

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

I. TERMINATION OF THE PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF UP TO 797,373,000 RIGHTS SHARES IN THE CAPITAL OF THE COMPANY; AND

II. PROPOSED PLACEMENT OF UP TO 79,737,300 NEW ORDINARY SHARES IN THE CAPITAL OF EPICENTRE HOLDINGS LIMITED

I. TERMINATION OF THE PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF UP TO 797,373,000 RIGHTS SHARES IN THE CAPITAL OF THE COMPANY

The Board of Directors (the “**Board**”) of Epicentre Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the Company’s announcements dated 29 September 2017 and 7 April 2017 (the “**Announcements**”) in relation to the Company’s proposed renounceable non-underwritten rights issue (the “**Rights cum Warrants Issue**”) of up to 797,373,000 new ordinary shares of the Company (ordinary shares in the Company being the “**Shares**”) with up to 797,373,000 free detachable unlisted warrants (the “**Warrants**”). Unless otherwise defined, all capitalized terms and references used herein shall bear the same meaning ascribed to them in the Announcements.

The Board wishes to update shareholders that the Company has decided to terminate the Rights cum Warrants Issue. Instead of raising funds through the Rights cum Warrants Issue, the Company would like to do so through the Proposed Placement (as defined below) instead. The Proposed Placement will allow the Company to raise funds by targeting at more strategic investors who may bring greater value to the Company in its diversification and business renewal efforts.

II. PROPOSED PLACEMENT OF UP TO 79,737,300 NEW ORDINARY SHARES IN THE CAPITAL OF EPICENTRE HOLDINGS LIMITED

1. INTRODUCTION

- 1.1 The Board wishes to announce that the Company has, on 27 June 2018, entered into a conditional placement agreement (the “**Placement Agreement**”) with SooChow CSSD Capital Markets (Asia) 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 79,737,300 new 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\$0.12 per Placement Share (the “**Issue Price**”), amounting to an aggregate consideration of not less than S\$9,568,476 assuming that all the Placement Shares are fully subscribed at the minimum Issue Price (the “**Proposed Placement**”).
- 1.3 Assuming that the Placement Shares are fully subscribed, the Placement Shares represent 50% of the existing issued and paid-up share capital of the Company of 159,474,600 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 239,211,900 Shares and the Placement Shares represent approximately 33.33% 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 31 October 2017 (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 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 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 Shares (excluding treasury shares) in the capital of the Company as at the Relevant Time was 159,474,600. 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 79,737,300 new Shares. The proposed allotment and issuance of up to 79,737,300 Placement Shares will fall within the limits of the General Mandate.

3. PRINCIPAL TERMS OF THE PROPOSED PLACEMENT

3.1 Issue Price

Based on the Issue Price of S\$0.12 per Placement Share, this represents a premium of approximately 135.29% to the weighted average price of the Shares of S\$0.051 per Share for trades done on the Catalist of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) on 27 June 2018 (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 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 Catalist of 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 allotment and issuance of the Placement Shares 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 SGX-ST)) in Singapore or other jurisdictions which are applicable to the Company or the Placement Agent. ;
- (c) the determination of the number of Placement Shares for which the Placement Agent has procured subscription and the Issue Price, and the entry into of an agreement on the Issue Price on or before 15th December 2018 (or such other date as Company and the Placement Agent may agree);,
- (d) as of the date of Completion, the trading of the issued Shares on the SGX-ST not being

suspended by the SGX-ST (other than a suspension or trading halt on a temporary basis as requested by the Company) and the issued Shares not having been delisted from the SGX-ST;

- (e) the representations, warranties and undertakings by the Company in the Placement Agreement remaining true and accurate in all material respects (or where already qualified by materiality, in all respects) from the date of the Placement Agreement up to the date of Completion;
- (f) the Company having performed in all material respects (or where already qualified by materiality, in all respects) all of its relevant obligations to be performed under the Placement Agreement on or before the date of Completion;
- (g) there having been, from the date of the Placement Agreement up to the date of Completion, no occurrence of any event nor the discovery of any fact rendering untrue or incorrect in any material respect (or where already qualified by materiality, in any respect) any of the representations, warranties and undertakings contained in the Placement Agreement; and
- (h) the delivery to the Placement Agreement by the Company of a completion certificate in a form as set out in the Placement Agreement on the date of Completion.

(collectively, the “**Conditions Precedent**”).

If the Conditions Precedent are not fulfilled on or before 15th December 2018 or such other date as the Company and the Placement Agent may agree, the obligations of the Placement Agent and the Company under the Placement Agreement shall *ipso facto* cease and determine thereafter and in that event the Company and the Placement Agent shall be released and discharged from its respective obligations under the Placement Agreement (except for any liability accruing before or in relation to such termination) and the parties to the Placement Agreement shall (except for Clauses 9 (*Indemnities*), 17 (*Notices*), 18 (*Governing Law and Jurisdiction*) and 20 (*Contracts (Rights of Third Parties) Act*) of the Placement Agreement) be under no further liability or obligation arising out of the Placement Agreement (except for any liability accruing before or in relation to such termination).

