

CPH LTD.

(Co. Reg. No. 199804583E)

(Incorporated in the Republic of Singapore)

CONDITIONAL SALE AND PURCHASE AGREEMENT IN RESPECT OF THE PROPOSED ACQUISITION OF 100% OF THE ISSUED SHARE CAPITAL OF SHANAYA ENVIRONMENTAL SERVICES PTE. LTD. – RECEIPT OF WHITEWASH WAIVER FROM THE SECURITIES INDUSTRY COUNCIL

*Unless otherwise expressly defined herein, all capitalised terms and references have the same meaning as ascribed to them in the announcement made by the Company on 29 September 2020 (the “**Previous Announcement**”) in relation to the Proposed Acquisition.*

1. RECEIPT OF WHITEWASH WAIVER

- 1.1 The Board refers to the Previous Announcement in relation to, inter alia, the Proposed Acquisition and the Whitewash Waiver.
- 1.2 The Vendor and the Company have sought the following rulings and/or confirmations from the SIC:
- (a) a Whitewash Waiver in respect of the issuance of the Consideration Shares in connection with the Proposed Acquisition to the Vendors and/or parties acting in concert with them; and
 - (b) that the Vendors and parties acting in concert with them will not be treated as parties acting in concert with Mdm Choo in relation to the Proposed Acquisition, Whitewash Resolution and the Consideration Shares to be issued pursuant thereto, and that Mdm Choo will be regarded as independent of the Vendors and parties acting in concert with the Vendors, by virtue of the Controlling Shareholder’s Undertaking.
- 1.3 The Board wishes to inform Shareholders that the SIC had, on 17 November 2020:
- (a) waived the obligation for the Vendors to make a general offer for the Company under Rule 14 of the Code in the event the Vendors and their concert parties acquire more than 30% of the total voting rights of the Company based on its enlarged issued capital as a result of the issue of the Consideration Shares to the Vendors, subject to the following conditions:
 - (i) a majority of holders of voting rights of the Company approve at a general meeting, before the issue of the Consideration Shares, the Whitewash Resolution by way of a poll to waive their rights to receive a general offer from the Vendors;
 - (ii) the Whitewash Resolution is separate from other resolutions;
 - (iii) the Vendors and their concert parties abstain from voting on the Whitewash Resolution;
 - (iv) the Vendors and their concert parties did not acquire or are not to acquire any of the Company’s Shares or instruments convertible into and options in respect

of the Company's Shares (other than subscriptions for, rights to subscribe for, instruments convertible into or options in respect of the Company's new Shares which have been disclosed in the Circular):

- (A) during the period between the announcement of the Proposed Acquisition and the date Shareholders' approval is obtained for the Whitewash Resolution; and
 - (B) in the six (6) months prior to the announcement of the Proposed Acquisition but subsequent to negotiations, discussions or the reaching of understandings or agreements with the Board in relation to the Proposed Acquisition;
- (v) the Company appoints an independent financial adviser to advise its independent Shareholders on the Whitewash Resolution;
- (vi) the Company sets out clearly in its Circular to Shareholders:-
- (A) details of the Proposed Acquisition including the Controlling Shareholder's Undertaking;
 - (B) the dilution effect to existing Shareholders of the issue of the Consideration Shares to the Vendors;
 - (C) the number and percentage of voting rights in the Company as well as the number of instruments convertible into, rights to subscribe for and options in respect of Shares in the Company held by the Vendors and their concert parties as at the latest practicable date;
 - (D) the number and percentage of voting rights to be issued to the Vendors upon the acquisition of the Consideration Shares;
 - (E) specific and prominent reference to the fact that the acquisition of the Consideration Shares could result in the Vendors and their concert parties holding Shares carrying over 49% of the voting rights of the Company and to the fact that the Vendors and their concert parties will be free to acquire further Shares without incurring any obligation under Rule 14 to make a general offer;
 - (F) specific and prominent reference to the fact that Shareholders, by voting for the Whitewash Resolution, are waiving their rights to a general offer from the Vendors at the highest price paid by the Vendors and their concert parties for the Shares in the Company in the past six (6) months preceding the commencement of the offer;
 - (G) the Circular by the Company to Shareholders states that the waiver granted by SIC to the Vendors and their concert parties from the requirement to make a general offer under Rule 14 is subject to the conditions stated at 1.3(a)(i) to 1.3(a)(vi) above;
 - (H) the Company obtains SIC's approval in advance for those parts of the Circular that refer to the Whitewash Resolution; and

- (l) to rely on the Whitewash Resolution, the approval of the Whitewash Resolution must be obtained within three (3) months from 17 November 2020, and the subscription of the Consideration Shares by the Vendors must be completed within three (3) months of approval of the Whitewash Resolution; and
- (vii) rules that Mdm Choo will not be regarded as a concert party of or not independent of the Vendors and their concert parties with respect to the Whitewash Resolution by virtue of the Controlling Shareholder's Undertaking.

2. CIRCULAR

The Circular setting out, amongst others, further information on the Proposed Acquisition and the Whitewash Resolution, together with the notice of EGM, will be despatched to Shareholders in due course.

3. CAUTION IN TRADING

Shareholders and potential investors are advised to exercise caution in trading their Shares as there is no certainty or assurance as at the date of this announcement that the Proposed Acquisition will be completed. The Company will make the necessary announcements when there are further developments on the Proposed Acquisition. Shareholders are advised to read this announcement and any further announcements by the Company carefully, and should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

BY ORDER OF THE BOARD

Ong Kian Soon
Company Secretary

18 November 2020

This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.

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