

UPDATES TO RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE (“RIGHTS ISSUE”)

1. INTRODUCTION

1.1 The board of directors (“**Board**”) of China Haida Ltd. (“**Company**”) refers to the announcements made by the Company on 28 June 2019 (“**Rights Issue Announcement**”), 3 July 2019 and 6 August 2019 relating to the Rights Issue and the announcement dated 18 November 2019 in relation to the receipt by the Company of a response letter from the SGX-ST (“**SGX Response Letter**”) advising that the SGX-ST is unable to accede to the Company’s request for the Catalyst Transfer, which is inter-conditional with the additional listing application for the listing and quotation for the Rights Shares on the Official List of the SGX-ST.

1.2 Unless otherwise defined, all capitalised terms used in this announcement shall bear the same meanings as ascribed to them in the Rights Issue Announcement.

2. UPDATES TO RIGHTS ISSUE

2.1 In view of the SGX Response Letter, the Company will not be proceeding with the Catalyst Transfer. Notwithstanding this, the Company and the Investor have agreed to proceed with the Rights Issue, which will no longer be inter-conditional on the Catalyst Transfer.

2.2 Entry into Supplemental Deeds of Renunciation and Supplemental Deed of Subscription

(a) China Delta and the China Delta Shareholders, LSW, the Forbury Shareholder and Forbury have separately given supplemental deeds to the Deeds of Renunciation (“**Supplemental Deeds of Renunciation**”) in favour of the Investor, the Company and CIMB, pursuant to which they have confirmed that their undertakings given in their respective Deeds of Renunciation shall continue in full force and effect.

(b) The Investor has also executed a supplemental deed to the Deed of Subscription (“**Supplemental Deed of Subscription**”) in favour of China Delta, LSW, Forbury, the Company and CIMB, pursuant to which he has confirmed that his undertakings given in the Deed of Subscription shall continue in full force and effect.

2.3 Additional Condition Precedent to Rights Issue

The Rights Issue will additionally be conditional upon the Company making a successful application to the SGX-ST for an extension of one (1) year for the Company to exit the SGX-ST MTP Watchlist (i.e. by 4 June 2021) (“**Extension**”).

Accordingly, the Rights Issue will be subject to, *inter alia*, the following:

(a) the in-principle approval of the SGX-ST for the listing of and quotation for the Rights Shares on the SGX-ST;

(b) the in-principle approval of the SGX-ST for the Extension;

(c) the SIC having granted the Whitewash Waiver and such waiver not having been withdrawn or revoked up to the date of completion of the Rights Issue, unless waived by the Investor;

- (d) the approval of the Shareholders for the Rights Issue at the EGM to be convened (including the approval for the transfer of controlling interest in the Company to the Investor upon completion of the Rights Issue);
- (e) the Whitewash Resolution being approved by the Independent Shareholders at the EGM, unless waived by the Investor; and
- (f) the lodgement, by the Company, of the Offer Information Statement, together with all other accompanying documents (if applicable) in respect of the Rights Issue, with the Authority.

The Company will be applying to the SGX-ST to seek its in-principle approval for the listing of and quotation for the Rights Shares on the SGX-ST and the Extension.

The Company will also be applying to the SIC to seek an extension of time under the SIC Waiver (as defined in the announcement made by the Company on 6 August 2019 in relation to the receipt of SIC Waiver) to obtain approval of the Whitewash Resolution and to complete the subscription of the Rights Shares by the Investor.

2.4 Compliance Placement

In the event of the Minimum Scenario, the percentage of the enlarged share capital of the Company held in the hands of the public will be approximately 13.7% on completion of the Rights Issue. In such event, as the Company will not be proceeding with the Catalist Transfer, the Company will not fall short of the public float requirement under Rule 723 of the Listing Manual of the SGX-ST, which requires at least 10% of the total number of Shares (excluding treasury Shares) to be held in public hands. Accordingly, the Company does not intend to undertake a compliance placement after the completion of the Rights Issue.

- 2.5 Save for the abovementioned updates in this announcement, the terms of the Rights Issue as set out in the Rights Issue Announcement remain unchanged in all other respects.

3. CAUTIONARY STATEMENT

Shareholders and potential investors are advised to exercise caution when dealing or trading in the Shares as there is no certainty or assurance that the Rights Issue will be completed or that no changes will be made to the terms thereof. Shareholders and potential investors are also advised to read this announcement and any further announcements by the Company carefully, and where in doubt as to the action that they should take, they should consult their financial, tax, legal or other professional adviser(s) immediately.

BY ORDER OF THE BOARD
CHINA HAIDA LTD.

Guo Yun
Executive Director
22 November 2019