS HOLDINGS LIMITED
(Incorporated in Bermuda)
(Company Registration No. 41457)

**POSSIBLE DELISTING OF TAIWAN DEPOSITORY RECEIPTS ON TAIWAN STOCK EXCHANGE
FOLLOWING COMPLETION OF THE XINGNONG ACQUISITION AND THE DUKANG DISPOSAL**

1. INTRODUCTION

The Board of Directors ("**Board**") of Dukang Distillers Holdings Limited ("**Company**" and collectively with its subsidiaries and associated company, "**Current Group**") refers to (a) its previous announcements dated 17 November 2018, 15 November 2019, 8 June 2020, 30 June 2020, 9 December 2020, 30 March 2021, 1 April 2021, 4 May 2021, 6 May 2021 and 1 June 2021; and (b) the Company's circular lodged with the Singapore Exchange Securities Trading Limited ("**SGX-ST**") on 31 March 2021 ("**Circular**"), in relation to, *inter alia*, the proposed acquisition of Great Resolute Limited as a very substantial acquisition and an interested person transaction ("**Xingnong Acquisition**"), and the proposed disposal of Sea Will International Limited as a major transaction and an interested person transaction ("**Dukang Disposal**", together with the Xingnong Acquisition, the "**Proposed Transactions**").

Capitalised terms not defined herein shall bear the same meaning ascribed to them in the Circular.

2. POSSIBLE DELISTING OF TAIWAN DEPOSITORY RECEIPTS ON TAIWAN STOCK EXCHANGE FOLLOWING COMPLETION

- 2.1. The Board refers to Section 9.3(f) entitled "Risk Factors relating to the Restructured Group – Risks relating to the Company's listing on the Taiwan Stock Exchange" in the Circular, which states, *inter alia*, that according to Article 53.30 of the Operating Rules of the Taiwan Stock Exchange Corporation 台湾证券交易所股份有限公司业务规则 ("**TWSE Operating Rules**"), when the Company, a company with a secondary listing on the Taiwan Stock Exchange ("**TWSE**") transfers its shares in its subsidiary, resulting in a 25% or more decrease in its revenues or earnings, the Company is required to file an application to the TWSE ("**TWSE Application**") along with the required documents for the TWSE's review and inspection at least 30 business days before the effective date of such transfer to maintain its listing status on the TWSE, subject to (i) the pro forma operating revenue or operating income as stated in the pro forma consolidated financial statements audited by a Certified Public Accountant ("**CPA**"), excluding the assets to be transferred (i.e. operation divisions or equity investments), for each of the two (2) most recent accounting years, not recording a decrease of 50% or more as compared with the operating revenue or operating income of the Company as stated in the consolidated financial statements audited by a CPA in the same corresponding period; or (ii) the pro forma operating loss as stated in the pro forma consolidated financial statements audited by a CPA, excluding the assets to be transferred (i.e. operation divisions or equity investments), for each of the two (2) most recent accounting years, is no greater than the operating loss of the Company as stated in the consolidated financial statements audited by a CPA in the same corresponding period.
- 2.2. On 21 May 2021, the Company submitted the TWSE Application to the TWSE to seek its concurrence that the outstanding Taiwan Depository Receipts in respect of shares in the Company ("**TDRs**") (TWSE stock code: 911616) may remain listed on the TWSE following Completion of the Proposed Transactions.

- 2.3. In accordance with the conditions set out in the SGX-ST's approval-in-principle obtained by the Company on 31 March 2021 ("**AIP**") in relation to the Xingnong Acquisition, the Board wishes to update Shareholders that the Company received a letter on 10 June 2021 from the TWSE stating that the requirements under Article 53.30 of the TWSE Operating Rules for the maintenance of listing status of the TDRs on the TWSE will not be satisfied following Completion of the Proposed Transactions, and accordingly, the TDRs will be required to be delisted.
- 2.4. Notwithstanding the foregoing, the Board intends to continue to engage the TWSE in discussions with regard to the TWSE Application and the specific requirements in respect of the delisting of such TDRs, and will keep shareholders informed on any material developments, including the fulfilment or waiver of the conditions precedent in respect of the Xingnong Acquisition and the Dukang Disposal as disclosed in the Circular.
- 2.5. As at the Latest Practicable Date, there are 130,000,000 outstanding TDRs representing 13,000,000 Shares (representing approximately 16.3% of the issued share capital of the Company as at the Latest Practicable Date) in the Company.
- 2.6. Please refer to Section 9.3(f) entitled "Risk Factors relating to the Restructured Group – Risks relating to the Company's listing on the Taiwan Stock Exchange" of the Circular for further information.

3. CAUTIONARY STATEMENT

- 3.1. The AIP is not to be taken as an indication of the merits of the Xingnong Acquisition, the Company and/or its subsidiaries.
- 3.2. Shareholders and potential investors are advised to exercise caution when dealing in the Shares. The Proposed Transactions are subject to the fulfilment of conditions precedent under the Agreement. There is no certainty or assurance that the Proposed Transactions will be completed or that no changes will be made to the terms thereof. Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully. Shareholders and potential investors should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

By Order of the Board

Zhou Tao
CEO and Executive Chairman
15 June 2021