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SOLIS HOLDINGS LIMITED
守 益 控 股 有 限 公 司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2227)

CLARIFICATION ON PROFIT WARNING ANNOUNCEMENT

References are made to (i) the announcement of Solis Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") dated 17 July 2020 in relation to, among others, profit warning of the Company (the "**Profit Warning**") and (ii) the announcements of the Company dated 12 June 2020 and 10 July 2020 (collectively, the "**3.7 Announcements**") pursuant to Rule 3.7 of the Code on Takeovers and Mergers (the "**Takeovers Code**"). Capitalised terms used in this announcement shall have the same meanings as those defined in the Rule 3.7 Announcements unless the context herein requires otherwise. This clarification announcement is published in accordance with Practice Note 2 of the Takeovers Code.

The Directors would like to clarify that the Profit Warning constitutes a profit forecast under Rule 10 of the Takeovers Code and is required to be reported on by the financial advisers and the accountants or auditors in accordance with Rule 10.4 of the Takeovers Code. As the Profit Warning was made pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions (as defined in the Listing Rules) of Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong), which require the Company to disclose any inside information as soon as practicable and given the time constraints, the Company has encountered practical difficulties in meeting the requirements of Rule 10.4 of the Takeovers Code. Accordingly, the Profit Warning does not meet the standard required by Rule 10 of the Takeovers Code.

Pursuant to Practice Note 2 of the Takeovers Code, the reports from the Company's financial adviser and auditors or consultant accountants on the profit forecasts are required to be included in the next document to be sent to the Shareholders (the "**Profit Forecast Reports**"). As the unaudited interim results announcement of the Company for the six months ended 30 June 2020 (the "**Interim Results**") is expected to be published in August 2020 and its interim report for the same period is expected to be despatched on or before 30 September 2020. The Interim Results will comply with the requirements for the preliminary profits statements as set out in the Listing Rules. It is expected that the Interim Results will be published prior to the despatch of any offer or response documents that may be sent to the Shareholders in respect of the Receivership and Possible Transaction described in the 3.7 Announcements. Accordingly, the requirement to include the Profit Forecast Reports in the next document sent to the Shareholders pursuant to Rule 10 of the Takeovers Code is expected to be superseded by the publication of the Interim Results.

Save for the clarification stated in this announcement, all information in the Profit Warning remains unchanged.

Shareholders and potential investors of the Company should note that the Profit Warning does not meet the standard required by Rule 10 of the Takeovers Code and has not been reported on in accordance with the Takeovers Code. Shareholders and potential investors of the Company should therefore exercise caution in placing reliance on the Profit Warning in assessing the merits and demerits of the Receivership and Possible Transaction.

There is no assurance that the Receivership and Possible Transaction will result in a change of controlling shareholder and lead to general offers under Rule 26.1 of the Takeovers Code for the securities of the Company. Shareholders and public investors should exercise extreme caution when dealing in the securities of the Company.

By Order of the Board
Solis Holdings Limited
Tay Yong Hua
Executive Chairman and Executive Director

Singapore, 21 July 2020

As at the date of this announcement, the executive Directors are Mr. Tay Yong Hua and Mr. Kenneth Teo Swee Cheng (Kenneth Zhang Ruiqing); and the independent non-executive Directors are Mr. Cheung Garnok, Dr. Guan Huan Fei and Mr. Jacobsen William Keith.

The Directors jointly and severally accept full responsibility for the accuracy of the 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 statements in this announcement misleading.