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

RUMAKITA INVESTMENTS PTE. LTD.
(Incorporated in the Republic of Singapore)
(Company Registration No. 201536521D)

JOINT DESPATCH ANNOUNCEMENT

PROPOSED VOLUNTARY DELISTING OF ZAGRO ASIA LIMITED – DESPATCH OF CIRCULAR, EXIT OFFER LETTER AND ACCEPTANCE FORMS

1. INTRODUCTION

Zagro Asia Limited (the "**Company**") and Rumakita Investments Pte. Ltd. (the "**Offeror**") refer to the joint announcement by the Company and the Offeror dated 3 November 2015 (the "**Joint Announcement**") in relation to the proposed voluntary delisting of the Company (the "**Delisting**") from the Official List of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") 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. ("**RHBSEC**"), for and on behalf of the Offeror, to acquire all the issued and paid-up ordinary shares in the capital of the Company held by Shareholders, other than those already owned, controlled or agreed to be acquired by the Offeror ("**Offer Shares**").

The Company also refers to its announcement dated 4 January 2016 in relation to the receipt of a no-objection letter from the SGX-ST advising the Company 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 decision of the SGX-ST is not to be taken as an indication of the merits of the Delisting.

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

2. DESPATCH OF CIRCULAR, EXIT OFFER LETTER AND ACCEPTANCE FORMS

The Company and the Offeror wish to announce that:

(a) the circular dated 13 January 2016 (the "**Circular**") containing, *amongst others,* information pertaining to the Delisting, the advice of NRA Capital Pte. Ltd. ("**IFA**") to the Independent Directors and the recommendation of the Independent Directors to Shareholders with regards to the Delisting and Exit Offer; and

(b) the exit offer letter dated 13 January 2016 (the "**Exit Offer Letter**") issued by RHBSEC, for and on behalf of the Offeror, together with the Form of Acceptance and Authorisation ("**FAA**") and/or the Form of Acceptance and Transfer ("**FAT**"), as the case may be (collectively, the FAA and the FAT shall be referred to as the "**Acceptance Forms**") containing, *amongst others*, the terms and conditions of the Exit Offer,

have been despatched to Shareholders today.

3. COPIES OF CIRCULAR, EXIT OFFER LETTER AND ACCEPTANCE FORMS

3.1 Physical Copies of the Circular, the Exit Offer Letter and the Acceptance Forms. Shareholders who do not receive the Circular, the Exit Offer Letter and the relevant Acceptance Forms within a week from the date of this announcement should contact The Central Depository (Pte) Limited ("**CDP**") (in the case of Shareholders who hold Offer Shares that are deposited with CDP) or Boardroom Corporate & Advisory Services Pte. Ltd. ("**Boardroom**" or "**Registrar**") (in the case of Shareholders who hold Offer Shares in scrip form and which are not deposited with CDP), as the case may be, without delay at the following addresses:

The Central Depository (Pte) Limited	:	9 North Buona Vista Drive #01-19/20 The Metropolis Singapore 138588
Boardroom Corporate & Advisory Services Pte. Ltd.	:	50 Raffles Place #32-01 Singapore Land Tower Singapore 048623

Shareholders who hold Offer Shares that are deposited with CDP may obtain copies of the FAA from CDP upon production of satisfactory evidence that their securities account maintained with CDP are credited with Offer Shares.

Shareholders who hold Offer Shares in scrip form and which are not deposited with CDP may obtain copies of the FAT from Boardroom upon production of satisfactory evidence of the title of Offer Shares.

3.2 Electronic Copies. Electronic copies of the Circular, the Acceptance Forms and the Exit Offer Letter are available on the website of the SGX-ST at www.sgx.com.

3.3 Shareholders are advised to read and consider the Exit Offer Letter and the Circular (in particular, the advice of the IFA to the Independent Directors as well as the recommendation of the Independent Directors in relation to the Exit Offer and the Delisting) carefully.

4. NOTICE OF EXTRAORDINARY GENERAL MEETING

Shareholders should also refer to the announcement released by the Company on 13 January 2016 in respect of the Notice of Extraordinary General Meeting ("**EGM**") to be convened to seek the approval of Shareholders for the Delisting Resolution pursuant to Rule 1307 of the Listing Manual. Shareholders should note that the EGM will be held on 4 February 2016 at 2.00 p.m. at Zagro Global Hub, 5 Woodlands Terrace #06-00, Singapore 738430.

