

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

- (1) **PROPOSED ACQUISITION OF GREAT RESOLUTE LIMITED AS A VERY SUBSTANTIAL ACQUISITION AND AN INTERESTED PERSON TRANSACTION;**
 - (2) **PROPOSED DISPOSAL OF SEA WILL INTERNATIONAL LIMITED AS A MAJOR TRANSACTION AND AN INTERESTED PERSON TRANSACTION;**
 - (3) **PROPOSED TRANSFER OF THE LISTING OF THE COMPANY FROM MAIN BOARD OF THE SGX-ST TO THE CATALIST FOLLOWING COMPLETION OF THE PROPOSED TRANSACTIONS**
- **SHAREHOLDERS' APPROVAL OBTAINED FOR THE PROPOSED TRANSACTIONS**
 - **COMPANY TO REMAIN LISTED ON THE MAIN BOARD OF THE SGX-ST**
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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 and 6 May 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. SHAREHOLDERS' APPROVAL FOR THE PROPOSED TRANSACTIONS

As announced by the Company on 6 May 2021, the Company has convened a special general meeting ("**SGM**") to obtain shareholders' approval for, *inter alia*, the Xingnong Acquisition and the Dukang Disposal, and during which 11 out of 13 resolutions were passed, including the Key Resolutions.

In this regard, the Board wishes to announce that the condition precedent under the Agreement for approval to be obtained at a special general meeting to be convened by the Company from the requisite majority of the independent shareholders for the Proposed Transactions has been met.

Special Resolution 2 and Completion

The special resolution in respect of the Proposed Listing Transfer ("**Special Resolution 2**") was not passed at the SGM. Accordingly, the ordinary resolution in respect of the authority to allot and issue Shares ("**Ordinary Resolution 11**"), which is subject to the passing of Special

Resolution 2, will not be passed. Shareholders should note that as mentioned in the Circular, the Key Resolutions in respect of the Proposed Transactions are not subject to Special Resolution 2. As the Key Resolutions were passed, and notwithstanding that Special Resolution 2 and Ordinary Resolution 11 were not passed at the SGM, the Company may, subject to fulfilment and/or waiver of the other remaining conditions precedent under the Agreement, proceed to complete the Proposed Transactions and will accordingly continue to be listed on the Main Board of the SGX-ST. In accordance with the conditions set out in the SGX-ST's approval-in-principle dated 31 March 2021 ("AIP"), the Company will appoint ZICO Capital Pte. Ltd. as its compliance adviser for a period of three (3) years following Completion.

Company remaining on the watch-list

As the Company will not be able to proceed with the proposed transfer of its listing status to the Catalist following Completion, it continues to remain on the watch-list pursuant to Rule 1311 of the Main Board Rules. Pursuant to Rule 1314 of the Main Board Rules, the Company will be assessed by the SGX-ST for removal from the watch-list if it records a consolidated pre-tax profit for the most recently completed financial year (based on the audited full year consolidated accounts) and an average daily market capitalisation of S\$40 million or more over the last six (6) months, within 36 months from 4 December 2019, failing which the SGX-ST would either delist the Company or suspend trading of the Company's shares with a view to delisting the Company.

The Company and the Board intend to take active steps to satisfy the abovementioned requirements. However, the Board wishes to highlight that there is no assurance that the Company will be successful in exiting the watch-list of the SGX-ST within the prescribed time period.

Please refer to Section 3.6 entitled "Rule 1015(2) of the Main Board Rules" and Section 14.2(a) entitled "Watch-List Requirements" of the Circular for further information.

3. FURTHER ANNOUNCEMENTS

The Company will release such further announcements and updates, in compliance with the requirements of the Listing Manual and the AIP, as and when appropriate.

4. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm, after making all reasonable enquiries, that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Transactions, the Company, the Current Group and the Dukang Group, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

5. CAUTIONARY STATEMENT

The AIP is not to be taken as an indication of the merits of the Xingnong Acquisition, the Company and/or its subsidiaries.

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. There is also no certainty that the Company will be successful in exiting the watch-list of the SGX-ST within the prescribed time period. In the event that the SGX-ST exercises its powers to remove the Company from its Official List at such time, any exit alternative offered by the Company may or may not be reasonable and shareholders of the Company may lose some or all of their investment in the Company.

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
6 May 2021