

APPROVAL FOR (1) THE PROPOSED DELISTING OF THE COMPANY, (2) WAIVER OF RULE 1307 OF THE LISTING MANUAL OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED ("SGX-ST"), AND (3) CONFIRMATION OF NON-APPLICABILITY OF RULE 1309 OF THE LISTING MANUAL

1. INTRODUCTION

The board of directors (the "**Board**") of CWG International Ltd. (the "**Company**") refers to:

- (a) the announcement released on 28 December 2017 by RHT Capital Pte. Ltd., for and on behalf of Elidom Investment Co., Ltd (the "**Offeror**"), regarding the a voluntary conditional cash offer (the "**Offer**") for all the issued ordinary shares (the "**Shares**") in the capital of the Company, other than those already held by the Company as treasury shares and those already held by the Offeror as at the date of the Offer;
- (b) the offer document dated 18 January 2018 ("**Offer Document**") containing, *inter alia*, the terms and conditions of Offer;
- (c) the announcement released on 22 January 2018 by RHT Capital Pte. Ltd., for and on behalf of the Offeror, regarding, *inter alia*, the Offer being declared unconditional in all respects on 22 January 2018;
- (d) the circular dated 1 February 2018 ("**Circular**"), containing, *inter alia*, 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 to shareholders of the Company ("**Shareholders**") was issued by the Company in relation to the Offer;
- (e) the announcement released on 6 February 2018 by RHT Capital Pte. Ltd., for and on behalf of the Offeror, in relation to, *inter alia*, the loss of public float;
- (f) the announcement released on 8 March 2018 by RHT Capital Pte. Ltd., for and on behalf of the Offeror, in relation to, *inter alia*, that the Offeror had received valid acceptances pursuant to the Offer which, together with the open market purchases on the SGX-ST, amounted to more than 90% of the total number of issued Shares (other than those already held by the Offeror, its related corporations or their respective nominees as at the date of the Offer and excluding any Shares held in treasury) and the Offeror is thereby entitled to, and intends to, exercise its right under Section 215(1) of the Companies Act (Chapter 50 of Singapore) ("**Companies Act**") to compulsorily acquire all the Shares held by Shareholders who had not accepted the Offer (the "**Dissenting Shareholders**") ("**Compulsory Acquisition Announcement**"); and
- (g) the announcement released by RHT Capital Pte. Ltd., for and on behalf of the Offeror, dated 19 March 2018 in relation to, *inter alia*, the level of acceptances of the Offer and the close of the Offer (the "**Close of Offer Announcement**").

All capitalized terms used and not defined herein shall have the same meanings ascribed to them in the Offer Document, the Circular, the Compulsory Acquisition Announcement or the Close of Offer Announcement (as the case may be).

2. BACKGROUND TO AND GROUNDS FOR THE SGX APPLICATION

Further to the Compulsory Acquisition Announcement, the Company had submitted an application to the SGX-ST (the “**SGX Application**”) to seek approval for:

- (a) the delisting of the Company from the SGX-ST (“**Delisting**”);
- (b) a waiver of the requirement under Rule 1307 of the Listing Manual that the Delisting be approved by Shareholders in a general meeting (“**Rule 1307 Waiver**”); and
- (c) a confirmation that Rule 1309 of the Listing Manual is not applicable (“**Rule 1309 Confirmation**”).

3. THE DELISTING APPLICATION, RULE 1307 WAIVER AND RULE 1309 CONFIRMATION

(a) Listing Manual Requirements

Pursuant to Rule 1307 of the Listing Manual, the SGX-ST may agree to an application by an issuer to delist from the SGX-ST if:

- (1) the issuer convenes a general meeting to obtain shareholder approval for the delisting;
- (2) the resolution to delist the issuer has been approved by a majority of at least 75% of the total number of issued shares excluding treasury shares and subsidiary holdings held by the shareholders present and voting, on a poll, either in person or by proxy at the meeting (the issuer's directors and controlling shareholder need not abstain from voting on the resolution); and
- (3) the resolution has not been voted against by 10% or more of the total number of issued shares excluding treasury shares and subsidiary holdings held by the shareholders present and voting, on a poll, either in person or by proxy at the meeting.

Pursuant to Rule 1309 of the Listing Manual, if an issuer is seeking to delist from the SGX-ST:

- (1) a reasonable exit alternative, which should normally be in cash, should be offered to (a) the issuer's shareholders and (b) holders of any other classes of listed securities to be delisted; and
- (2) the issuer should normally appoint an independent financial adviser to advise on the exit offer.

(b) Grounds for Application

The Rule 1307 Waiver is sought based on the following grounds:

- (1) The Compulsory Acquisition Announcement states that, *inter alia*, as at 5:00 p.m. (Singapore time) on 8 March 2018, the Offeror and its Concert Parties owned, controlled or have agreed to acquire (including by way of valid acceptances of the Offer) an aggregate of 645,840,448 Shares, representing

approximately 97.55% of the total number of Shares (excluding treasury shares).

- (2) If the Delisting of the Company were to be put to a vote by the shareholders of the Company ("**Delisting EGM**"), the Offeror will upon the completion of the compulsory acquisition, be able to unilaterally determine the outcome of the resolution to approve the Delisting ("**Delisting Resolution**") proposed to be passed at the Delisting EGM, if such meeting is convened pursuant to Rule 1307 of the Listing Manual. As stated in the public disclosures previously made by the Offeror concerning the listing status of the Company, including but not limited to the Offer Document and the Compulsory Acquisition Announcement, the Offeror intends to delist and privatise the Company.
- (3) In view of the above, it is a certainty that any Delisting Resolution will be approved, and the Company considers that it would be neither meaningful nor justifiable to incur the unnecessary expenditure of time and costs if the Company were to be required to call a Delisting EGM for the purposes of approving the Delisting Resolution.

The Rule 1309 Confirmation is sought based on the following grounds:

- (1) The Company submits that Rule 1309 is inapplicable, as the Offeror is entitled to, and intends to, exercise the right to compulsorily acquire, at the offer price under the Offer, all the Shares held by the Dissenting Shareholders under Section 215(1) of the Companies Act, as announced in the Compulsory Acquisition Announcement. Upon the completion of the exercise of the right of compulsory acquisition, there will be no remaining shareholders in the Company other than the Offeror to whom an exit offer can be made.

4. CONFIRMATION FROM THE SGX-ST

The Board wishes to announce that the SGX-ST had on 23 March 2018, informed the Company that based on the Company's submission and representations to the SGX-ST, the SGX-ST:

- (a) has no objection to the Delisting of the Company from the Official List of the SGX-ST;
- (b) has no objection to grant waiver from compliance with Rule 1307 of the Listing Manual; and
- (c) is of the view that Rule 1309 of the Listing Manual is complied with,

subject to:-

- (1) an announcement via SGXNET of the SGX-ST no objection to the Company's proposed Delisting and waiver from Rule 1307 of the Listing Manual; and
- (2) submission of a written confirmation from the Company that the waivers do not contravene any laws and regulations governing the Company and the Constitution of the Company.

The Company intends to submit the confirmations referred to in the above paragraph (2) to the SGX-ST.

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

The date and time of the Delisting will be announced in due course, following the completion of the compulsory acquisition.

**BY THE ORDER OF THE BOARD OF
CWG INTERNATIONAL LTD.**

Thio Shen Yi
Lead Independent Director
24 March 2018