5. CLOSING DATE

The Exit Offer is open for acceptance by Shareholders on and from the date of despatch of the Exit Offer Letter and will remain open for acceptance until **5.30 p.m. (Singapore time) on 18 February 2016**, or such later date(s) as may be announced by or on behalf of the Offeror from time to time ("**Closing Date**").

Shareholders may choose to accept the Exit Offer before the EGM, however, such acceptances are conditional upon the Delisting Proposal Conditions being fulfilled which includes the Delisting Resolution being passed by Shareholders at the EGM. If any of the Delisting Proposal Conditions is not fulfilled, the Delisting will not proceed and the Company will remain listed on the SGX-ST. The Exit Offer will also lapse and all acceptances of the Exit Offer will be returned.

Shareholders should note that approving the Delisting Resolution at the EGM does not automatically mean that you have accepted the Exit Offer.

6. PROCEDURES FOR ACCEPTANCE

Details on the procedures for acceptance of the Exit Offer are set out in Appendix I to the Exit Offer Letter and in the relevant Acceptance Forms. Shareholders are advised to read the aforesaid appendix and the relevant Acceptance Forms in their entirety.

7. OVERSEAS SHAREHOLDERS

7.1 The availability of the Exit Offer to Shareholders whose addresses are outside Singapore, as shown on the register of members of the Company or, as the case may be, in the depository register ("**Overseas Shareholders**" and each, an "**Overseas Shareholder**") may be affected by the laws of the relevant overseas jurisdictions. Accordingly, Overseas Shareholders should inform themselves of and observe any applicable legal requirements in the relevant overseas jurisdictions, and exercise caution in relation to the Exit Offer, as the Exit Offer Letter, the Acceptance Forms and the Circular have not been reviewed by any regulatory authority in any overseas jurisdiction.

7.2 For the avoidance of doubt, the Exit Offer is open to all Shareholders holding Offer Shares, including those to whom the Exit Offer Letter, the Acceptance Forms and the Circular have not been, or may not be sent.

7.3 Copies of the Exit Offer Letter, the relevant Acceptance Forms, the Circular and any other formal documentation relating to the Exit Offer are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any jurisdiction where the making of or the acceptance of the Exit Offer would violate the laws of that jurisdiction ("**Restricted Jurisdiction**") and will not be capable of acceptance by any such use, instrumentality or facility within any Restricted Jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction.

7.4 The Exit Offer (unless otherwise determined by the Offeror and permitted by applicable law and regulation) will not be made, directly or indirectly, in or into, or by the use of mails

of, or by any means or instrumentality (including without limitation, telephonically or electronically) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of, any Restricted Jurisdiction and the Exit Offer will not be capable of acceptance by any such use, means, instrumentality or facilities.

7.5 **Where there are potential restrictions on sending the Exit Offer Letter, the Acceptance Forms and the Circular to any overseas jurisdiction, the Offeror, RHBSEC, CDP, the Registrar and the Company each reserves the right not to send these documents to such Overseas Shareholders in overseas jurisdictions.**

7.6 Subject to compliance with the applicable laws, Overseas Shareholders may, nonetheless, obtain copies of the Exit Offer Letter, the relevant Acceptance Forms, the Circular and any related documents, during normal business hours, from the date of the Exit Offer Letter and up to the Closing Date, from the Offeror c/o Boardroom Corporate & Advisory Services Pte. Ltd. (if he is a scripholder), 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 or The Central Depository (Pte) Limited (if he is a depositor), 9 North Buona Vista Drive, #01-19/20 The Metropolis, Singapore 138588. Alternatively, an Overseas Shareholder may, subject to compliance with applicable laws, write in to the Offeror c/o Boardroom Corporate & Advisory Services Pte. Ltd. (if he is a scripholder) at the above address or The Central Depository (Pte) Limited (if he is a depositor), at Robinson Road Post Office P.O. Box 1984, Singapore 903934, to request for the Exit Offer Letter, the relevant Acceptance Forms, the Circular and any related documents to be sent to an address in Singapore by ordinary post at the Overseas Shareholder's own risk, up to five (5) market days prior to the Closing Date.

