ZIWO HOLDINGS LTD.
(Company Registration No. 200800853Z)
(Incorporated in Singapore)

PROPOSED ACQUISITION OF 45% OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF ESTAR INVESTMENTS PTE. LTD.

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1. INTRODUCTION

The board of directors (the "**Board**") of Ziwo Holdings Ltd. (the "**Company**", and together with its subsidiaries, collectively the "**Group**") wishes to announce that the Company has on 08 December 2016 entered into a sale and purchase agreement ("**Agreement**") with Mr Koo Ah Seang ("**Vendor**") to acquire 315,000 ordinary shares representing 45% of the entire issued and paid-up share capital of Estar Investments Pte. Ltd. ("**Target Company**") ("**Sale Shares**") from the Vendor ("**Proposed Acquisition**").

2. INFORMATION ON THE TARGET COMPANY

The Target Company is a private company incorporated in Singapore on 15 August 2016, and is principally engaged in the business of operations of electric vehicles ("**EV**") charging equipment and provision of back-end operation solution for both types of direct current and alternate current EV electric charger. As at the date of this announcement, the Target Company has an issued and paid-up share capital of S$700,000 comprising 700,000 ordinary shares. The Vendor is a director and the registered owner of the entire issued and paid-up share capital of the Target Company.

The Target Company owns 84% of Beijing E-Star Electric Technology Co. Ltd. ("**Beijing E-Star**") together with the Target Company, the "**Target Group**") through a wholly foreign owned entity (WFOE) called 威海新能源管理咨询有限公. Beijing E-Star is an innovative company incorporated in the Peoples' Republic of China in 2014. It is primarily engaged in the provision of high quality charging equipment for EVs. It is also involved in providing integrated solutions for the operation of EV charging in public and private car parks, developing related proprietary products and franchise models for EV charging operations. The Target Company, therefore, owns 100% of the WFOE and the WFOE owns 84% of Beijing E-Star. The remaining 16% is owned by William Zheng, the Chief Technology Officer of Beijing E-Star.

Beijing E-Star was founded in 2014 by Mr. Tay Wee Kwang and Mr. William Zheng, both of whom are electronic and electrical engineers, respectively, with extensive experience in product design and development.

3. RATIONALE FOR THE PROPOSED ACQUISITION

The Proposed Acquisition is in line with the Group's strategic plans and ongoing efforts to diversify its business so as to enhance shareholder value in the long term. The Group intends to invest in the EV charging business of the Target Group as it will allow the Group to venture into the business of EV charging, which the Group believes has great potential for growth.

4. CONSIDERATION

The consideration for the acquisition of the Sale Shares ("**Consideration**") is One Million and Two Hundred Thousand Singapore Dollars (S$1,200,000) and is to be satisfied by way of an issuance and allotment by the Company to the Vendor and/or his nominees on completion of an aggregate of 63,800,000 issued and paid-up ordinary shares in the capital of the Company ("**Shares**"), credited as fully paid ("**Consideration Shares**"), at an issue price of S$0.019 per Consideration Share ("**Issue Price**"), which is a premium of approximately 5.55% to the volume weighted average price for trades done for the Shares on the SGX-ST on the last full market day on which Shares were traded prior to the date of the Agreement.

The Consideration was arrived at after arm's length negotiations between the Company and the Vendor, based on a valuation done by 北京中金浩资产评估有限责任公司 ("**Valuer**"). The valuation accorded by the Valuer for 100% of Beijing E-Star was approximately S$2.5 million as set out in a valuation report dated 26 April 2016.

