

SMARTFLEX HOLDINGS LTD.
(Company Registration No. 201003501R)
Incorporated in the Republic of Singapore

NO OBJECTION LETTER FROM THE SINGAPORE EXCHANGE AND SECURITIES TRADING LIMITED (THE "SGX-ST") IN RESPECT OF THE PROPOSED ACQUISITION OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF ASIA VETS HOLDINGS PTE. LTD. (THE "TARGET") (THE "PROPOSED ACQUISITION")

1. The Board of Directors (the "**Board**") of Smartflex Holdings Ltd. (the "**Company**") refers to the announcement released by the Company on 25 July 2017, 11 September 2017, 19 January 2018 and 24 January 2018 (the "**Announcements**"). Unless otherwise defined, all capitalised terms shall have the meaning ascribed to them in the Announcements.
2. As set out in the announcement dated 11 September 2017 in respect of the Proposed Acquisition, the proposed financial advisor of the Company in respect of the Proposed Acquisition, would be consulting the SGX-ST on behalf of the Company, with a view to treating the Proposed Acquisition as a new listing application, satisfying the relevant requirements of a VSA or RTO and/or such other requirements that may be imposed by the SGX-ST, notwithstanding that the Proposed Acquisition is classified as a major transaction subject to Shareholder's approval. Accordingly, ZICO Capital Pte. Ltd. ("**ZICO Capital**"), being the financial advisor appointed by the Company in connection with the Proposed Acquisition, had on 6 November 2017 submitted the letter of consultation to the SGX-ST.
3. The SGX-ST had on 12 January 2018 issued a letter to the Company, stating that the SGX-ST has no objection on the Company's consultation that, notwithstanding that the Proposed Acquisition does not constitute a RTO or VSA as defined in Chapter 10 of the Catalist Rules, the assessment of whether the Proposed Acquisition will qualify for a new listing on the Catalist would be based on the admission requirements under Chapter 4 of the Catalist Rules.
4. The no-objection is conditional upon the following:
 - (a) ZICO Capital to adopt the due diligence and disclosure requirements applicable to a VSA under Rule 1015 of the Catalist Rules in respect of the Proposed Acquisition and accordingly, be subject to Shareholder's approval. The information to be set out in the circular to Shareholders in relation to the Proposed Acquisition will comply with the disclosure requirements for the VSA, as stipulated in Rule 1015(4) of the Catalist Rules (which includes compliance with the disclosure requirements of the Fifth Schedule of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005);
 - (b) the full sponsor for the Proposed Acquisition must, in preparing the Company for lifting of its cash status, be satisfied that, having made reasonable due diligence enquiries and having considered all relevant matters, the Proposed Acquisition satisfies the requirements of a new listing under the Catalist Rules to lift the cash status of the Company. This includes complying the Rule 225 of the Catalist Rules and having regard to Practice Notes 2B and 4A of the Catalist Rules;
 - (c) notwithstanding that the Proposed Acquisition is not a RTO/VSA, the Company must retain its full sponsor for the Proposed Acquisition as continuing sponsor for at least 3 years as required under Rule 225(3) of the Catalist Rules, after the Company's cash status is lifted upon completion of the Proposed Acquisition;
 - (d) ZICO Capital providing a confirmation to the SGX-ST after having conducted the due diligence on the Proposed Acquisition that ZICO Capital, as financial adviser and full

sponsor, is of the view that the Company is suitable for listing. There should be no adverse concerns and no reasonable basis to cast doubt on the viability of the business of the Proposed Acquisition;

- (e) the Company setting out clearly and prominently in the circular to shareholders that (i) the Proposed Acquisition will be undertaken as if it were a VSA, (ii) the safeguards volunteered by the Company, and (iii) the conditions imposed by the SGX-ST;
 - (f) provision of an undertaking to the SGX-ST that should the Proposed Acquisition fail, the escrow monies will be distributed to shareholders and the Company will be delisted; and
 - (g) compliance with the SGX-ST's listing rules.
5. The SGX-ST reserves the right to amend/or vary the foregoing decision set out in paragraphs 3 and 4 of this announcement and such decision is subject to changes in the SGX-ST's policies.

Shareholders and potential investors are advised to exercise caution when trading in the Shares of the Company. The Proposed Acquisition is subject to numerous conditions precedent and further due diligence by the Company. There is no certainty or assurance as at the date of this announcement that the Proposed Acquisition will be completed, or that no changes will be made to the terms thereof. The Company will make the necessary announcements when there are further developments on the Proposed Acquisition, and other matters contemplated by this announcement.

Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully. Shareholders and potential investors should consult their stockbrokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

By Order of the Board

TAN TONG GUAN
EXECUTIVE CHAIRMAN
21 February 2018

This announcement and its contents have been reviewed by the Company's sponsor, RHT Capital 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. The Sponsor and the SGXST assume 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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