



NEO GROUP LIMITED
(the “Company”)
Company Registration No. 201207080G
(Incorporated in the Republic of Singapore)

VOLUNTARY CONDITIONAL CASH OFFER FOR NEO GROUP LIMITED

**SGX-ST’S APPROVAL FOR (I) THE DELISTING OF THE COMPANY FROM THE
OFFICIAL LIST OF THE SGX-ST, AND (II) WAIVER FROM RULES 705(1) AND
706A OF THE CATALIST RULES**

1. INTRODUCTION

The Board of Directors (the “**Board**”) of Neo Group Limited (the “**Company**”) refers to:

- (a) the announcement dated 30 March 2021 made by United Overseas Bank Limited (“**UOB**”), for and on behalf of Forestt Investment Pte. Ltd. (the “**Offeror**”), in relation to a voluntary conditional cash offer (“**Offer**”) for all the issued ordinary shares (the “**Shares**”) in the capital of the Company in accordance with Rule 15 of The Singapore Code on Take-overs and Mergers;
- (b) the offer document dated 13 April 2021 (“**Offer Document**”) issued by the Offeror in connection with the Offer;
- (c) the announcement dated 19 April 2021 made by UOB, for and on behalf of the Offeror, in relation to, *inter alia*, the Offer being declared unconditional in all respects, the level of acceptances of the Offer, and the closing date of the Offer (“**Offer Unconditional Announcement**”);
- (d) the announcement dated 19 April 2021 made by the Company informing Shareholders that the Offer has been declared unconditional in all respects and of the loss of public float (“**Loss of Public Float Announcement**”);
- (e) the announcement dated 27 April 2021 by the Company informing Shareholders that the Company had despatched a circular and corrigendum to the circular dated 27 April 2021

Page 1 of 7

(“**Offeree Circular**”) containing, among other things, the advice of the independent financial adviser to the Directors of the Company who are considered independent for the purposes of the Offer (the “**Independent Directors**”) and the recommendation of the Independent Directors in respect of the Offer;

- (f) the announcement dated 29 April 2021 (“**Compulsory Acquisition Announcement**”) by UOB, for and on behalf of the Offeror, informing Shareholders that the Offeror had despatched, *inter alia*, a letter with regard to, *inter alia*, the Offeror's intention to exercise its right of compulsory acquisition under Section 215(1) of the Companies Act; and
- (g) the announcement dated 29 April 2021 by UOB, for and on behalf of the Offeror, in relation to, *inter alia*, an update on the level of acceptances of the Offer (“**Update on the Level of Acceptance Announcement**”).

Electronic copies of the Offer Document, Offeree Circular and the relevant announcements are available on the website of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) at <http://www.sgx.com>.

Unless otherwise defined, all capitalised terms not defined herein shall have the same meanings ascribed to them in the Offer Document, Offeree Circular and the relevant announcements.

2. APPLICATION TO THE SGX-ST AND APPROVALS SOUGHT

Further to the Loss of Public Float Announcement, the Compulsory Acquisition Announcement and the Update on the Level of Acceptance Announcement, the Company had on 30 April 2021 made an application through its sponsor, CIMB Bank Berhad, Singapore Branch (“**Sponsor**”), to the SGX-ST to seek approval for:

- (a) a waiver from Rules 1307 and 1308 of the Listing Manual Section B: Rules of Catalist of the SGX-ST (“**Catalist Rules**”), and the Company to be delisted from the SGX-ST following completion of the Compulsory Acquisition, subject to finalisation of logistical arrangements with the SGX-ST's issuer services department (the “**Delisting**”); and
- (b) a waiver from Rules 705(1), 706(A), 707(1) and 707(2) of the Catalist Rules.