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 after all the Conditions Precedent have been fulfilled.

3.5 Additional Listing Application

The Sponsor of the Company, Stamford Corporate Services 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 Catalist of the SGX-ST. The Company will make the necessary announcement in due course upon obtaining the listing and quotation notice 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 gross proceeds raised pursuant to the Proposed Placement.

The Proposed Placement is non-underwritten.

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 Section B: Rules of Catalist of the Listing

Manual of the SGX-ST (“**Rules of Catalyst**”) unless Rule 812(3) of the Rules of Catalyst 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 Shares.

4. RATIONALE AND USE OF PROCEEDS

4.1 Based on the Issue Price of S\$0.12 per Placement Share and assuming that 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\$250,000) of approximately S\$9,318,476 (the “**Net Proceeds**”), which will be utilised as follows:

- (a) 60 - 70% of the Net Proceeds will be used for repayment of existing liabilities; and
- (b) 30 - 40% of the Net Proceeds will be used for expenses for general working capital purposes and future acquisitions and related expenses.

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) (if applicable). Where the Net Proceeds are used for working capital purposes, the Company will provide a breakdown with specific details on how the Net Proceeds have been applied in the announcements and the status report. Where there is any material deviation from the stated use of proceeds, the Company will announce the reasons for such deviation.

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 raise funds for the repayment of existing liabilities, the expenses for the reverse takeover listing and for general working capital purposes.

5. FINANCIAL EFFECTS OF THE PROPOSED PLACEMENT

For illustrative purposes only, based on the latest audited consolidated financial statements of the Company and the Group for the financial year ended 30 June 2017, 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) the maximum number of 79,737,300 Placement Shares are placed out by the Placement Agent at the Issue Price of S\$0.12 per Placement Share
- (c) 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 2017; and
- (d) for the purpose of computing the effect of the Proposed Placement on the Profit per Share (“**EPS**”), it is assumed that the Proposed Placement was completed on 1 July 2016.

Share Capital

	Number of Shares	Share Capital
Issued and paid-up share capital before allotment of Placement Shares	159,474,600	14,753,199
Issued and paid-up share capital after allotment of Placement Shares	239,211,900	24,163,199

NTA

	Before the allotment of Placement Shares	After the allotment of Placement Shares
Consolidated NTA attributable to Shareholders	6,379,000	15,789,000
Number of issued Shares	159,474,600	239,211,900
NTA per Share (cents)	4.00	6.60

EPS

	Before the allotment of Placement Shares	After the allotment of Placement Shares
Consolidated profit after taxation	506,916	506,916
Weighted average number of shares for the year ended 30 June 2017	126,761,175	206,498,475
EPS (cents)	0.40	0.25

For illustrative purposes only, based on the latest unaudited consolidated financial statements of the Company and the Group for the financial half-year ended 31 December 2017, 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) the maximum number of 79,737,300 Placement Shares are placed out by the Placement Agent at the Issue Price of S\$0.12 per Placement Share
- (c) 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 31 December 2017; and
- (d) 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 1 July

2017.

Share Capital

	Number of Shares	Share Capital
Issued and paid-up share capital before allotment of Placement Shares	159,474,600	14,753,199
Issued and paid-up share capital after allotment of Placement Shares	239,211,900	24,163,199

NTA

	Before the allotment of Placement Shares	After the allotment of Placement Shares
Consolidated NTA attributable to Shareholders	4,233,000	13,643,000
Number of issued Shares	159,474,600	239,211,900
NTA per Share (cents)	2.65	5.70

LPS

	Before the allotment of Placement Shares	After the allotment of Placement Shares
Consolidated loss after taxation	(2,601,898)	(2,601,898)
Weighted average number of shares for the year ended 31 December 2017	159,474,600	239,211,900
LPS (cents)	(1.63)	(1.08)

It should be noted that such financial effects are for illustrative purposes only and do not purport to be indicative or a projection of the results and financial position of the Company and the Group after completion of the Proposed Placement.

6. DIRECTORS' CONFIRMATION

The Directors are of the opinion that, with the present working capital available to the Group, is sufficient to meet its present requirements. Notwithstanding the foregoing, the purpose of the Proposed Placement is to raise funds for the repayment of existing liabilities, for general working capital purposes and for future acquisitions and related expenses.

In the reasonable opinion of the Directors, no minimum amount must be raised from the Proposed Placement.

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, 274 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 and subject to Rule 812(3) or Rule 812(4) of the Rules of Catalyst.

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 Placement 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
EXECUTIVE CHAIRMAN AND ACTING CHIEF EXECUTIVE OFFICER
27 June 2018

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, Stamford Corporate Services Pte. Ltd. (the "Sponsor"), 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. 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. Bernard Lui, Telephone: +65 63893000, Email: bernard.lui@morganlewis.com.