5. MATERIAL CONDITIONS OF THE AGREEMENT

Completion of the Proposed Acquisition is subject to the satisfaction of the following conditions:

(a) the resolution of the board of directors of the Company having been obtained for the entry into and completion of, the transactions contemplated to be entered into in the Agreement;

(b) all due diligence carried out by the Company being satisfactory in its sole discretion, and the Vendor furnishing or procuring all information and documents as may be required by the Company in this connection;

(c) no requirement shall be required under the rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and or any applicable laws to subject the completion of the Agreement and the allotment and issue of the Consideration Shares to approval of the shareholders of the Company at a general meeting;

(d) the resolution of the board of directors of the Target Company having been obtained for the completion of the transactions contemplated to be entered into in the Agreement;

(e) all approvals, confirmations, authorisations, registrations, licences, waivers and/or consents (whether governmental, corporate or otherwise or from financial institutions or any third parties) which are necessary to be obtained in respect of or in connection with the transfer of the Sale Shares being granted or obtained, and the same remaining in full force and effect and not being withdrawn or amended on or before completion, and to the extent that such approvals, confirmations, authorisations, registrations, licences, waivers and/or consents are subject to any conditions required to be fulfilled before completion, all such conditions having been duly so fulfilled;

(f) the receipt by the Company of an in-principal approval in writing given by the SGX-ST for the listing and quotation of the Consideration Shares, and where there are any conditions stipulated in such approval, they are reasonably acceptable to the Company and the Vendor and if required to be fulfilled prior to completion, they are so fulfilled;

(g) the Vendor and Company not having received notice of any injunction or other order, directive or notice restraining or prohibiting the consummation of the transactions contemplated by the Agreement, and there being no action seeking to restrain or prohibit the consummation thereof, or seeking damages in connection therewith, which is pending or any such injunction, other order or action which is threatened;

(h) each of the representations, undertakings and warranties of the Vendor under the Agreement remaining true and not misleading in any respect as at completion, as if repeated as at completion and at all times between the date of the Agreement and as at completion; and

(i) there being no material adverse changes to the financial condition or operations of the Target Group.

6. VALUATION OF THE SALE SHARES

Based on the Target Company's unaudited financial statements as at 30 September 2016, the net book value of the Target Group is approximately S$2.7 million.

7. NET LOSS ATTRIBUTABLE TO THE SALE SHARES

Based on the Target Company's unaudited financial statements as at 30 September 2016, the net loss of the Target Group is approximately S$105,000.

8. ISSUE OF CONSIDERATION SHARES AS PAYMENT FOR THE PROPOSED ACQUISITION

The Consideration Shares to be issued in payment for the Consideration will be issued under the authority of the share issue mandate granted by shareholders at the Company's annual general meeting on 30 May 2016.
The Issue Price for each Consideration Share is at a premium of approximately 5.55% to the weighted average price for trades done for the Shares on the SGX-ST on the last full market day on which Shares were traded prior to the date of the Agreement.

Based on the Issue Price, a total of 63,800,000 Consideration Shares will be issued to the Vendor and/or his nominees on Completion. The Vendor has disclosed to the Company that he holds 66.6% of the shares in the Target Company on trust for Mr. Tay Wee Kwang, founder of Beijing E-Star, and 4.8% of the shares in the Target Company on trust for Eesti Global Pte Ltd., and that accordingly the Consideration Shares, or part thereof, shall be issued to these parties on completion of the Proposed Acquisition in proportions to be agreed among the parties. Eesti Global Pte. Ltd. is a private company incorporated in Singapore, in which Mr. Tay Wee Kwang has 14.29% shareholding interest.

None of the Vendor, Mr. Tay Wee Kwang or Eesti Global Pte Ltd currently holds any shares in the Company or are persons restricted under Rule 812 of the Listing Manual of the SGX-ST (the "**Listing Manual**").

The issue of the Consideration Shares will not result in the transfer of a controlling interest in the Company in accordance with Rule 803 of the Listing Manual.

9. FINANCIAL EFFECTS OF THE PROPOSED ACQUISITION

The financial effects of the Proposed Acquisition on the net tangible asset ("**NTA**") per Share and earnings per Share ("**EPS**") of the Group as set out below are strictly for illustrative purposes and do not necessarily reflect the actual financial position and results of the Group following the completion of the Proposed Acquisition. The financial effects of the Proposed Acquisition are computed based on the Group's audited financial statements for the financial year ended 31 December 2015 ("**FY2015**").