3. APPLICATION FOR WAIVER FROM RULES 1307 AND 1308 OF THE CATALIST RULES AND DELISTING IN ACCORDANCE WITH RULE 1309(1) OF THE CATALIST RULES

3.1. The waiver from Rules 1307 and 1308 of the Catalist Rules and Delisting was sought on the basis that:

- (a) the Independent Financial Adviser has opined that the Offer Price of S\$0.60 is fair and reasonable;
- (b) based on the total acceptances received as disclosed in the Update on the Level of Acceptance Announcement, such number of acceptances represents more than 80% acceptances in respect of the Shares held by shareholders of the Company who are independent of the Offeror and its Concert Parties;
- (c) the Offeror is entitled to, and intends to, exercise its right of Compulsory Acquisition in connection with the Offer, being an offer made in accordance with The Singapore Code on Take-overs and Mergers, and had announced on 29 April 2021 that it will exercise its right of compulsory acquisition under Section 215(1) of the Companies Act; and
- (d) upon completion of the Compulsory Acquisition exercise, the Offeror will own 100% of the total number of Shares and the Company will become a wholly owned subsidiary of the Offeror.

4. APPLICATION FOR WAIVER FROM RULES 705(1), 706A, 707(1) AND 707(2) OF THE CATALIST RULES

4.1. Pursuant to Rule 705(1) of the Catalist Rules, the Company is required to announce its financial statements in respect of the full financial year ended 31 March 2021 (“**FY2021**”) immediately after the figures are available, but in any event not later than 60 days after the relevant financial period. The Company would therefore be required to announce its financial statements in respect of FY2021 by 30 May 2021.

4.2. Pursuant to Rule 706A of the Catalist Rules, the Company is required to make a periodic announcement, in accordance with the timelines prescribed in Rule 705 of the Catalist Rules on the announcement of its financial statements, on any acquisition and/or sale of shares in FY2021 resulting in:

- (a) a company becoming or ceasing to be a subsidiary or associated company of the Company;
or
- (b) the Company increasing or reducing its shareholding percentage in a subsidiary or associated company.

The Company would therefore be required to make such a periodic announcement by 30 May 2021.

- 4.3. Pursuant to Rules 707(1) and 707(2) of the Catalist Rules, the Company is required to hold its 2021 annual general meeting (“**FY2021 AGM**”) within four months from the end of its financial year and issue its annual report to its Shareholders and the SGX-ST at least 14 days before the date of its FY2021 AGM. The Company would therefore be required to hold its FY2021 AGM by 31 July 2021 and issue its annual report for FY2021 by 17 July 2021.
- 4.4. However, in view of the Offeror's intention to exercise its right of Compulsory Acquisition and privatise the Company and not to preserve the listing status of the Company, the Company had on 30 April 2021 applied to the SGX-ST, through its Sponsor, for approval to waive compliance with Rules 705(1), 706A, 707(1) and 707(2) of the Catalist Rules.
- 4.5. The waiver of Rules 705(1), 706A, 707(1) and 707(2) of the Catalist Rules were sought for the following reasons:
 - (a) The requirement under Rule 723 of the Catalist Rules for the percentage of Shares held by the public to not be less than the requisite 10% of the total number of issued Shares (excluding treasury shares) is no longer satisfied further to the Offer Unconditional Announcement and as announced by the Offeror in the Offer Unconditional Announcement, the Offeror intends to privatise the Company and does not intend to preserve the listing status of the Company. On this basis, pursuant to Rule 1303(1) of the Catalist Rules, trading in the Company's securities will be suspended with effect from 9.00 a.m. on 27 May 2021 (being the market day immediately following the closing date of the Offer) and Shareholders and investors will not be able to deal in the Shares on the SGX-ST until the completion of the Delisting.

As announced in the Compulsory Acquisition Announcement, the Offeror will exercise its right of compulsory acquisition under Section 215(1) of the Companies Act, following which the Offeror will become the sole shareholder of the Company after the Compulsory Acquisition is completed. The Offeror will thereafter take steps to delist the Company from the SGX-ST, following which, the Company will no longer be required to comply with the Catalist Rules.

In view of the above, the financial statements for FY2021, and the periodic announcement in relation to the acquisitions and/or sales of shares by Company in FY2021 relating to subsidiaries and/or associated companies, which will otherwise be required to be released by 30 May 2021, will therefore not be of much benefit to the current minority Shareholders, whose Shares will be compulsorily acquired by the Offeror pursuant to the Compulsory Acquisition. It is accordingly submitted that the interests of the Shareholders in respect of having access to updated financial information of the Company will not be prejudiced by the grant of the waivers of Rules 705(1) and 706A of the Catalist Rules.

