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

PROPOSED PLACEMENT OF UP TO 45,800,000 NEW ORDINARY SHARES IN THE CAPITAL OF EPICENTRE HOLDINGS LIMITED

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1. INTRODUCTION

1.1 The Board of Directors (the "**Board**") of Epicentre Holdings Limited (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to announce that the Company has, on 20 July 2016, entered into a conditional placement agreement (the "**Placement Agreement**") with KGI Fraser Securities Pte Ltd as placement agent (the "**Placement Agent**").

1.2 Pursuant to the Placement Agreement, the Company has agreed to offer, by way of placement, and the Placement Agent has agreed to procure subscriptions on a best efforts basis for, an aggregate of up to 45,800,000 new ordinary shares in the capital of the Company (the "**Placement Shares**"), at an issue price to be agreed between the Company and the Placement Agent but which shall not be less than S$0.25 per Placement Share (the "**Issue Price**"), amounting to an aggregate consideration of not less than S$11,450,000 (the "**Proposed Placement**").

1.3 Assuming that the Placement Shares are fully subscribed, the Placement Shares represent approximately 49.10% of the existing issued and paid-up share capital of the Company of 93,274,600 ordinary shares as at the date of this announcement (excluding treasury shares). Immediately after completion of the Proposed Placement and assuming that no further shares are issued prior thereto, the Proposed Placement will increase the issued and paid-up share capital of the Company to 139,074,600 ordinary shares and the Placement Shares represent approximately 32.93% of the enlarged issued and paid-up share capital of the Company (excluding treasury shares).

2. GENERAL MANDATE

2.1 The Placement Shares will be allotted and issued pursuant to the general mandate granted by the shareholders of the Company (the "**Shareholders**") at the annual general meeting of the Company held on 29 October 2015 (the "**General Mandate**"). As such, no circular will be issued by the Company in connection with the Proposed Placement.

2.2 Under the General Mandate, the Board is authorised to issue new ordinary shares in the capital of the Company, on the basis that the total number of issued shares and instruments to be issued other than on a pro rata basis to existing Shareholders must be not more than 50% of the total number of issued ordinary shares (excluding treasury shares) in the capital of the Company as at the time of the passing of the resolution approving the General Mandate (the "**Relevant Time**"), after adjusting for, amongst other, new shares arising from the conversion or exercise of any instruments.

2.3 The total number of ordinary shares (excluding treasury shares) in the capital of the Company as at the Relevant Time was 93,274,600. As at the date of this announcement, the Company has not issued any Shares under the General Mandate, and no event has occurred which would result in any adjustment in the number of Shares on which the General Mandate is based. As such, the maximum number of shares that may be issued pursuant to the General Mandate other than on a pro rata basis to existing shareholders is 46,637,300 new ordinary shares.

3. PRINCIPAL TERMS OF THE PROPOSED PLACEMENT

3.1 Issue Price

Based on the Issue Price of S$0.25 per Placement Share, this represents a premium of approximately 92.3% to the weighted average price of the Shares of S$0.13 per Share for trades done on the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") on 20 July 2016 (being the full market day on which the Placement Agreement was signed).

3.2 Ranking

The Placement Shares, when allotted and issued, shall be issued free from all claims, charges, liens and other encumbrances whatsoever and shall rank pari passu in all respects with and carry all rights similar to the existing ordinary shares, except that they will not rank for any dividend, right, allotment or other distributions, the record date for which falls on or before the date of issue of the Placement Shares.

3.3 Conditions Precedent

Completion under the Placement Agreement is conditional upon:

(a) the Company having received the approval-in-principle for the listing and quotation of the Placement Shares on the SGX-ST and such approval not having been revoked or amended, and, where such approval is subject to conditions, such conditions being acceptable to the Placement Agent and the Company, and, to the extent that any conditions for the listing and quotation of the Placement Shares on the SGX-ST are required to be fulfilled, they are so fulfilled;

(b) the transactions contemplated in the Placement Agreement not being prohibited by law or regulation or interpretation thereof (including without limitation, any statute, order, rule, regulation, request, judgement or directive promulgated or issued by any legislative, executive, judicial or regulatory body or authority (including without limitation, the Monetary Authority of Singapore and the SGX-ST)) in Singapore or other jurisdictions which is applicable to the Company, the Placement Agent, or the placees;

(c) the determination of the final Issue Price by the Placement Agent, in consultation with the Company.

(collectively, the "**Conditions Precedent**").

If the Conditions Precedent are not fulfilled on or before the date falling 3 month(s) after the date of the Placement Agreement, the Placement Agreement shall *ipso facto* cease and all rights and liabilities of the Company and the Placement Agent shall cease and neither shall have any claim against the other save in respect of any antecedent breach of the Placement Agreement.

3.4 Completion

Completion under the Placement Agreement ("**Completion**") shall take place on a date to be agreed between the Company and the Placement Agent days after all the Conditions precedent have been fulfilled.

3.5 Additional Listing Application

The Sponsor of the Company, RHT Capital Pte. Ltd., will be making an application on behalf of the Company to the SGX-ST for the listing and quotation of the Placement Shares on the Official List of Catalist. The Company will make the necessary announcement in due course upon obtaining the approval in-principle from the SGX-ST.

