

DOMINUS CAPITAL PTE. LTD.

(Incorporated in Singapore)
(Company Registration No. 202134951W)

18 February 2022

To: The Shareholders of Koufu Group Limited

Dear Shareholder,

COMPULSORY ACQUISITION OF SHARES IN KOUFU GROUP LIMITED (THE “COMPANY”) PURSUANT TO SECTION 215(1) OF THE COMPANIES ACT 1967 OF SINGAPORE (THE “COMPANIES ACT”) BY DOMINUS CAPITAL PTE. LTD. (THE “OFFEROR”) AND RIGHTS UNDER SECTION 215(3) OF THE COMPANIES ACT

1. INTRODUCTION

- 1.1 **Offer.** The Offeror refers to the offer document dated 12 January 2022 (the “**Offer Document**”) in respect of the voluntary conditional cash offer (the “**Offer**”) by United Overseas Bank Limited (“**UOB**”), for and on behalf of the Offeror, to acquire all the issued and paid-up ordinary shares in the capital of the Company (the “**Shares**”) other than those already held by the Offeror as at the date of the Offer.

Unless otherwise defined herein, capitalised terms used in this letter (the “**Letter**”) shall have the same meanings as defined in the Offer Document.

If you (a) have already accepted the Offer in respect of all your Shares by completing and returning a valid Acceptance Form, (b) will accept the Offer in respect of all your Shares by completing and returning a valid Acceptance Form between the date of this Letter and 23 February 2022, being the Final Closing Date (as defined below), or (c) have already sold all your Shares on the SGX-ST prior to the date of this Letter, please disregard this Letter and the accompanying Form 57 and Form 58 (each as defined below).

- 1.2 **Acceptances as at 27 January 2022.** On 27 January 2022, UOB announced, for and on behalf of the Offeror, that as at 6.00 p.m. (Singapore time) on 27 January 2022, the Offeror had received valid acceptances in respect of an aggregate of 498,331,711 Shares, representing approximately 90.12% of the total number of issued Shares (excluding Shares in treasury)¹. Accordingly, the Minimum Acceptance Condition of the Offer has been satisfied and the Offer has therefore become and was declared unconditional in all respects on 27 January 2022.
- 1.3 **Final Closing Date.** On 27 January 2022, UOB announced, for and on behalf of the Offeror, that in accordance with Rule 22.6 of the Code, as the Offer has become unconditional as to acceptances, the Offer will remain open for acceptance for not less than 14 days after the date on which it would have closed. Accordingly, the Closing Date for the Offer has been extended from 5.30 p.m. (Singapore time) on 9 February 2022 to 5.30 p.m. (Singapore time) on 23 February 2022 (the “**Final Closing Date**”). The Offer will not be open for acceptance beyond 5.30 p.m. (Singapore time) on the Final Closing Date. Acceptances received after 5.30 p.m. (Singapore time) on the Final Closing Date will be rejected.

¹ References in this Letter to the total number of issued Shares are based on 552,955,300 Shares in issue (excluding Shares in treasury). The Company holds 2,207,700 Shares in treasury.

- 1.4 **Right of Compulsory Acquisition.** As the Offeror has received valid acceptances of the Offer in respect of not less 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), the Offeror is entitled, and as stated in the Offer Document and as announced on 27 January 2022, intends, to exercise its right under Section 215(1) of the Companies Act to compulsorily acquire all the Shares of Shareholders who have not accepted the Offer (the “**Dissenting Shareholders**”), at a price equal to the Offer Price of S\$0.77 in cash for each Share and on the same terms as those offered under the Offer (the “**Compulsory Acquisition**”).

