

CPH LTD.

(Co. Reg. No. 199804583E)
(Incorporated in the Republic of Singapore)

RECEIPT OF “NO-OBJECTION” LETTER FROM THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED (“SGX-ST”) PURSUANT TO THE APPLICATION FOR (I) WAIVER FROM COMPLIANCE WITH RULE 1017(1)(a) OF THE LISTING MANUAL (SECTION B: RULES OF CATALIST) OF THE SGX-ST (“CATALIST RULES”) AND (II) CONTINUED TRADING IN THE COMPANY’S SHARES UNDER RULE 1017 OF THE CATALIST RULES

*Unless otherwise defined, capitalised terms in this announcement shall have the same meanings as ascribed to them in the Company’s announcement dated 2 April 2020 (the “**Announcement**”).*

The Board of Directors (the “**Board**”) of CPH Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the Company’s Announcement in respect of, amongst others, the Company’s intention to submit an application to the SGX-ST through the Company’s sponsor for (i) a waiver from compliance with Catalist Rule 1017(1)(a) to open the Escrow Account and place 90% of its existing cash and cash equivalents in the Escrow Account (the “**Waiver**”); and (ii) to maintain its listing status and to continue the trading of the Shares on the Catalist of the SGX-ST pursuant to Rules 1017(2)(c) and (d) of the Catalist Rules (the “**Continued Trading**”) (the “**Application**”).

(1) Receipt of “No-Objection” Letter

The Board wishes to update that the Company has received a letter dated 5 June 2020 (the “**SGX Letter**”) from the SGX-ST, advising that the SGX-ST has no objection to the Company’s application for the Waiver and the Continued Trading, subject to the following:-

- (i) the Company making monthly and timely announcements to update shareholders of its efforts and progress on the disposal of its assets;
- (ii) PrimePartners Corporate Finance Pte. Ltd. (the “**Sponsor**”) monitoring the progress of the opening of an escrow account and the Company’s utilisation of funds is in accordance with its Projected Monthly Operating Expenses submitted to the SGX-ST via the Sponsor on 15 May 2020 (the “**Projection**”). The Sponsor should alert the SGX-ST if the usage of funds deviates materially from the Projection;
- (iii) the Company providing the signed undertaking to the SGX-ST in relation to the escrow of funds upon completion of disposal of its investment property situated in Singapore (the “**Undertaking**”);
- (iv) the Company announcing the Waiver and the Continued Trading granted, the reasons for seeking the Waiver and the Continued Trading, the Undertaking, the conditions as required under Catalist Listing Rule 106 and if the Waiver conditions have been satisfied. If the Waiver conditions have not been met on the date of the announcement, the Company must make an update announcement when the conditions have all been met;
- (v) the written confirmation by the Board and Audit Committee that the application is in the best interests of the Company and minority shareholders.

(Collectively, the “**Conditions**”)

The Company notes that the Waiver and the Continued Trading will not be effective if any of the Conditions have not been fulfilled.

(2) Reasons for the Application

The Application was submitted for the following reasons:

- (i) The Company currently has low levels of cash and cash equivalents and to comply with Rule 1017(1)(a) of the Catalist Rules and place 90% of its existing cash and cash equivalents in an escrow account would result in the Company not having sufficient cash to cover its monthly operating expenses for the 12-month period from the date on which it has been deemed a Cash Company till when it is able to meet the requirements for a new listing.

- (ii) The opening of an escrow account would involve additional costs which would further deplete the Company's current low level of funds. Potential cost-savings reaped from the non-opening of an escrow account could be better utilized towards the funding of the Group's operational needs and in the acquisition of a new business that meet the requirements for a new listing. Notwithstanding the non-opening of the Escrow Account, the Board and finance management staff will continuously monitor the utilization of cash to ensure that it is in line with the projected average monthly cash operating expenses and to undertake strict cash flow management measures to prevent the unnecessary depletion of the cash and cash equivalents of the Company. In addition, the Company's Sponsor will monitor the utilization of cash on a monthly basis to ensure that it is utilized in accordance with the projected average monthly cash operating expenses.
- (iii) Notwithstanding the application for the Waiver, the Company has undertaken to comply with Rule 1017(1)(a) of the Catalist Rules to deposit 90% of its cash and short-dated securities in an escrow account upon the completion of the disposal of its investment property which comprise a factory building in Singapore, as set out under Section (3)(i) below.

(3) Letters of Undertaking by the Company, its Directors and Controlling Shareholder

To further underline its commitment to comply with the Catalist Rules, the Company and its directors and controlling shareholder have provided letters of undertaking to the SGX-ST as follows:

- (i) The Company has undertaken to comply with Rule 1017(1)(a) of the Catalist Rules to deposit 90% of its cash and short-dated securities in an escrow account upon the completion of the disposal of the investment property which comprise a factory building in Singapore ("**SG Factory**"). The cash and short-dated securities to be placed in the aforesaid escrow account will include the cash balances prevailing at the end of the month of completion of the disposal of the SG Factory and the net proceeds from the disposal of the SG Factory (after deducting related expenses such as agent fees, legal fees and repayment of bank loan and corresponding interest). Pursuant to Rule 1017(1)(b) of the Catalist Rules, the Company has also undertaken to provide a monthly valuation of its assets and utilisation of cash, and quarterly updates of milestones in obtaining a new business, to the market via SGXNET.
- (ii) The directors and the controlling shareholder of the Company, Ms Choo Tung Kheng who holds an aggregate of 20.10% interest in the shares of the Company, have irrevocably undertaken to observe a moratorium on the transfer or disposal of each of their interests, direct and indirect, in the Company, commencing from 2 April 2020, being the date on which the Company has been deemed a Cash Company, up to the earlier of the completion date of the acquisition of a new business which satisfy the requirements for a new listing; or the date on which the Company is informed by the SGX-ST that it is required to delist from the Catalist of the SGX-ST, both dates inclusive.

(4) Fulfilment of Conditions

As at the date of this announcement, the Undertaking and the written confirmation by the Board and the Audit Committee that the application is in the best interests of the Company and the minority shareholders have been submitted to the SGX-ST.

As such, the Company has fulfilled the conditions as set out in Section (1)(iii)-(v) above.

(5) Further Information

The Company confirms that it will not contravene any laws and regulations governing the Company and the constitution of the Company arising from the Waiver and the Continued Trading.

If the Company is unable to meet the requirements for a new listing within 12 months from 2 April 2020 (being the date the Company was deemed as a Cash Company), the Company may be removed from the Official List and a cash exit offer in accordance to Catalist Rule 1308 should be made to shareholders within 6 months.

The Company will make further announcements to update Shareholders on any material developments as and when appropriate.

(6) Cautionary Statement

The Board wishes to remind Shareholders that there is no assurance that the SGX-ST will not suspend the trading and listing of the Shares or that the Company will be able to acquire a business that meets the SGX-ST's requirements for a new listing within the timeframe prescribed by the SGX-ST.

Shareholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders should consult their stockbrokers, solicitors or other professional advisors if they have any doubts as to the actions they should take.

By Order of the Board

Ong Kian Soon
Company Secretary

8 June 2020

This announcement has been prepared by CPH Ltd. (the "Company") and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"), in accordance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist.

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 information or opinions made, or reports contained in this announcement.

The contact person for the Sponsor is Ms Jennifer Tan, Associate Director, Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: sponsorship@ppcf.com.sg)