3.6 Commission

In consideration of the Placement Agent procuring subscribers for the Placement Shares, the Company shall pay a commission of 1% of the aggregate Issue Price in respect of the Placement Shares which the Placement Agent has successfully obtained subscriptions for.

3.7 General

The Placement Shares will not be offered to nor shall subscriptions be procured from persons who fall within the categories set out in Rule 812(1) of the Rules of Catalist unless Rule 812(3) of the Rules of Catalist applies.

In addition, the issuance of the Placement Shares will not be made without the prior approval of the Company's shareholders in a general meeting if such issuance would bring about a transfer of controlling interest.

There is no moratorium imposed on the Placement Share

4. RATIONALE AND USE OF PROCEEDS

4.1 Based on the Issue Price of S$0.25 per Placement Share and assuming the Placement Shares will be taken up in full, the Proposed Placement will allow the Company to raise net cash proceeds (after deducting estimated expenses of approximately S$160,000) of approximately S$11,290,000 (the "**Net Proceeds**"), which will be utilised as follows:

(a) 50% of the Net Proceeds will be used to support business development and provide liquidity for business expansion through acquisitions, joint ventures and collaborations; and

(b) 50% of the Net Proceeds will be used as general working capital purposes.

4.2 The Company will make periodic announcements on the utilisation of the Net Proceeds as and when such Net Proceeds are materially disbursed, and whether the use of Net Proceeds is in accordance with the stated use and in accordance with the percentage allocated. The Company will also provide a status report on the utilisation of such Net Proceeds in the Company's interim and full-year financial statements and annual report(s).

4.3 Pending deployment of the Net Proceeds, such proceeds may be deposited with banks and/or financial institutions, invested in short-term money market instruments or debt instruments or used for any other purposes on a short-term basis, as the Directors may, in their absolute discretion, deem fit from time to time.

4.4 The Company has decided to undertake the Proposed Placement to strengthen the Group's financial position and flexibility to capitalise on growth opportunities. The Proposed Placement will result in an injection of funds into the Company to fund the growth of the Group's business and for general working capital purposes.

5. FINANCIAL EFFECTS OF THE PROPOSED PLACEMENT

For illustrative purposes only, based on the audited consolidated financial statements of the Company and the Group for the year ended 30 June 2015, the financial effects of the Proposed Placement on the Group are calculated based on the following assumptions:

(a) the computations are purely for illustrative purposes only and do not reflect the actual financial results and financial position of the Group after completion of the Proposed Placement;

(b) for the purpose of computing the effect of the Proposed Placement on the net tangible assets ("**NTA**") per Share, it is assumed that the Proposed Placement was completed on 30 June 2015; and

(c) for the purpose of computing the effect of the Proposed Placement on the loss per Share ("**LPS**"), it is assumed that the Proposed Placement was completed on 30 June 2015.

Share Capital

	Number of Shares	Share Capital (S$'000)
Issued and paid- up share capital before allotment of Placement Shares	93,274,600	6,709
Issued and paid-up share capital after allotment of Placement Shares	139,074,600	17,999

NTA

	Before the allotment of Placement Shares	After the allotment of Placement Shares
Consolidated NTA attributable to Shareholders (S$'000)	6,045	17,335
Number of issued Shares	93,274,600	139,074,600
NTA per Share (cents)	6.48	12.46

LPS

	Before the allotment of Placement Shares	After the allotment of Placement Shares
Consolidated loss after taxation (S$'000)	2,875	2,875
Weighted average number of shares for the year ended 30 June 2015	93,274,600	139,074,600
LPS (cents)	3.08	2.07

6. **DIRECTORS' CONFIRMATION**

The Directors are of the opinion that, after taking into consideration the present bank facilities, the working capital available to the Group is sufficient to meet its present requirements.

Notwithstanding the above, the Company has decided to undertake the Proposed Placement as explained in paragraph 4 above.

7. **NO PROSPECTUS OR OFFER INFORMATION STATEMENT TO BE ISSUED**

The Proposed Placement will be undertaken pursuant to Sections 272B and/or 275 of the Securities and Futures Act (Chapter 289) of Singapore. As such, no prospectus or offer information statement will be lodged with the Monetary Authority of Singapore in connection with the Proposed Placement.

8. **INTERESTS OF THE DIRECTORS AND SUBSTANTIAL SHAREHOLDERS**

None of the Directors or, to the best of the Company's knowledge, the substantial shareholders of the Company, as well as their respective associates, has any interest, direct or indirect, in the Proposed Placement (other than through their respective shareholdings in the Company) except that the Placement Agent may elect to place the Placement Shares to substantial shareholders as permitted under Rule 812(3) of the Rules of Catalist.

9. **TRADING CAUTION**

Shareholders are advised to exercise caution in trading their Shares. There is no certainty or assurance as at the date of this announcement that the proposed allotment and issuance of the Settlement Shares will be completed or that no changes will be made to the terms thereof. The Company will make the necessary announcements when there are further developments. Shareholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders should consult their stock brokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

10. **DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Placement and the Group, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

BY ORDER OF THE BOARD

LIM TIONG HIAN
NON-EXECUTIVE CHAIRMAN AND DIRECTOR
20 JULY 2016

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.

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