



SHC CAPITAL ASIA LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 201201631D)

COMPLETION OF SUBSTITUTION OF REMAINING COLLATERAL DEPOSIT AMOUNT

Unless otherwise defined, capitalised terms used herein shall have the same meanings ascribed to them in the Company's announcements dated 1 August 2016 and 31 October 2016 and the circular dated 14 November 2016.

As announced by the Company on 1 August 2016, 31 October 2016 and 14 November 2016, the Company, SHC Capital Holdings Pte Ltd ("**Major Shareholder**") and ERGO International AG ("**ERGO**") had entered into a substitution agreement on 22 July 2016 ("**Substitution Agreement**") pursuant to which the parties have agreed to (i) the substitution of the Company's cash deposit of S\$1.3 million ("**Remaining Collateral Deposit Amount**") placed with United Overseas Bank ("**UOB**") as security for a standby letter of credit of S\$1.3 million issued by UOB in favour of ERGO ("**Cash Deposit**"), with an equivalent amount of S\$1.3 million to be furnished and placed as a cash deposit by the Major Shareholder with UOB directly ("**Substitution**"); and (ii) thereafter, the release and return of the Cash Deposit to the Company.

The Board of Directors of SHC Capital Asia Limited (the "**Company**") is pleased to announce that pursuant to the Substitution Agreement, the Company has successfully procured the substitution of the Remaining Collateral Deposit Amount and UOB has released the Remaining Collateral Deposit Amount to the Company on 28 November 2016.

The Remaining Collateral Deposit Amount will be distributed as part of the Proposed Cash Distribution in connection with the Proposed Capital Reduction as announced on 31 October 2016. For the avoidance of doubt, the terms of the Proposed Cash Distribution will remain unchanged at S\$0.095 in cash for each Share held by Shareholders as at a books closure date to be determined, fractional entitlements of Shares to be disregarded, amounting to an aggregate distribution of approximately S\$29,068,345. The circular and the notice of extraordinary general meeting in relation to the Proposed Cash Distribution and the Proposed Capital Reduction were despatched to the shareholders on 14 November 2016.

Shareholders and investors should note that there is no assurance or certainty that the Proposed Cash Distribution and the Proposed Capital Reduction will be completed. 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
28 November 2016

*This announcement has been prepared by the Company and its contents have been reviewed by the sponsor, PrimePartners Corporate Finance Pte. Ltd. (“**Sponsor**”) for compliance with the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this announcement.*

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

The contact person for the Sponsor is Ms Gillian Goh, Director, Head of Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone (65) 6229 8088.