

## BEST WORLD INTERNATIONAL LIMITED

(Company Registration Number: 199006030Z)

(Incorporated in the Republic of Singapore)

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### UPDATE ON OPTIONS FOR DELISTING EXERCISE

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1. The Board of Directors (“**Directors**” or “**Board**”) of Best World International Limited (“**Company**”) refers to the Company’s announcements released on 9 July 2022 and 11 November 2021 in relation to the Company exploring options for a delisting exercise.
2. Having carefully considered available exit strategies, the Board is planning to undertake a delisting exercise by way of a selective capital reduction, which will entail the cancellation of the issued ordinary shares in the capital of the Company (“**Shares**”) held by all the shareholders of the Company (“**Shareholders**”) other than the Shareholders set out in paragraph 4 below (“**Eligible Shareholders**”) and return the share capital in cash to the Eligible Shareholders (“**SCR**”). The SCR shall serve as an exit offer to the Eligible Shareholders under Rule 1309 of the Listing Manual (“**Exit Offer**”) for the purpose of delisting the Company.
3. **Rule 1309 of the Listing Manual.** Rule 1309 of the Listing Manual requires that if the Company is seeking to delist from the official list of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”):
  - 3.1 an exit offer must be made to the Company’s Shareholders and holders of any other classes of listed securities to be delisted. The exit offer must be (a) fair and reasonable and (b) include a cash alternative as the default alternative; and
  - 3.2 the Company must appoint an independent financial adviser to advise on the exit offer and the independent financial adviser must opine that the exit offer is fair and reasonable.
4. **Non-Participating Shareholders.** The major Shareholders of the Company and their concert parties who are involved in the business of the Company (collectively, “**Non-Participating Shareholders**”) are:
  - 4.1 D2 Investment Pte. Ltd., the legal owner of 192,787,500 Shares representing 44.79% of the issued and paid-up share capital of the Company which are held for the benefit of Dora Hoan Beng Mui and Doreen Tan Nee Moi;
  - 4.2 Dora Hoan Beng Mui, the legal and beneficial owner of 32,330,000 Shares representing 7.51% of the issued and paid-up share capital of the Company. She is the legal and beneficial owner of 50% of the shares in D2 Investment Pte. Ltd.;
  - 4.3 Doreen Tan Nee Moi, the legal and beneficial owner of 31,380,000 Shares representing 7.29% of the issued and paid-up share capital of the Company. She is the legal and beneficial owner of 50% of the shares in D2 Investment Pte. Ltd.;
  - 4.4 Huang Ban Chin, the legal and beneficial owner of 23,300,000 Shares representing 5.41% of the issued and paid-up share capital of the Company;
  - 4.5 Li Lihui, the legal and beneficial owner of 250,000 Shares representing 0.058% of the issued and paid-up share capital of the Company. Li Lihui is the daughter of Dora Hoan Beng Mui and is presumed to be acting in concert with Dora Hoan Beng Mui; and
  - 4.6 Pek Jia Rong, the legal and beneficial owner of 250,000 Shares representing 0.058% of the issued and paid-up share capital of the Company. Pek Jia Rong is the daughter of Doreen Tan Nee Moi and is presumed to be acting in concert with Doreen Tan Nee Moi.

5. **Selective Capital Reduction Exercise.** Pursuant to Section 78G of the Companies Act 1967 (“**Companies Act**”), in order for the SCR to be approved:

- 5.1 a special resolution must be passed by Eligible Shareholders approving the SCR; and
- 5.2 the approval and confirmation by the High Court of the Republic of Singapore (“**Court**”) of the SCR must be obtained.

In view of the foregoing, the Company intends to obtain the approval for the SCR and return the share capital in cash to the Eligible Shareholders pursuant to Section 78G of the Companies Act, at an extraordinary general meeting of the Company (“**EGM**”).

6. **Rationale for the Exit Offer.** The Company is of the view that it will be in the best interests of the Shareholders that the Company pursues the Exit Offer for the reasons set out below:

6.1 As stated in the Company’s recent unaudited condensed interim financial statements for the year ended 31 December 2023, the Company continues to expect growth headwinds for its China market where uncertainties, such as stock market volatility and challenges in the property sector continue to weigh on consumer sentiments and cloud consumers’ outlook, leading to heightened propensity for consumers to save rather than spend. Additionally, economic volatility, global supply chain disruptions, and changing consumer behaviour are also factors that could impact consumer demand, production, and profitability for the Company and its subsidiaries’ direct selling segment. Barring any unforeseen circumstances, the Company will continue to maintain a cautious outlook for the next 12 months. The Company believes a privatisation of the Company will provide the necessary flexibility to optimise its resources to focus on the longer-term strategies of the business.

6.2 If the Company is delisted, the Company will be able to dispense with compliance costs associated with maintenance of a listed status and other regulatory requirements and human resources that have to be committed for such compliance and channel such resources towards its business operations.

6.3 The SCR therefore provides an opportunity for Eligible Shareholders who may find it difficult to exit their investment in the Company at a fair market price due to low trading liquidity, and to completely exit their investment in the Shares without incurring brokerage and other trading costs.

7. **Exemptions by the SIC.** The Securities Industry Council (“**SIC**”) has for the purpose of the SCR, provided exemptions from Rules 14, 15, 16, 17, 20.1, 21, 22, 28, 29 and 33.2 and Note 1(b) on Rule 19 of the Singapore Code on Take-overs and Mergers, subject to the following conditions:

7.1 the Non-Participating Shareholders and their concert parties abstain from voting on the SCR;

7.2 Dora Hoan Beng Mui, Doreen Tan Nee Moi, Huang Ban Chin, Li Lihui and Pek Wei Liang, abstain from making a recommendation on the SCR to the Eligible Shareholders; and

7.3 the Company appoints an independent financial adviser to advise the Eligible Shareholders on the SCR.

8. **Eligibility.** It is intended that only the Eligible Shareholders are entitled to participate in the SCR and the Non-Participating Shareholders will not be participating in the SCR.
9. **Appointment of IFA.** In connection with the Exit Offer, the Board wishes to announce that Evolve Capital Advisory Private Limited has been appointed as the independent financial adviser (“**IFA**”) and they will provide an opinion on the terms of the Exit Offer when they have been finalised.
10. **Approvals Required.** The SCR will be subject to various procedures and approvals, including approval by the SGX-ST of the circular to Shareholders for the convening of the EGM in relation to the SCR, approval of the SCR by the Shareholders at the EGM, and the approval of the SCR by the Court, and therefore the SCR may or may not materialise.
11. The Company wishes to emphasise that there is no certainty or assurance that any of the above approvals will be obtained. If, and when, there are any material developments which warrant disclosure, the Company will, in compliance with applicable rules, make further announcements as appropriate.
12. In the event that any of the conditions in paragraph 5 above is not fulfilled and the Company is unable to undertake the SCR, the Company will evaluate other available options including the possibility of retaining its listing status or to consider other avenues for privatisation.
13. Shareholders are advised to exercise caution when dealing in the Shares of the Company and to refrain from taking any action in respect of their Shares in the Company which may be prejudicial to their interests. Shareholders should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.
14. The Directors of the Company jointly and severally accept responsibility for the accuracy of information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

**By Order of the Board**

Huang Ban Chin  
Chief Operating Officer and Executive Director  
22 March 2024