

## CHANGE IN AND UPDATE ON USE OF RIGHTS ISSUE PROCEEDS

*Unless otherwise defined, capitalized terms used herein shall bear the same meaning ascribed to them in the offer information statement dated 23 July 2015 in relation to the Rights Issue ("OIS").*

Further to the Company's full year unaudited results for the financial year ended 31 December 2016, the Company's Annual Report dated 6 April 2017 ("**Annual Report 2016**"), and the Company's response to the queries from the SGX-ST on the Annual Report 2016 announced on 12 May 2017, the Board of Directors (the "**Board**") of Forise International Limited (the "**Company**", together with its subsidiaries, the "**Group**") wishes to update on the utilization of S\$8.77 million of the net proceeds being after deducting related expenses incurred in connection with the Rights Issue raised from the Rights Issue ("**Net Proceeds**").

### Reallocation

The Company has reallocated S\$2.00 million of the Net Proceeds (the "**Reallocated Proceeds**") from the Rights Issue initially allocated for funding of new potential investments and businesses through acquisitions, joint ventures and/or collaborations in businesses to general working capital purposes ("**Reallocation**").

As disclosed in the financial results announcement dated 15 May 2017 and 11 August 2017 for the first and second quarter ended 31 March 2017 and 30 June 2017 respectively, the Group has been focusing on the development and expansion of its corporate advisory business. As such, the Board, has upon evaluation of the working capital required for the continued expansion of the Group's corporate advisory services arm, in particular, the increase in staff costs and related expenses, office costs, general overhead costs and professional fees, decided on the Reallocation.

Subsequent to the Reallocation, the status of the use of the Net Proceeds as at the date of this announcement is as follows:

Intended use of Net Proceeds	Amount allocated	Amount allocated after the Reallocation	Amount utilized up to 17 Aug 2017	Balance as at 17 Aug 2017
	S\$' million	S\$' million	S\$' million	S\$' million
To fund new potential investments and businesses through acquisitions, joint ventures and/or collaborations in businesses	6.27	4.27	2.67 (i)	1.60
For general working capital purposes	2.50	4.50	3.19 (i)	1.31
<b>Total</b>	<b>8.77</b>	<b>8.77</b>	<b>5.86</b>	<b>2.91</b>

(i) Further to our announcement on 12 May 2017, reclassification has been made for professional fees of S\$150,000 incurred in relation to creation of the Group's corporate advisory services platform, from general working capital purposes to new potential investments and businesses through acquisitions, joint venture and/or collaborations in business purpose.

The breakdown of S\$3.19 million utilized for general working capital is set out as follows:

		<b>For general working capital purposes (S\$' million)</b>
1)	Salaries	1.26
2)	Rental	0.70
3)	Professional fees	0.64
4)	Others	0.59
	<b>Total</b>	<b>3.19</b>

The Company will make further announcement on the use of the balance Net Proceeds as and when they are materially disbursed.

**BY ORDER OF THE BOARD**

Leo Peng WeiLe

Executive Director  
17 August 2017