(a) NTA per Share

Assuming that the Proposed Acquisition had been completed on 31 December 2015, the effects of the Proposed Acquisition on the NTA per Share of the Group as at 31 December 2015, based on the Group's audited financial statements for FY2015 would be as follows:

	Before the Proposed Acquisition	**After the Proposed Acquisition**
NTA (RMB'000)	192,195	193,407
Number of Shares ('000)	373,717	437,517
NTA per Share (RMB cents)	51.43	44.21

(b) EPS

Assuming that the Proposed Acquisition had been completed on 1 January 2015, the effects of the Proposed Acquisition on the EPS of the Group, based on the Group's audited financial statements for FY2015 would be as follows:

	Before the Proposed Acquisition	**After the Proposed Acquisition**
Loss attributable to the shareholders of the Company (RMB'000)	281,753	281,981[1]
Weighted average number of Shares ('000)	373,717	437,517
Loss per share (RMB cents)	75.39	64.45

[1] After taking into account the unaudited net loss before income tax, minority interest and extraordinary items attributable to the Sale Shares for the nine months ended 30 September 2016 of approximately S$105,000, based on an exchange rate of S$1.00 to RMB4.82

(c) Financial Effects on the issued share capital

When issued, the Consideration Shares will number 63,800,000 new ordinary shares and will represent approximately 17.07% of the 373,717,184 Shares in issue as at the date of this announcement, and approximately 14.58% of the 437,517,184 Shares in the capital of the Company following completion of the issuance of the Consideration Shares.

10. RELATIVE FIGURES UNDER RULE 1006 OF THE LISTING MANUAL

The relative figures computed on the bases set out in Rule 1006 of the Listing Manual in respect of the Proposed Acquisition, based on the Group's unaudited financial statements for the period ended 30 September 2016 are as follows:

	Relative Figure
Rule 1006(a) The net asset value of the assets to be disposed of, compared with the Group's net asset value. This basis is not applicable to an acquisition of assets.	Not applicable.
Rule 1006(b) The net loss attributable to the Proposed Acquisition, compared with the Group's net loss.	1.65%[(2)]
Rule 1006(c) The aggregate value of the consideration given for the Proposed Acquisition, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares.	16.90%[(3)]
Rule 1006(d) The number of equity securities issued by the Company as consideration for the Proposed Acquisition, compared with the number of equity securities previously in issue.	17.07%
Rule 1006(e) The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets.	Not applicable.

[(2)]The unaudited net loss before income tax, minority interest and extraordinary items attributable to the Sale Shares for the nine months ended 30 September 2016 is approximately S$105,000, based on the exchange rate of S$1.00 to RMB4.82. The unaudited net loss before income tax, minority interest and extraordinary items of the Group for the nine months ended 30 September 2016 is approximately RMB30,592,000

(3) Market capitalisation" is determined by multiplying the number of shares of the Company in issue by the weighted average price of such shares transacted on 30 November 2016.

As the relative figure computed under Rule 1006(d) exceeds 5% but does not exceed 20%, the Proposed Acquisition constitutes a discloseable transaction pursuant to Rule 1010 of the Listing Manual.

11. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

As at the date of this announcement, none of the directors ("**Directors**") or controlling shareholders of the Company has any interest, direct or indirect, in the Proposed Acquisition (other than through their respective shareholdings in the Company).

12. SERVICE AGREEMENTS

No person is proposed to be appointed as a director of the Company in connection with the Proposed Acquisition. Accordingly, no service contract is proposed to be entered into between the Company and any such person.

13. DOCUMENTS FOR INSPECTION

A copy of the Agreement is available for inspection at the Company's registered office at 6 Battery Road #10-01, Singapore 049909, for a period of three (3) months from the date of this announcement.

14. 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 Acquisition, the Company and its subsidiaries, 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.

BY ORDER OF THE BOARD

Ting Chun Yuen
Executive Chairman and Chief Executive Officer
09 December 2016