

**DELISTING**  
**- (1) WAIVER OF RULE 1307 OF THE CATALIST RULES, (2) CONFIRMATION OF COMPLIANCE WITH RULE 1308 OF THE CATALIST RULES, AND (3) WAIVER OF RULE 707(2) OF THE CATALIST RULES**

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**1. INTRODUCTION**

The board of directors ("**Board**" or "**Directors**") of DeClout Limited ("**Company**") refers to its announcements dated 7 January 2019, 10 January 2019, 21 January 2019, 1 February 2019, 1 March 2019 and 4 March 2019 and the Company's circular dated 1 February 2019 in relation to the voluntary conditional cash offer ("**Offer**") made by KPMG Corporate Finance Pte Ltd, for and on behalf of Exeo Global Pte. Ltd. ("**Offeror**"), for all the issued and paid-up ordinary shares (excluding issued and paid-up ordinary shares held by the Company as treasury shares) in the capital of the Company, other than those shares held, directly or indirectly, by the Offeror as at the date of the Offer.

All capitalized terms used herein, unless otherwise defined shall have the meanings ascribed in the aforesaid circular.

**2. RULE 1307 WAIVER, RULE 1308 CONFIRMATION AND DELISTING**

2.1 In connection with the loss of free float of the Company and the delisting of the Company from the SGX-ST in due course, the Company had submitted an application to the SGX-ST to seek approval for (a) a waiver from the requirements of Rule 1307 of the Catalist Rules ("**Rule 1307 Waiver**"), (b) a confirmation that Rule 1308 of the Catalist Rules has been complied with ("**Rule 1308 Confirmation**"), and (c) the delisting of the Company from the SGX-ST on 29 April 2019.

2.2 Rule 1307 Waiver

Under Rule 1307 of the Catalist Rules, the SGX-ST may agree to an application for a voluntary delisting of an issuer if:

- (a) the issuer convenes a general meeting to obtain shareholder approval for the delisting;
- (b) the resolution to delist the issuer has been approved by a majority of at least 75% of the total number of issued shares excluding treasury shares and subsidiary holdings held by the shareholders present and voting, on a poll, either in person or by proxy at the meeting (the issuer's directors and controlling shareholder need not abstain from voting on the resolution); and
- (c) the delisting resolution has not been voted against by 10% or more of the total number of issued shares excluding treasury shares and subsidiary holdings held by the shareholders present and voting, on a poll, either in person or by proxy at the meeting.

The Rule 1307 Waiver was sought based on the following reasons:

- (i) the Offeror has stated in its offer document that it intends to make the Company its wholly-owned subsidiary and does not intend to maintain the listing status of the Company;

- (ii) if the proposed delisting were to be put to a vote by shareholders at a general meeting, the Offeror and parties acting in concert with it will vote in favour of the delisting resolution in respect of all their shares, representing approximately 95.04% of the total number of issued shares (excluding treasury shares) of the Company as at the date of the close of the Offer. Accordingly, the Offeror will be able to unilaterally determine the outcome of any delisting resolution proposed to be passed at the general meeting and any delisting resolution will not be voted against by shareholders holding at least 10% or more of the shares;
- (iii) after the compulsory acquisition by the Offeror of the remaining shares is completed, the Offeror will become the sole shareholder of the Company; and
- (iv) in view of the above, it will be an unnecessary expenditure of time and expense if the Company were to be required to convene a general meeting to obtain shareholders' approval for the proposed delisting.

### 2.3 Rule 1308 Confirmation

Rule 1308 of the Catalist Rules provides that if an issuer is seeking to delist from the SGX-ST:

- (a) a reasonable exit alternative, which should normally be in cash, should be offered to (i) the issuer's shareholders and (ii) holders of any other classes of listed securities to be delisted; and
- (b) the issuer should normally appoint an independent financial adviser to advise on the exit offer.

The Rule 1308 Confirmation was sought based on the following reasons:

- (i) the Offer is tantamount to a cash exit offer made by the Offeror to the shareholders;
- (ii) the Offeror has declared its intention to exercise its rights of compulsory acquisition. Upon completion of the compulsory acquisition, the Offeror will become the sole shareholder of the Company and there will be no other shareholder that requires an exit offer by the Offeror; and
- (iii) the independent financial adviser to the directors who are considered independent for the purposes of the Offer has opined that, overall, the financial terms of the Offer were fair and reasonable. Accordingly, the shareholders would have been apprised on whether the terms of the Offer are fair and reasonable.

## 3. **RULE 707(2) WAIVER**

- 3.1 An application had also been submitted to the SGX-ST for a waiver from compliance with the requirements of Rule 707(2) of the Catalist Rules ("**Rule 707(2) Waiver**").
- 3.2 Under Rule 707(2) of the Catalist Rules, the Company must issue its annual report for the financial year ended 31 December 2018 at least 14 days before the date of its annual general meeting.
- 3.3 The Company sought the Rule 707(2) Waiver in view that the Company will be delisted. The Company will hold its annual general meeting in compliance with the Companies Act and pursuant thereto, shareholders will continue to receive the audited accounts of the Company as prescribed under the Companies Act.

#### 4. SGX-ST'S APPROVAL

4.1 The SGX-ST had on 19 March 2019 responded that it:

- (a) had no objection to granting the Rule 1307 Waiver and is of the view that Rule 1308 is complied with;
- (b) had no objection to granting the Rule 707(2) Waiver; and
- (c) had no objection to the delisting of the Company from the Official List of the SGX-ST on 29 April 2019,

subject to:

- (i) the Company announcing SGX-ST's no objections to the Company's proposed delisting and the waivers granted, the reasons for seeking the waivers and the conditions as required under Rule 106 of the Catalist Rules;
- (ii) submission of a written confirmation from the Company that the waivers do not contravene any laws and regulations governing the Company and the Constitution of the Company; and
- (iii) 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 Company confirms that the waivers do not contravene any laws and regulations governing the Company and the Constitution of the Company. The Company is not aware of any other information that will have a material bearing on investors' decisions which has yet to be announced. The Company will submit a written confirmation letter pursuant to conditions (ii) and (iii) above to the SGX-ST.

4.2 The SGX-ST's decision is not an indication of the merits of the delisting.

BY ORDER OF THE BOARD  
**DECLOUT LIMITED**

Wong Kok Khun  
Chairman and Group Chief Executive Officer  
19 March 2019

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*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor ("**Sponsor**"), SAC Capital Private Limited, for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). The Sponsor has not independently verified the contents of this announcement.*

*This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made, or reports contained in this announcement.*

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