

VOLUNTARY CONDITIONAL CASH OFFER BY STIRLING COLEMAN CAPITAL LIMITED FOR AND ON BEHALF OF TIANLAN HOLDING PTE. LTD.

– RESULTS OF APPLICATION FOR DELISTING OF THE COMPANY AND WAIVER FROM COMPLIANCE WITH RULE 705(2)(E) OF THE LISTING MANUAL

1. INTRODUCTION

The Board of Directors (the “**Board**”) of China Jishan Holdings Limited (the “**Company**”) refers to:

- (a) the announcement (the “**Offer Announcement**”) dated 20 August 2020 in relation to the voluntary conditional cash offer (the “**Offer**”) made by Stirling Coleman Capital Limited (“**SCCL**”), for and on behalf of Tianlan Holding Pte. Ltd. (the “**Offeror**”), for all the issued ordinary shares in the capital of the Company;
- (b) the announcement dated 3 September 2020 made by SCCL, for and on behalf of the Offeror, in relation to the despatch of the formal offer document dated 3 September 2020 (the “**Offer Document**”) containing, *inter alia*, the terms and conditions the Offer, together with the accompanying relevant acceptance forms for the Offer;
- (c) the announcement dated 17 September 2020 made by the Company that the circular dated 17 September 2020 (the “**Offeree Circular**”) containing, *inter alia*, the advice of the independent financial adviser to the Independent Directors and the recommendation of the Independent Directors in respect of the Offer had been despatched by the Company to the Shareholders on 17 September 2020;
- (d) the announcement dated 24 September 2020 made by SCCL, for and on behalf of the Offeror, in relation to, *inter alia*, the Offer being declared unconditional in all respects on 24 September 2020, the Closing Date of the Offer being extended from 5.30 p.m. (Singapore time) on 1 October 2020 to 5.30 p.m. (Singapore time) on 15 October 2020, and the Offeror being entitled, and intends to exercise its right of compulsory acquisition under Section 215(1) of the Companies Act (the “**Compulsory Acquisition**”) to compulsorily acquire all the Shares of the Shareholders who have not accepted the Offer on the same terms as those offered under the Offer (the “**Offer Unconditional Announcement**”);
- (e) the announcement dated 25 September 2020 made by the Company in relation to, *inter alia*, the loss of the free float (the “**Loss of Free Float Announcement**”); and
- (f) the announcement dated 2 October 2020, made by SCCL, for and on behalf of the Offeror, in relation to, *inter alia*, the despatch of notices pursuant to Section 215(1) and Section 215(3) of the Companies Act, Chapter 50 of Singapore (the “**Despatch of Compulsory Acquisition Notices Announcement**”).

Unless otherwise defined, all capitalised terms used and not defined herein shall have the same meanings given to them in the Offeree Circular.

2. APPLICATION FOR DELISTING IN ACCORDANCE WITH RULE 1308 OF THE LISTING MAUNAL

Further to the Offer Unconditional Announcement, the Company had on 29 September 2020 made an application to the SGX-ST to seek approval for, *inter alia*, the Company to be delisted from the Official List of the SGX-ST (the "**Delisting**") in accordance with Rule 1308 of the Listing Manual upon completion of the Compulsory Acquisition, subject to finalisation of logistical arrangements with SGX-ST's issuer services department.

Pursuant to Rule 1308(1)(b) of the Listing Manual, Rules 1307 and 1309 do not apply to a delisting pursuant to an offer under the Singapore Code on Take-overs and Mergers provided that the offeror is exercising its right of compulsory acquisition.

As stated in the Offer Unconditional Announcement, as the Offeror has received valid acceptances in respect of such number of Shares which, when taken together with the Shares acquired or agreed to be acquired from the date of the Offer, is not less than 90% of the total number of Shares in issue (other than those already held by the Offeror, its related corporations or their respective nominees as at the date of the Offer, if any), the Offeror is entitled, and intends to exercise its right of compulsory acquisition under Section 215(1) of the Companies Act to compulsorily acquire all the Shares of the Shareholders who have not accepted the Offer on the same terms as those offered under the Offer. Accordingly, Rule 1308(1)(b) of the Listing Manual is applicable, and upon completion of the Compulsory Acquisition, the Company would be a wholly-owned subsidiary of the Offeror.