It will also not be meaningful to require the Company to incur additional costs in connection with the preparation and release of the FY2021 financial statements under Rule 705(1) of the Catalist Rules and the periodic announcement in relation to acquisitions and/or sales of shares by Company in FY2021 relating to subsidiaries and/or associated companies under Rule 706A of the Catalist Rules, in light of the anticipated Compulsory Acquisition and Delisting.

- (b) In addition, in relation to the waivers of Rules 707(1) and 707(2) of the Catalist Rules, given that the Offeror will be exercising its right of Compulsory Acquisition and intends to delist the Company, which will result in the Offeror becoming the sole shareholder of the Company, the annual report in respect of FY2021 and the FY2021 AGM will not be of much benefit to the current minority Shareholders whose Shares will be transferred to the Offeror pursuant to the Compulsory Acquisition and will instead result in the Company having to incur unnecessary costs that would not serve much meaningful purpose.

5. APPROVALS FROM THE SGX-ST

5.1. The Board wishes to announce that SGX-ST in its letter dated 14 May 2021 informed the Company that, based on the submissions and representations to the SGX-ST, the SGX-ST advised that as the Offeror and its concert parties hold, in aggregate, more than 90% of all the issued and paid-up ordinary shares in the capital of the Company (excluding treasury shares), resulting in the Company's free float falling below 10%, and taking into consideration the Offeror's intention to exercise its right to Compulsory Acquisition, the SGX-ST has no objection to:

- (a) the Delisting of the Company from the Official List of the SGX-ST, upon completion of the Offer and the Compulsory Acquisition; and
- (b) granting the Company a waiver of Rules 705(1) and 706A of the Catalist Rules (collectively, the "**Waiver**").

5.2. The Waiver is subject to:

- (a) an announcement via SGXNET of the Waiver granted, the reasons for seeking the Waiver and the conditions as required under Rule 106 of the Catalist Rules and if the Waiver conditions have been satisfied; and
- (b) submission of a written confirmation from the Company that the Waiver does not contravene any laws and regulations governing the Company and constitution of the Company,

(collectively, the “**Waiver Conditions**”).

5.3. The SGX-ST has also clarified that:

- (a) Rules 1307 and 1308 of the Catalist Rules are not applicable as the Delisting is in connection with the Compulsory Acquisition; and
- (b) Rules 707(1) and 707(2) of the Catalist Rules are not applicable as the Company would be a non-listed entity before the dates on which the Company is required to conduct its FY2021 AGM and issue its annual report for FY2021 pursuant to these provisions.

5.4. The Company has submitted the written confirmation referred to in paragraph 5.2(b) above to the SGX-ST. Accordingly, the Waiver Conditions have been satisfied.

5.5. The SGX-ST's decision is not an indication of the merits of the Delisting.

5.6. The date and time of the Delisting will be announced in due course.

6. DIRECTORS RESPONSIBILITY STATEMENT

The Directors (including those who have delegated detailed supervision of the preparation 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 make any statement in this announcement misleading, and they jointly and severally accept full responsibility accordingly.



Where any information has been extracted or reproduced from published or otherwise publicly available sources or obtained from the Offeror (including, without limitation, the Offer Document and announcements made by or on behalf of the Offeror), the sole responsibility of the Directors has been to ensure that, through reasonable enquiries, such information has been accurately and correctly extracted from such sources or, as the case may be, reflected or reproduced in this announcement in its proper form and context.

BY ORDER OF THE BOARD

Yeo Kok Tong
Lead Independent Director
Neo Group Limited

17 May 2021

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, CIMB Bank Berhad, Singapore Branch (the "Sponsor"), in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited ("SGX-ST"), Listing Manual Section B: Rules of Catalyst.

This announcement has not been examined or approved by the SGX-ST. The SGX-ST assumes 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.

The contact person for the Sponsor is Mr. Jason Chian, Head, Corporate Finance, CIMB Bank Berhad, Singapore Branch, at 50 Raffles Place #09-01 Singapore Land Tower Singapore 048623, telephone: +65 6337 5115.

Page 7 of 7