



SHC CAPITAL ASIA LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration Number: 201201631D))

COMPLETION OF THE PROPOSED DISPOSAL OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF SHC INSURANCE PTE. LTD (“PROPOSED DISPOSAL”)

Unless otherwise defined, all capitalised terms used herein shall bear the same meanings as ascribed to them in the circular of SHC Capital Asia Limited (the “Company”) dated 10 July 2014 in relation to, inter alia, the Proposed Disposal (the “Circular”).

1. COMPLETION OF THE PROPOSED DISPOSAL

The Board wishes to announce that the Proposed Disposal has been completed today pursuant to which the Company has disposed of the entire issued and paid-up share capital of SHC Insurance Pte. Ltd. (“SHCI”) and SHCI has therefore ceased to be a subsidiary of the Company.

In accordance with the terms and conditions of the SPA, the Purchaser has today paid to the Company cash amounting to approximately S\$112.925 million, being the Completion Tranche Consideration Amount of approximately S\$113.950 million less the Transfer Amount of S\$1.025 million.

2. COMPLETION CASH

Upon Completion, the Completion Cash amounts to approximately S\$88.703 million, which was determined based on:

- (i) the cash and cash equivalents of the Company of approximately S\$2.203 million as at the Completion Date; and
- (ii) the Completion Tranche Consideration Amount of approximately S\$113.950 million,

less the following:

- (i) S\$1.025 million being the Transfer Amount;
- (ii) S\$948,000 being the Management Retention Amount;
- (iii) S\$12.5 million being deposits required to be placed as collateral for the SBLC/Demand Guarantee;
- (iv) S\$8.4 million being the Assumed Options Redemption Consideration;

- (v) S\$477,000 being the maximum amount of the Proposed Directors' Fees in respect of FY2014;
- (vi) S\$600,000 being the aggregate remuneration payable to the Project Committee (including the Proposed Project Directors' Fees); and
- (vii) S\$3.5 million being the estimated costs and expenses incurred in connection with the Proposed Disposal.

3. ESCROW ACCOUNT

Pursuant to the Escrow Waiver and in accordance with Rule 1017(1)(a) of the Catalist Rules, the Company has placed a cash amount of approximately S\$79.833 million (representing 90% of the Completion Cash) in the Escrow Account opened with and operated by United Overseas Bank Limited acting as the escrow agent.

4. CESSATION OF SERVICE OF KEY MANAGEMENT

The Group's existing key management, including, *inter alia*, Messrs Quek Sun Hui (who is the Group CEO) and Claire Choy (who is the Group FC and Joint Company Secretary) have each entered into Service Agreements in relation to their continued employment with SHCI and will not be retained by the Company following Completion.

The Company has made separate announcements in relation to the cessation of service of Mr Quek Sun Hui and Ms Claire Choy as required under Rule 704(6) of the Catalist Rules.

5. APPOINTMENT OF INTERIM CEO AND INTERIM CHIEF FINANCIAL OFFICER

Following the cessation of the service of Mr Quek Sun Hui as the Group CEO and Ms Claire Choy as the Group FC and Joint Company Secretary, the Board wishes to announce the appointments of the following with immediate effect:

- (i) Mr Teo Soo Kiat (Chairman of the Board) as Interim CEO; and
- (ii) Mr Teo Yiam Beng Steven as Interim Chief Financial Officer.

The Company has made a separate announcement in relation to the appointment of Mr Teo Yiam Beng Steven as required under Rule 704(6) of the Catalist Rules.

Ms Chan Lai Yin shall remain as the Company Secretary of the Company.

6. RECONSTITUTION OF THE BOARD

As disclosed in the Circular, Mr Low Seow Juan, Mr Chua Kee Lock, Mr Adrian Peh Nam Chuan and Mr Tan Hup Foi have each indicated their intention to resign from the Board following Completion.

