

**PROPOSED DIVERSIFICATION INTO REAL ESTATE BUSINESS AND ACQUISITION OF
THE ENTIRE ISSUED SHARE CAPITAL OF LONGRUNN INT'L INCHEON LIMITED**

1. INTRODUCTION

The board of directors (the "**Board**") of Ziwo Holdings Ltd. (the "**Company**", and together with its subsidiaries, collectively the "**Group**") refer to the announcement made on 27 June 2016 ("**27 June Announcement**"). The 27 June Announcement referred to a proposed acquisition ("**Proposed Acquisition**") by the Company of the entire issued and paid up capital of Longrunn Inter'l Incheon Limited ("**Target**").

2. TERMINATION OF PROPOSED ACQUISITION

As set out in the 27 June Announcement, under paragraph 3.2 (the last subparagraph), the Long Stop date was to expire 5 months from the date of the Agreement, which was 27 June 2016.

The Long Stop date having expired, and the Company and the counterparty to the Agreement have not agreed as of the date hereof to extend Long Stop date, the Agreement has legally expired and terminated.

3. RULE 1014 (4)

The Proposed Acquisition was classified as a "major transaction" under Rule 1014 of the listing rules, and Rule 1014(4) states:

"Where a major transaction is not completed or is rescinded by any party to the transaction due to any reason, the issuer must immediately announce via SGXNET the following:

- (a) the reasons for the non-completion or rescission of the transaction;*
- (b) the financial impact of the non-completion or rescission on the issuer; and*
- (c) the possible course(s) of action to protect the interests of the shareholders of the issuer."*

The reason for terminating the Agreement is that the conditions precedent of the Agreement have not be fulfilled as of the date of this announcement.

There is no material financial impact on the Company.

As no money has been paid to the vendors of the Target, the Company is of the view that there is no material negative impact on the interests of shareholders.

4. 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 now terminated Proposed Acquisition, and 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