ZAGRO ASIA LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 199406784D)

PROPOSED VOLUNTARY DELISTING OF ZAGRO ASIA LIMITED (THE "COMPANY") – NO-OBJECTION LETTER FROM THE SGX-ST

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1. INTRODUCTION

The board of directors of the Company (the "**Board**") refers to the joint announcement made by the Company and Rumakita Investments Pte. Ltd. (the "**Offeror**") on 3 November 2015 (the "**Joint Announcement**") in relation to the proposed voluntary delisting (the "**Delisting**") of the Company from the Official List of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") made pursuant to Rules 1307 and 1309 of the listing manual of the SGX-ST (the "**Listing Manual**") and the Exit Offer by RHB Securities Singapore Pte. Ltd., for and on behalf of the Offeror, to acquire all the issued and paid-up ordinary shares in the capital of the Company ("**Shares**") held by Shareholders, other than those already owned, controlled or agreed to be acquired by the Offeror.

All capitalised terms not defined herein shall have the same meaning as set out in the Joint Announcement.

2. NO-OBJECTION LETTER FROM SGX-ST

The Board wishes to announce that the SGX-ST had in its letter dated 4 January 2016 advised that it has no objection to the Delisting, subject to the approval by Shareholders in compliance with Rule 1307 of the Listing Manual. However, the aforesaid SGX-ST's decision is not to be taken as an indication of the merits of the Delisting.

Further information on the Delisting, the advice of the IFA to the Independent Directors and the recommendation of the Independent Directors to Shareholders in relation to the Delisting and Exit Offer will be set out in the Circular to be despatched by the Company to Shareholders in due course.

In the meantime, Shareholders are advised to refrain from taking any action in respect of their Shares which may be prejudicial to their interests, and to exercise caution when dealing in their Shares, until they and/or their advisers have considered the advice of the IFA and the recommendation of the Independent Directors, to be set out in the Circular.

3. RESPONSIBILITY STATEMENT

The directors of the Company (including those who have delegated detailed supervision of this announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this announcement are fair and accurate and that no material facts have been omitted from this announcement (the omission of which would render any statement in this announcement misleading in any material aspect), and they jointly and severally accept responsibility accordingly. Where any information has been extracted or reproduced from published or publicly available sources, the sole responsibility of the directors of the Company has been to ensure, through reasonable enquiries, that such information has been accurately

and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this announcement.

BY ORDER OF THE BOARD

Chan Ying Lock
Lead Independent Director
4 January 2016