The Board wishes to announce that the resignation of Mr Low Seow Juan, Mr Chua Kee Lock, Mr Adrian Peh Nam Chuan and Mr Tan Hup Foi will take effect from today and contemporaneously, Mr Ng Fook Ai, Victor, Mr Teo Eu Jin, Nicholas and Mr Teo Hsi Leang have been appointed as new Directors with effect from today. Mr Teo Soo Kiat, Mr Teo Soo Chew and Mr Teo Chiang Khai will remain as existing Directors. Accordingly, the Board has been reconstituted as follows:

(i)	Mr Teo Soo Kiat	Chairman and Interim CEO
(ii)	Mr Teo Soo Chew	Non-Executive Non-Independent Director
(iii)	Mr Teo Chiang Khai	Non-Executive Non-Independent Director
(iv)	Mr Teo Hsi Leang	Non-Executive Non-Independent Director
(v)	Mr Ng Fook Ai, Victor	Lead Independent Director
(vi)	Mr Teo Eu Jin, Nicholas	Independent Director

Mr Teo Soo Kiat, Mr Teo Soo Chew, Mr Teo Chiang Khai and Mr Teo Hsi Leang are directors of See Hoy Chan Sdn Bhd.

Mr Ng Fook Ai, Victor is the chairman of 1 Rockstead GIP Fund Limited and the founder and executive chairman of New Climate Pte. Ltd, an investment company headquartered in Asia focused on investments in Greater China. Mr Ng Fook Ai, Victor has founded and managed a number of China focused funds, including China Growth Opportunities, a £50 million UK-listed fund that focuses on private equity investment in China, and Changjiang Investment, a US\$100 million fund focused on China. Mr Ng Fook Ai, Victor is also an independent non-executive director of SHC Investments Ltd (a related company of See Hoy Chan Sdn Bhd).

Mr Teo Eu Jin, Nicholas is a partner at Kelvin Chia Partnership, a commercial law firm established in Singapore. Mr Teo Eu Jin, Nicholas first started his practice in 1997 and joined the Corporate and Commercial Department of Kelvin Chia Partnership in 2001.

With the appointment of the new Directors, the composition of the Board sub-committees will be as follows:

Audit Committee

(i)	Mr Ng Fook Ai, Victor	Chairman of Audit Committee
(ii)	Mr Teo Eu Jin, Nicholas	
(iii)	Mr Teo Soo Chew	

Remuneration Committee

(i)	Mr Ng Fook Ai, Victor	Chairman of Remuneration Committee
(ii)	Mr Teo Eu Jin, Nicholas	
(iii)	Mr Teo Soo Chew	

Nominating Committee

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| (i) | Mr Teo Eu Jin, Nicholas | Chairman of Nominating Committee |
| (ii) | Mr Ng Fook Ai, Victor | |
| (iii) | Mr Teo Soo Kiat | |

The Company has made separate announcements in relation to the cessation of the Directors and appointment of the new Directors as required under Rule 704(6) of the Catalist Rules.

7. FURTHER ANNOUNCEMENTS

The Company shall make further announcement(s) to update Shareholders on the following:

- (i) the amount of special dividend to be distributed to Shareholders after Completion;
- (ii) the amount of the Final Consideration and accordingly, the re-computed Completion Cash and adjustment (if any) to the amount in the Escrow Account; and
- (iii) the actual amount of the Options Redemption Consideration and the effective date of the Proposed Options Redemption.

In accordance with Rule 1017(1)(b) of the Catalist Rules, the Company shall also provide monthly valuation of its assets and utilisation of cash, and quarterly updates of milestones in obtaining a new business, to the market *via* SGXNET.

By Order of the Board

Chan Lai Yin
Company Secretary
1 August 2014

*This announcement has been reviewed by the Company's sponsor, CIMB Bank Berhad, Singapore Branch ("**Sponsor**"), for compliance with the Catalist Rules. The Sponsor has not independently 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 correctness of any of the statements or opinions made or reports contained in this announcement. The contact person for the Sponsor is Ms Tan Cher Ting, Director, Corporate Finance, CIMB Bank Berhad, Singapore Branch, at 50 Raffles Place, #09-01 Singapore Land Tower, Singapore 048623, Telephone: +65 6337 5115.*