7.7 It is the responsibility of any Overseas Shareholder who wishes (a) to request for the Exit Offer Letter, the relevant Acceptance Forms, the Circular and/or any related documents, and/or (b) to accept the Exit Offer, to satisfy himself as to the full observance of the laws of the relevant jurisdiction in that connection, including the obtaining of any governmental or other consent which may be required, and compliance with all necessary formalities or legal requirements and the payment of any taxes, imposts, duties or other requisite payments due in such jurisdiction. Such Overseas Shareholder shall be liable for any such taxes, imposts, duties or other requisite payments payable and the Offeror and/or any person acting on its behalf (including RHBSEC) shall be fully indemnified and held harmless by such Overseas Shareholder for any such taxes, imposts, duties or other requisite payments as the Offeror, RHBSEC, CDP, the Registrar, the Company and/or any person acting on its behalf may be required to pay. In (i) requesting for the Exit Offer Letter, the relevant Acceptance Forms, the Circular and/or any related documents, and/or (ii) accepting the Exit Offer, the Overseas Shareholder represents and warrants to the Offeror, RHBSEC, CDP, the Registrar and the Company that he is in full observance of the laws of the relevant jurisdiction in that connection, and that he is in full compliance with all necessary formalities or legal requirements.

7.8 **Any Overseas Shareholder who is in any doubt about his position should consult his professional adviser in the relevant jurisdiction.**

7.9 The Offeror and RHBSEC each reserves the right to (a) reject any acceptance of the Exit Offer where it believes, or has reason to believe, that such acceptance may violate the applicable laws of any jurisdiction, and (b) notify any matter, including the despatch of the Exit Offer Letter, any formal documentation relating to the Exit Offer, and the fact that the

Exit Offer has been made, to any or all Shareholders (including the Overseas Shareholders) by announcement to the SGX-ST and if necessary, paid advertisement in a newspaper published and circulated in Singapore, in which case such notice shall be deemed to have been sufficiently given notwithstanding any failure by any Shareholder to receive or see such announcement or advertisement.

7.10 Overseas Shareholders are advised to read Section 12 of the Exit Offer Letter and Section 15 of the Circular in their entirety.

8. RESPONSIBILITY STATEMENT

The Offeror Directors (including any Offeror Director who may have delegated detailed supervision of this announcement) have taken all reasonable care to ensure that the facts stated and opinions expressed in this announcement (other than those relating to the Group) are fair and accurate and that there are no other material facts not contained in this announcement, the omission of which would make any statement in this announcement misleading. Where any information in this announcement has been extracted or reproduced from published or publicly available sources or obtained from the Group, the sole responsibility of the Offeror Directors has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this announcement. The Offeror Directors jointly and severally accept responsibility accordingly.

The Directors of the Company (including any Director who may have delegated detailed supervision of this announcement) have taken all reasonable care to ensure that the facts stated and opinions expressed herein (other than those relating to the Offeror, the IFA and the Relevant Persons) are fair and accurate and that no material facts have been omitted from this announcement, the omission of which would make any statement in this announcement misleading. Where any information in this announcement has been extracted or reproduced from published or publicly available sources or obtained from the Offeror, the sole responsibility of the Directors has been to ensure that such information is accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this announcement. The Directors jointly and severally accept responsibility accordingly.

BY ORDER OF THE BOARD

ZAGRO ASIA LIMITED

Chan Ying Lock
Lead Independent Director

RUMAKITA INVESTMENTS PTE. LTD.

Poh Beng Swee
Director

13 January 2016
Singapore

Forward-Looking Statements

All statements other than statements of historical facts included in this Announcement are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as "seek", "expect", "anticipate", "estimate", "believe", "intend", "project", "plan", "strategy", "forecast" and similar expressions or future or conditional verbs such as "will", "would", "should", "could", "may" and "might". These statements reflect the current expectations, beliefs, hopes, intentions or strategies of the party making the statements regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders and investors of the Company and/or the Offeror should not place undue reliance on such forward-looking statements, and none of the Company and the Offeror undertakes any obligation to update publicly or revise any forward-looking statements.