

BEST WORLD INTERNATIONAL LIMITED

Company Registration No. 199006030Z

APPOINTMENT OF INDEPENDENT REVIEWER

The Board of Directors (the “**Board**”) of Best World International Limited (the “**Company**” or and together with its subsidiaries, the “**Group**”) refers to the clarification announcement issued by the Company on 23 February 2019 (the “**Clarification Announcement**”). Unless otherwise defined, capitalised terms used in this announcement (this “**Announcement**”) shall have the meanings given in the Clarification Announcement.

The Board wishes to inform shareholders that the Company, in consultation with SGX RegCo, has appointed PricewaterhouseCoopers Consulting (Singapore) Pte Ltd as the Independent Reviewer. The audit committee of the Company (the “**Audit Committee**”) is satisfied that the Independent Reviewer has performed its own internal procedures to determine that no conflict of interest exists that would impair its ability to discharge its responsibilities.

The Independent Reviewer’s review shall focus on the Franchise Model adopted by the Company in China in 2018 with the following objectives:

- To verify the existence of the franchisees as at 31 December 2018.
- To validate the sales to and cash received from sales to significant franchisees.
- To identify and make appropriate recommendations on any internal control weaknesses and breaches of the Listing Manual of the Main Board of the SGX-ST, regulations or local laws, as applicable. Where breaches have been identified, to identify the responsible parties if possible.

The scope of work to be performed by the Independent Reviewer was reviewed and approved by the Audit Committee and SGX RegCo, and will include, among other things:

- site visits to the business locations of the franchisees to verify their existence;
- validation of sales to significant franchisees;
- conducting targeted reviews on the sales and purchase records of the franchisees;
- reviewing the physical flow of inventory to franchisees;
- performing stock takes on inventory of franchisees on a sample basis;
- reviewing internal controls surrounding sales to franchisees and recommending improvements, where applicable; and
- reviewing compliance with the Listing Manual of the Main Board of the SGX-ST.

The Company will make further announcement(s) as and when there are material developments on this matter.

The Independent Reviewer will report its findings directly to the Audit Committee and SGX RegCo. The Company will publish an executive summary of all key findings of the Independent Reviewer on SGXNet.

BY ORDER OF THE BOARD

Huang Ban Chin
Director and Chief Operating Officer
19 March 2019