

**SHC CAPITAL ASIA LIMITED**

(Incorporated in the Republic of Singapore)

(Company Registration Number: 201201631D)

(I) MONTHLY VALUATION OF ASSETS AND UTILISATION OF CASH; AND**(II) QUARTERLY UPDATE OF MILESTONES IN OBTAINING A NEW BUSINESS**

*Unless otherwise defined, all capitalised terms used herein shall bear the same meaning as ascribed to them in the circular of SHC Capital Asia Limited (the “**Company**”) dated 10 July 2014 in relation to, inter alia, the disposal of the entire issued and paid-up share capital of SHC Insurance Pte. Ltd..*

Pursuant to Rule 1017(1)(b) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual Section B: Rules of Catalist (“**Catalist Rules**”), the Board wishes to announce the following:

1. Monthly valuation of assets and utilisation of cash

- (i) The Company’s assets and liabilities as at 31 January 2016 were as follows:

	S\$’000
<u>Assets</u>	
Amount held in Escrow Account	19,403
Deposits placed as collateral for the SBLC/Demand Guarantee	12,500
Fixed deposits	6,759
Bank balances	59
Motor vehicle	428
Prepayments and other receivables	32
Total assets	39,181
 Less:	
<u>Liabilities</u>	
Accruals for Directors’ fees and professional fees	489
Total liabilities	489
 Net assets	 38,692

- (ii) The Company’s utilisation of cash in the month of January 2016 was as follows:

	S\$’000
Opening cash and bank balances	38,896
Add:	
Interest received	7
Less:	
Interim management’s remuneration ⁽¹⁾	(50)
Legal and professional fees	(95)
Administrative and other expenses	(37)
Closing cash and bank balances ⁽²⁾	38,721

Notes:

- (1) This remuneration represents the amount paid to the Company's interim CEO and interim Chief Financial Officer for the month of January 2016.
- (2) This includes approximately S\$19.403 million held in the Escrow Account and S\$12.5 million of deposits placed as collateral for the SBLC/Demand Guarantee.

All figures provided in this announcement have not been reviewed or audited by the Company's auditors.

2. Quarterly update of milestones in obtaining a new business

On 20 January 2016, the Company announced that it had on the same day entered into a non-binding memorandum of understanding (the "**MOU**") with four (4) parties, comprising two (2) corporate entities and two (2) individuals (collectively, the "**Vendors**") with a view to acquire the following:-

- (i) certain tourism and hospitality businesses and/or assets in Myanmar (the "**Vendor Assets**"), at not less than 50% plus one (1) share of the Vendor Assets (and, in the case of one particular Vendor Asset, not less than 75%), such that the Company will have majority control of and is otherwise able to consolidate each of the respective Vendor Assets upon the completion ("**Completion**") of the Potential Transaction (as defined below) (the "**Potential Acquisition**"); and
- (ii) an option (the "**Potential Option**") from certain parties to be procured by one of the Vendors (the "**Option Parties**") to acquire certain tourism assets in Myanmar (the "**Option Asset**"), at a nominal consideration of S\$1.00 for the grant of such option.

The Potential Acquisition and the Potential Option shall collectively be referred to as the "**Potential Transaction**".

On 29 January 2016, the Company announced that, pursuant to an application to the SGX-ST, the SGX-ST had on 28 January 2016 granted the Company, in its capacity as a cash company, a further extension of time to meet the requirements for a new listing, from 1 February 2016 to 31 December 2016 (the "**Further Extension**"), subject to certain conditions ("**Conditions**"). Please refer to the abovementioned announcement for further details, including the Conditions and the reasons for seeking the Further Extension.

Shareholders of the Company ("**Shareholders**") should note that the terms of the MOU are non-binding and are subject to further negotiations and changes. There is no certainty or assurance that the Definitive Agreement will be entered into and/or that the Potential Transaction will materialise. Further details of the Potential Transaction will be announced after a definitive binding agreement in relation to the Potential Transaction (the "**Definitive Agreement**") has been entered into or at such other time as may be appropriate after the terms of the Potential Transaction have been finalised.

Shareholders and investors are accordingly advised to exercise caution when dealing in the shares of the Company and to refrain from taking any action which may be prejudicial to their interests. In the event of any doubt, Shareholders and investors are advised to consult their stockbrokers, bank managers, solicitors, accountants and other professional advisers.

By Order of the Board

Teo Yiam Beng Steven
Interim Chief Financial Officer
1 February 2016

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor ("**Sponsor**"), Canaccord Genuity Pte. Ltd., for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). The Sponsor has not independently verified the contents of this announcement.*

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made, or reports contained in this announcement.

The contact person for the Sponsor is Ms. Alice Ng, Director and Head of Continuing Sponsorship, Canaccord Genuity Pte. Ltd. at 77 Robinson Road #21-02 Singapore 068896, Telephone: (65) 6854 6160.