

SAPPHIRE CORPORATION LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 198502465W)

INVESTMENT IN AN ASSOCIATED COMPANY

The Board of Directors (the “**Board**”) of Sapphire Corporation Limited (the “**Company**”) together with its subsidiaries (collectively known as the “**Group**”), refers to the Company’s announcement on 19 November 2018 (the “**Announcement**”), where it was announced that Ranken Railway Construction Group Co., Ltd (“**Ranken**”) (a 97.6% owned subsidiary of the Company); and its Consortium Partners (detailed in the Announcement) signed an Public-Private-Partnership (“**PPP**”) cooperation agreement (the “**Cooperation Agreement**”), with Urban and Rural Coordination Work Bureau of Chengdu Wuhou District (成都武侯区统筹城乡工作局) for the first phase of Chengdu, Wuhou District “Liveable River Bank” project (武侯区 “宜居水岸” 一期PPP项目合作合同).

Unless otherwise defined herein, capitalised terms have the same meanings ascribed to them in the Announcement.

Pursuant to the Cooperation Agreement, the Project Company, known as Chengdu Derun Jinlong Environmental Management Co., Ltd. (“**CDJ Environmental Management Co.**”) (成都德润锦隆环境治理有限公司), has been incorporated with a registered share capital of RMB 50 million. Subsequent to the incorporation, Ranken injected RMB 25 million in cash into the share capital of CDJ Environmental Management Co., representing 25% equity share of the registered capital and 25% of the capital reserve of CDJ Environmental Management Co.. The other shareholders have injected their proportionate share of the registered capital and capital reserve in CDJ Environmental Management Co..

The above investment is funded through Ranken’s internal resources and is not expected to have any material impact on the Group’s earnings per share and the net tangible assets per share for the financial year ending 31 December 2018.

Following the injection of funds, CDJ Environmental Management Co. has become an associated company of the Group.

None of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in the above transaction, other than in their respective capacities as a Director and/or substantial shareholder of the Company and Mr Cheung Wai Suen’s direct interest in Chengdu Kai Qi Rui Business Management Co., Ltd and Ranken Railway Construction Group Co., Ltd of 2.0% and 0.4% respectively.

By Order of the Board
SAPPHIRE CORPORATION LIMITED

Wang Heng
Chief Executive Officer and Executive Director
30 December 2018