ACTION ASIA LIMITED
(Company Registration No. 200206715M)
(Incorporated in the Republic of Singapore)

PROPOSED VOLUNTARY DELISTING OF ACTION ASIA LIMITED – WAIVER OF RULE 705(2) OF THE LISTING MANUAL OF THE SGX-ST

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1. INTRODUCTION

The Board of Directors ("**Board**") of Action Asia Limited (the "**Company**") refers to:

(a) the circular dated 8 July 2015 (the "**Circular**") issued by the Company in relation to the proposed voluntary delisting of the Company from the Official List of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") pursuant to Rules 1307 and 1309 of the listing manual of the SGX-ST (the "**Delisting**");

(b) the announcement made by the Company on 31 July 2015 in relation to the results of the extraordinary general meeting of the Company held on 31 July 2015 ("**EGM**");

(c) the announcement made by the Company on 31 July 2015 in relation to, *inter alia*, the loss of public float and suspension of trading of the shares of the Company;

(d) the announcement made by SAC Capital Private Limited, for and on behalf of Almond Garden Corp. (the "**Offeror**") on 31 July 2015 in relation to, *inter alia*, the Exit Offer being declared unconditional in all respects; and

(e) the announcement made by the Company on 4 August 2015 in relation to the last day of trading and the date of suspension of trading of the shares of the Company.

All capitalised terms used and not defined herein shall have the same meanings given to them in the Circular, unless otherwise expressly stated or the context otherwise requires.

2. WAIVER OF RULE 705(2) OF THE LISTING MANUAL

Under Rule 705(2) of the Listing Manual, the Company is required to announce its second quarter unaudited financial statements for the period ended 30 June 2015 by 14 August 2015 ("**2Q2015 Financial Results**"). The Company had on 3 August 2015 applied to the SGX-ST for a waiver ("**Waiver**") from Rule 705(2) of the Listing Manual based on the reasons below:

(a) the Delisting Resolution was passed at the EGM held on 31 July 2015. Accordingly, the Delisting will take place after the close of the Exit Offer scheduled to take place on 14 August 2015 (or such later date(s) as may be announced from time to time by or on behalf of the Offeror);

(b) the aggregate percentage shareholding of the Company in the hands of public Shareholders had fallen to below 10% of the total number of issued shares of the Company (excluding treasury shares);

(c) the Offeror intends to make the Company its wholly-owned subsidiary and when entitled to, intends to exercise its right of compulsory acquisition under Section 215(1) of the Companies Act;

(d) minority shareholders will not be prejudiced in any way as trading in the Shares will likely be suspended before the deadline for the release of the Company's announcement in respect of its 2Q2015 Financial Results, and will remain suspended until the Company has been delisted;[1]

(e) the Company will be delisted; and

(f) the release of the 2Q2015 Financial Results by the Company would not prove to be of much benefit to the minority Shareholders and would incur unnecessary compliance costs for the Company.

3. SGX-ST CONFIRMATION

The Company has been informed by the SGX-ST, on 5 August 2015, that the SGX-ST has no objection to the application by the Company for 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;

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

The Company will be submitting the written confirmations sought by SGX-ST (as mentioned in paragraphs 3(b) and 3(c) above) in connection with the Waiver in due course.

BY ORDER OF THE BOARD

ACTION ASIA LIMITED

Li Yuan Chen @ Jack Li
Director

6 August 2015

[1] The last day of trading in the Shares on the SGX-ST was on 5 August 2015 and the trading of the Shares on SGX-ST was suspended with effect from 9.00 a.m. on 6 August 2015.