

## **BEST WORLD INTERNATIONAL LIMITED**

Company Registration No. 199006030Z

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### **APPLICATION FOR FURTHER EXTENSION OF TIME TO HOLD THE ANNUAL GENERAL MEETING FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

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The Board of Directors (the “**Board**”) of Best World International Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the Company’s announcements dated:

- (a) the announcements dated 23 February 2019, 19 March 2019, 15 July 2019 and 12 December 2019 relating to the independent review of the Franchise Model adopted by the Group (the “**Review**”);
- (b) the Notice of Compliance issued by SGX RegCo on 13 May 2019; and
- (c) the announcements dated 17 April 2019, 27 April 2019, 7 May 2019, 25 June 2019, 3 July 2019 and 1 November 2019 in relation to the Company’s application to SGX RegCo and ACRA for an extension of time to hold the annual general meeting (“**AGM**”) in respect of the financial year ended 31 December 2018 (“**FY2018**”),

(collectively, the “**Previous Announcements**”).

Unless otherwise defined, all capitalised terms used herein shall bear the meanings ascribed to them in the Previous Announcements.

#### **Status Update**

In the announcements dated 1 November 2019 and 12 December 2019, the Company published an indicative timeline of the key events leading up to the date of the AGM for FY2018.

Since the commencement of the Independent Review, the Independent Reviewer has substantially completed the review which focused on the following key areas:

- (a) The existence of the Franchisees as at 31 December 2018;
- (b) Validity of sales to the significant Franchisees;
- (c) Validity of cash received from the sales to the significant Franchisees;
- (d) The facts and circumstances surrounding the establishment, appointment and business relationship with the Primary Import Agent;
- (e) The Group’s sales to the Primary Import Agent and other import agents used by the Group in the China market for the period from FY2015 to FY2018 under the Export Model.

The Company would like to inform shareholders that, due to the amount of work required to complete the Independent Review, further time will be required to address certain final outstanding matters and finalise the Independent Review report.

Discussions on certain findings of the draft report between the Company and the Company’s auditors (“**Auditors**”) have been ongoing since December 2019 for the purpose of the finalization of the financial statements of the Company for FY2018 and FY2019. The Company has been diligently working to collate

information and documents required by the Auditors to address certain final outstanding matters and facilitate the finalisation of the financial statements of the Company for FY2018 and FY2019.

The outbreak of the Novel Coronavirus (“**Covid-19**”) before the Lunar New Year has resulted in extreme travel restrictions within China and quarantine measures implemented by the Chinese government, as well as restrictions on international travel to and from China. Employees of the Company and its advisors have been affected by the travel restrictions and quarantine measures, and are unable to return to work as planned. These conditions have disrupted the Company’s ability to facilitate the flow of certain outstanding information and documents to the Independent Reviewer and the Auditors, as well as the Company’s ability to finalise its financial statements in a timely manner.

### **Application for Further Extension of Time**

In light of the disruptions caused by Covid-19, the Company has submitted an application to SGX RegCo for:

- (a) 4Q2019 unaudited financial statements: an extension of two (2) months to announce its unaudited financial statements for the fourth quarter and full year ended 31 December 2019 by **30 April 2020** under Rule 705(1) (“**4Q2019 Financial Results**”);
- (b) FY2018 AGM: a further extension of four (4) months to hold the FY2018 AGM by **30 June 2020** in accordance with Rule 707(1); and
- (c) FY2019 AGM: an extension of five (5) months to hold the FY2019 AGM by **30 September 2020** in accordance with Rule 707(1),

(together, the “**Extension Applications**”).

An updated indicative timeline of events is set out in Annex A of this announcement. As the situation related to the outbreak of Covid-19 currently remains uncertain, the Company will continue to closely monitor the impact, if any, it may have on the indicative timeline.

Shareholders should note that as at the date of this announcement, there is no certainty or assurance that the Extension Applications will be granted by SGX RegCo. The Company will make further announcements to update Shareholders as and when there are material developments in relation to the Extension Applications.

### **BY ORDER OF THE BOARD**

Huang Ban Chin  
Director and Chief Operating Officer  
14 February 2020

## ANNEX A – INDICATIVE TIMELINE<sup>1</sup>

<b>REVISED INDICATIVE DATE</b>	<b>EVENTS</b>
Late January 2020	Draft report to be provided to SGX RegCo for review.
Month of February 2020	SGX RegCo to review and discuss the draft report with the Independent Reviewer, and the Audit Committee (if applicable).
End February 2020	Company to provide outstanding information and documents to relevant parties.  <i>* Assuming this is achievable given the disruptions caused by Covid-19.</i>
15 March 2020	Finalisation of Independent Review report.  <i>* Expected finalisation of Independent Review report subject to further reviews and discussions on the draft report (if applicable)</i>
<b>20 March 2020</b>	<b>Announcement of executive summary of Independent Review report.</b>
Month of April 2020	Completion of additional field work in respect of financial statements. Preparation, finalisation and announcement of 4Q2019 Financial Results.
Month of May 2020	Preparation of audited financial statements and annual report for FY2018
<b>Month of June 2020</b>	<b>AGM for FY2018</b>
<b>Month of September 2020</b>	<b>AGM for FY2019</b>

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<sup>1</sup> This timeline is indicative and is subject to change.