EPICENTRE HOLDINGS LIMITED
(Company Registration No. 200202930G)
(Incorporated in Singapore)

TERM SHEET IN RELATION TO PROPOSED ACQUISITION

I. ENTRY INTO TERM SHEET

The Company wishes to announce that it has today entered into a binding term sheet ("**Term Sheet**") with Healthtrends Medical Investments Ltd and its subsidiaries (collectively "**Vendors**" and individually "**Vendor**") in relation to the proposed acquisition of the Vendors' respective interests in their operating units in Singapore, Malaysia, Hong Kong and Vietnam ("**Proposed Acquisition**"), namely Eastlife Pte Ltd, Maxglobe Pte Ltd, The Sloane Clinic (Plastic Surgery) Pte Ltd, The Sloane Group Sdn Bhd, HealthTrends Specialists Pte Ltd, Dermagenesis Sdn Bhd, Astique CliniCentral Ltd, Green Jade Limited, and Truong Giang Investment and Trading Joint Stock Company (collectively "**Target Companies**").

The Proposed Acquisition, if successfully completed, will constitute a very substantial acquisition amounting to a reverse takeover of the Company pursuant to Rule 1015 of the Catalist listing rules ("**Catalist Rules**") of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), and is subject to shareholders' approval. It will result in the dilution of interest held by Mr Jimmy Fong Teck Loon, who currently has a direct and deemed interest of 59.67% in the issued share capital of the Company ("**Current Major Shareholder**"). Subsequent to completion of the Proposed Acquisition, and arising from the *in specie* distribution of the Consideration Shares (as defined below) to shareholders and convertible loan investors of the Vendors, there will not be any shareholder holding more than 50% interest in the Company.

II. TARGET COMPANIES

The Target Companies are engaged in the businesses of:

(a) Medical aesthetics and cosmetic surgery;

(b) Primary care and medical wellness; and

(c) Distribution of medical products and solutions.

III. CONSIDERATION

The aggregate consideration for the Proposed Acquisition is S$100 million ("**Purchase Consideration**"), based on, amongst others, the financials (including the combined proforma profit after tax of the Target Companies for the financial year ending 31 December 2014 being S$6.2 million), business prospects, track record and competencies of the Target Companies.

The Purchase Consideration is to be satisfied by the issue and allotment of an aggregate of 298,635,484 new ordinary shares in the capital of the Company ("**Consideration Shares**"), at an issue price of S$0.334854 per Consideration Share, on completion of the Proposed Acquisition ("**Completion**").

The Consideration Shares to be issued and allotted to the Vendors (which in turn will be distributed *in specie* to the shareholders and convertible loan investors of the Vendors) comprise approximately 76.2% respectively, of the enlarged issued share capital of the Company after Completion but prior to any compliance placement.

The Purchase Consideration may be subject to adjustment dependent on the final valuation of the Target Companies.

IV. CONDITIONS PRECEDENT

Completion of the Proposed Acquisition is subject to, *inter alia*:

(a) the execution of definitive agreements ("**Definitive Agreements**") (including an irrevocable undertaking in writing by the Current Major Shareholder to vote in favour of the Proposed Acquisition);

(b) the Vendors owning legally and beneficially free from any encumbrance the specified shares in the Target Companies;

(c) approval of all transaction contemplated in connection with the Proposed Acquisition and issuance of Consideration Shares by the Company's shareholders ("**Shareholders**") and the regulatory authorities (including, without limitation, the Company's sponsor ("**Sponsor**"), SGX-ST and the Securities Industry Council ("**SIC**"), where applicable);

(d) the receipt and non-withdrawal of the approval-in-principle of the Sponsor and/or the SGX-ST for, among other things, the listing of and quotation for the Consideration Shares;

(e) the receipt and non-withdrawal of the approval of the SIC granted to the Vendors (or their shareholders) ("**SIC Approval**") to dispense with the requirements of Rule 14 of the Singapore Code on Takeovers and Mergers ("**Takeover Code**") to make a mandatory general offer to the shareholders of the Company arising from the acquisition by the Vendors (or their shareholders) of the Consideration Shares, subject to the conditions set out in the SIC Approval;

(f) a whitewash resolution ("**Whitewash Resolution**") being obtained from the Shareholders to waive their rights to receive a mandatory general offer from the Vendors (or their shareholders), pursuant to Rule 14 of the Takeover Code, as a result of the Proposed Acquisition;

(g) the Company being reasonably satisfied with the results of the due diligence to be performed on the Target Companies;

(h) the Vendors being reasonably satisfied with the results of the due diligence to be performed on the Company and its subsidiaries (collectively "**Group**");

(i) the Company having obtained a report from an independent professional valuer on the business valuation of the proforma Target Companies supporting the Purchase Consideration;

(j) the Current Major Shareholder having entered into a new service agreement for another five (5) years on terms not less favourable than the existing terms, upon

the expiry of the existing service agreement;

(k) the representation, warranties and undertakings of the parties being true and correct in all material respects as of Completion, and each party having duly performed all the obligations to be performed by it under the Definitive Agreements; and

(l) no material adverse change in the existing or prospective legal, financial, operational, contractual, business, tax and other positions of the Group and Target Companies (as the case may be) occurring on or before Completion.

V. MANAGEMENT POST-COMPLETION

It is contemplated that the board of directors of the Company after the Completion ("**New Board**") shall comprise at least six (6) members, subject to the terms of investors of the Vendors who may require non-executive board seats. It is further contemplated that the New Board will comprise an executive chairman and two (2) chief executive officers who will be responsible for their respective business segments. The current business of the Group will continue to be managed by the Current Major Shareholder. The Vendors and the Current Major Shareholder shall nominate two (2) and one (1) independent directors respectively.

VI. DEFINITIVE AGREEMENTS

Under the Term Sheet, the parties will in good faith negotiate and agree on the terms of the Definitive Agreements by 28 February 2015 (or as may be mutually extended). In the event the Definitive Agreements are not entered into by the aforesaid date, the Term Sheet shall lapse and cease to have any effect, save for any accrued rights of any party or as expressly provided in the Term Sheet.

VII. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Save as disclosed herein, none of the directors or substantial Shareholders of the Company have any interest, direct or indirect, in the Proposed Acquisition (other than their direct or indirect shareholdings in the Company).

VIII. TERM SHEET AVAILABLE FOR INSPECTION

A copy of the Term Sheet is available for inspection at the registered address of the Company at 39 Ubi Road 1, #08-01 World Publications Building, Singapore 408695 during normal business hours for a period of three (3) months commencing from the date of this announcement.

IX. FURTHER ANNOUNCEMENTS

The Company will make further announcement(s) to update Shareholders as and when appropriate.

In the meantime, any queries relating to the Proposed Acquisition may be directed to Tardis Capital Private Limited (Mr. Rohit Sen, Managing Director, Tel: 65-6850 7720), which is advising the Company.

X. CAUTIONARY STATEMENT

Shareholders and potential investors should exercise caution when trading in the Shares, as there is no certainty that the parties will progress to signing the Definitive Agreements. In the event of any doubt as to the action they should take, Shareholders should consult their financial, tax, legal or other professional advisers.

By Order of the Board

Jimmy Fong Teck Loon
Executive Chairman and Chief Executive Officer
11 December 2014

This announcement has been prepared by the Company and its contents have been reviewed by RHT Capital Pte. Ltd. for compliance with the relevant rules of the 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 Mr. Lin Song, Registered Professional (Tel: 65-6381 6757) at Six Battery Road, #10-01, Singapore 049909.