ECOWISE HOLDINGS LIMITED
(Company Registration No. 200209835C)

DISPOSAL OF ENTIRE ISSUED SHARE CAPITAL OF ECOWISE ENERGY PTE. LTD.

1. INTRODUCTION

The Board of Directors (the "**Board**") of ecoWise Holdings Limited (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that the Company, has on 6 November 2017, entered into a share transfer agreement (the "**Share Transfer Agreement**") with HongKong Chenbang Investment Limited (香港辰邦投資有限公司) (the "**Purchaser**", and together with the Company, the "**Parties**") to dispose of the entire issued and paid-up share capital (the "**Sale Shares**") of ecoWise Energy Pte. Ltd. ("**EWE**") on the terms and conditions of the Share Transfer Agreement (the "**Disposal**") for a cash consideration of S$1,200,000 (the "**Consideration**").

2. INFORMATION ON EWE AND THE PURCHASER

EWE is a wholly-owned subsidiary of the Company. It is a private company limited by shares incorporated in the Republic of Singapore on 9 June 2008. It is engaged in the business of generating electricity by fossil fuels and renewable energy.

The Purchaser is a private company limited by shares incorporated in the Hong Kong Special Administrative Region of the People's Republic of China and its sole shareholder and director, Mr Chen Chen-Chen （陳政辰）("**Mr Chen**"), is a citizen of the Republic of China (Taiwan). The Purchaser is engaged in the business of providing clean energy systems engineering design and consulting services, business consulting services and financial advisory services. The Purchaser and Mr Chen are not related to the Company, its directors or its substantial shareholders. The Group was introduced to the Purchaser by business acquaintances.

3. RATIONALE FOR THE DISPOSAL AND USE OF PROCEEDS

The Board is of the view that it is in the best interest of the Company and its shareholders to dispose of this loss-making asset. Additionally, the Disposal will allow the Company to strengthen its financial position.

The Group intends to use the Consideration from the Disposal for general working capital purposes or other business and investment opportunities as and when they arise.

4. PRINCIPAL TERMS OF THE DISPOSAL

4.1 Payment Terms

The Consideration will be fully satisfied in cash as follows:

(a) 5% of the Consideration, being the sum of S$60,000, will be paid by the Purchaser within one (1) month from the execution of the Share Transfer Agreement; and

(b) the balance 95% of the Consideration, being the sum of S$1,140,000 shall be payable within five (5) months from the execution of the Share Transfer Agreement (the "**Completion**").

The Consideration was arrived at following arm's length negotiations on a willing-buyer willing-seller basis taking into consideration the negative net asset value of EWE of S$14,821,887.50 as at 30 September 2017. No valuation of EWE was carried out in connection with the Disposal.

4.2 Intra-group loan

As at the date of the Share Transfer Agreement, there is an outstanding S$4,500,000 loan (the "**Loan**") owing from a wholly-owned subsidiary of the Company – ecoWise New Energy Pte. Ltd. ("**ENE**") to EWE. Pursuant to the Share Transfer Agreement, the Purchaser will or will procure that EWE will:

(i) agree and acknowledge that the Loan between EWE and ENE is terminated and shall cease to be of any further force or effect;

(ii) release ENE from its obligations and duties and from all past, present and future liabilities under the Loan between EWE and ENE; and

(iii) irrevocably waives any and all past, present and future actions, claims and demands against ENE whatsoever in respect of the Loan between EWE and ENE.

5. FINANCIAL EFFECTS OF THE DISPOSAL

The *pro forma* financial effects are based on the Group's latest announced audited consolidated financial statements for the financial year ended 31 October 2016 ("**FY2016**"). The *pro forma* financial effects are presented for illustration purposes only and are not intended to reflect the actual future financial situation of the Company after the Disposal.

5.1 Net Tangible Assets

Assuming that the Disposal had been completed on 31 October 2016, the effect of the Disposal on the Group's net tangible assets ("**NTA**") will be as follows:

	Before the Disposal	After the Disposal
NTA of the Group attributable to shareholders of the Company (S$'000)	42,694	42,694
Number of shares ('000)	952,983	952,983

NTA per share (cents)	4.48	4.48

5.2 Earnings Per Share

Assuming that the Disposal had been completed on 1 November 2015, the effect of the Disposal on the Group's earnings per share ("**EPS**") will be as follows:

	Before the Disposal	After the Disposal
Net loss attributable to shareholders of the Company for FY2016 (S$'000)	(1,867)	(1,734)
Weighted average number of shares ('000)	952,983	952,983
EPS (cents)	(0.20)	(0.18)

6. RELATIVE FIGURES UNDER RULE 1006

Based on the Group's latest announced audited consolidated financial statements for FY2016, the relative figures for the Disposal computed on the bases set out in Rule 1006 of the Singapore Exchange Securities Trading Limited's (the "**SGX-ST**") Listing Manual Section B: Rules of Catalist ("**Catalist Rules**") are as follows:

Rule 1006	**Bases**	**Relative Figures (%)**
(a)	The net asset value of the assets to be disposed of, compared with the Group's net asset value of S$42,694,000.	2.81%
(b)	The net loss of approximately S$133,064.66 attributable to the assets disposed of, compared with the Group's net loss of S$1,867,000.	7.13%
(c)	The aggregate value of the consideration compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares.	3.13%
(d)	The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue	Not applicable

(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	Not applicable

Based on the Relative Figures above, the Disposal does not require the approval of shareholders of the Company.

7. DIRECTORS' SERVICE CONTRACTS

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

8. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors or controlling shareholders of the Company or their respective associates has any interest, direct or indirect, in the Disposal, other than through their respective shareholdings in the Company.

9. INSPECTION OF SHARE TRANSFER AGREEMENT

A copy of the Share Transfer Agreement is available for inspection for shareholders during normal business hours at the registered address of the Company at 17 Kallang Junction, #04-03, Singapore 339274 for three (3) months from the date of this Announcement.

10. FURTHER ANNOUNCEMENTS

The Company will update shareholders on material developments relating to the Disposal, if any.

11. 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 Disposal, 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.

12. CAUTIONARY STATEMENT

Shareholders and potential investors of the Company are advised to read this announcement and any further announcements by the Company carefully. Shareholders of the Company are advised to refrain from taking any action in respect of their securities in the Company which may be prejudicial to their interests,

and to exercise caution when dealing in the securities of the Company. In the event of any doubt, shareholders of the Company should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

By Order of the Board

LEE THIAM SENG
Executive Director
8 November 2017

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*This announcement has been prepared by the Company and its contents have been reviewed by Stamford Corporate Services Pte Ltd (the "**Sponsor**") for compliance with the relevant rules of the 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.

The contact person for the Sponsor is Mr Bernard Lui
Telephone number: (65) 6389 3000
Email address: bernard.lui@morganlewis.com