3. APPLICATION FOR WAIVER FROM RULE 705(2)(E) OF THE LISTING MANUAL

In view of the Offeror's intention to effect the Compulsory Acquisition and the intention to carry out the Delisting, the Company had on 29 September 2020 also applied to the SGX-ST for waiver from compliance with Rule 705(2)(e) of the Listing Manual.

Under Rule 705(2)(e) of the Listing Manual, an issuer must announce the financial statements for each of the first three quarters of its financial year (as set out in Appendix 7.2) immediately after the figures are available, but in any event not later than 45 days after the quarter end, if its auditors have stated that a material uncertainty relating to going concern exists in the issuer's latest financial statements.

In the case of the Company, pursuant to the notification letter (the "**Notification Letter**") dated 6 February 2020 from the SGX-ST, the Company is required to continue performing the quarterly reporting of its financial statements with effect from 7 February 2020 in view of the material uncertainty relating to going concern issued by the Company's statutory auditor in the Company's annual report for the financial year ended 31 December 2018. The Notification Letter further states that the Company can cease to do quarterly reporting if it is able to resolve the issues raised by the Company's statutory auditor in the next annual report and obtain an unqualified opinion without any material uncertainty relating to going concern.

As announced by the Company on 5 June 2020, the Company's independent auditors had included a Material Uncertainty Related to Going Concern section in their Independent Auditors' Report on the financial statements for the financial year ended 31 December 2019. Accordingly, as the third quarter of its financial year ends on 30 September 2020 ("**3Q2020**"), the Company would therefore be required to announce the 3Q2020 financial statements by 14 November 2020.

In view of the fact that the requisite 10% of the total number of issued Shares (excluding treasury shares) required to be held by the public under Rule 723 of the Listing Manual is no longer satisfied, and as stated in the Offer Unconditional Announcement, the Offeror had become entitled, and intends to exercise its right of Compulsory Acquisition, and the Offeror intends to delist and privatise the Company, the Company considers that it would not be meaningful to announce the 3Q2020 financial statements by 14 November 2020. This is especially so after taking into account the fact that the Compulsory Acquisition will, when completed, result in the Offeror becoming the sole shareholder of the Company.

4. THE SGX-ST'S RESPONSES ON THE APPLICATIONS

The Board wishes to announce that SGX-ST had in its letter dated 13 October 2020 informed the Company that based on the Company's submissions and representations to the SGX-ST, the SGX-ST has advised that it has no objection to (i) delisting of the Company from the Official List of the SGX-ST in accordance with Rule 1308 of the Listing Manual in connection with the proposed compulsory acquisition and delisting process (the "**Confirmation**"); and (ii) waiver from compliance with Rule 705(2)(e) of the Listing Manual (the "**Waiver**") subject to:

- (a) the Company making an immediate announcement of the Waiver and Confirmation granted, the reasons for seeking the Waiver and Confirmation, and the conditions as required under Listing Rule 107;
- (b) the Company making an immediate disclosure via SGXNet if it is / will be in contravention of any laws and regulations governing the Company and the constitution of the Company (or the equivalent in the Company's country of incorporation) arising from the Waiver; 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.

The SGX-ST further advised that the Company is required to make an immediate disclosure via SGXNet if it is / will be in contravention of any laws and regulations governing the Company and the constitution of the Company (or the equivalent in the Company's country of incorporation) arising from the Waiver.

The Company considers the condition described in sub-paragraph 4(a) above to be complied with, by the making of this announcement and the disclosure of the reasons for the Waiver and the Confirmation. The Company has also submitted a written confirmation to the SGX-ST as required under sub-paragraph 4(c) above.

Accordingly, the Company will not be announcing its financial statements in respect of 3Q2020 and will announce the date and time of the Delisting in due course.

5. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors (including those who may have delegated detailed supervision of this announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this announcement (excluding those relating to the Offer, the Offeror and parties acting in concert with it) are fair and accurate, and that no material facts have been omitted from this announcement, the omission of which would make any statement in this announcement misleading, and they jointly and severally accept full responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources (including, without limitation, the Offer Announcement, the Offer Document, and any other announcements made by or on behalf of the Offeror), the sole responsibility of the Directors 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

Xiao Ziliang
Executive Director/ Chief Executive Officer

13 October 2020