2. **COMPULSORY ACQUISITION UNDER SECTION 215(1) OF THE COMPANIES ACT**

- 2.1 **Dissenting Shareholder.** According to the records maintained by The Central Depository (Pte) Limited (“**CDP**”) and/or In.Corp Corporate Services Pte. Ltd. (the “**Share Registrar**”), as the case may be, as at 5.30 p.m. (Singapore time) on 3 February 2022, you have not accepted the Offer in respect of your Shares. Accordingly, the Offeror is writing to inform you that the Offeror wishes to exercise its right of compulsory acquisition under Section 215(1) of the Companies Act to acquire all your Shares (the “**Acquired Shares**”) at a consideration of S\$0.77 in cash for each Acquired Share (the “**Consideration**”) and on the same terms as those offered under the Offer. We enclose, for this purpose, a Notice to Dissenting Shareholder in the form prescribed under the Companies Act (“**Form 57**”).
- 2.2 **Compulsory Acquisition.** The Offeror will exercise its right of compulsory acquisition to acquire the Acquired Shares on or after 19 March 2022 (the “**Exercise Date**”), being the day after the expiration of one (1) month after the date on which the Form 57 is given to you subject to and on the terms set out in the enclosed Form 57 and the provisions of Section 215(4) of the Companies Act.
- 2.3 **Registration of Transfer.** On or after the Exercise Date, the Offeror will, inter alia, pay to the Company the Consideration for the Acquired Shares. Upon, inter alia, payment of the Consideration to the Company as aforesaid, the Company will cause all the Acquired Shares to be transferred to the Offeror and will register the Offeror as the holder of the Acquired Shares as soon as practicable. The Consideration will be credited by the Company into a separate bank account and held by the Company on trust for you.
- 2.4 **Settlement.** Subject to and in accordance with the provisions of Section 215(1) of the Companies Act and the terms set out in the enclosed Form 57, as soon as practicable after the Exercise Date:
- (a) if your Shares are held through a Securities Account maintained with CDP, CDP will, on behalf of the Company, despatch remittance via CDP’s Direct Crediting Service (DCS) to credit your cash distributions directly into your designated bank account for Singapore Dollars for the appropriate amount of the Consideration payable in respect of the Acquired Shares, or by such other manner as you may have agreed with CDP for the payment of any cash distributions; and
 - (b) if your Shares are held in scrip form, the Share Registrar will, on behalf of the Company, despatch remittance in the form of a Singapore Dollar crossed cheque for the appropriate amount of the Consideration payable to you in respect of the Acquired Shares to you (or your designated agents, as you may direct) by ordinary post, at your own risk, to your address as it appears in the Register of Members of the Company, as maintained by the Share Registrar.

- 2.5 **No Action Needed.** No action needs to be taken by you in relation to Form 57 to effect the transfer of your Shares and to entitle you to payment for your Shares, which payment will be made to you in accordance with paragraphs 2.3 and 2.4 above.

3. RIGHTS UNDER SECTION 215(3) OF THE COMPANIES ACT

- 3.1 **Non-Assenting Shareholder.** Under Section 215(3) of the Companies Act, you have the right to require the Offeror to acquire your Shares. In connection therewith, a Notice to Non-Assenting Shareholder in the form prescribed under the Companies Act ("**Form 58**") is enclosed with this Letter. Subject to and in accordance with Section 215 of the Companies Act, you may, within three (3) months from the giving of the Form 58 to you (that is, by 18 May 2022), require the Offeror to acquire your Shares, and the Offeror shall be entitled and bound to acquire your Shares at the Consideration and on the same terms as those offered under the Offer (or otherwise in accordance with Section 215(3) of the Companies Act).
- 3.2 **No Action Needed.** As the Offeror will be proceeding to compulsorily acquire your Shares on the terms set out in the enclosed Form 57 and as described in paragraph 2 above, **you need not take any action in relation to Form 58. Nevertheless, if you wish to exercise your right under Section 215(3) of the Companies Act or if you are in any doubt, you should seek your own independent legal advice.**

4. FREE FLOAT AND DELISTING

- 4.1 **Free Float Requirement.** Rule 724 of the Listing Manual requires the Company to ensure that at least 10% of the Shares (excluding Shares in treasury) is at all times held by the public (the "**Free Float Requirement**"). As announced by the Company on 27 January 2022, the percentage of Shares held by the public as at 6.00 p.m. (Singapore time) on 27 January 2022 is approximately 9.87% and is therefore less than the requisite 10% under the Free Float Requirement. As stated in the Offer Document, the Offeror intends to privatise the Company and does not intend to preserve the listing status of the Company, and has no intention to undertake or support any action for any trading suspension by the SGX-ST to be lifted.
- 4.2 **Delisting of the Company.** Following the Compulsory Acquisition, the Company will become a wholly-owned subsidiary of the Offeror and will be delisted from the SGX-ST. The date and time of the delisting of the Company from the SGX-ST will be announced by the Company in due course.

5. GENERAL

If you are in any doubt about any of the matters referred to in this Letter, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

If you have sold or otherwise transferred any or all of your Shares, please forward this Letter and the accompanying Form 57 and Form 58 immediately to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for onward transmission to the purchaser or transferee.

6. RESPONSIBILITY STATEMENT

The directors of the Offeror (including those who may have delegated detailed supervision of this Letter) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Letter are fair and accurate and that no material facts have been omitted from this Letter, and they jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources (including, without limitation, information relating to the Group), the sole responsibility of the directors of the Offeror has been to ensure, through reasonable enquiries, that such information is accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this Letter.

Yours faithfully,
For and on behalf of
DOMINUS CAPITAL PTE. LTD.

A handwritten signature in black ink, appearing to read 'Pang Lim', with a stylized flourish at the end.

Pang Lim
Director

Enc. Form 57 and Form 58