



SHC CAPITAL ASIA LIMITED

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

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- (I) MONTHLY VALUATION OF ASSETS AND UTILISATION OF CASH; AND
(II) QUARTERLY UPDATE OF MILESTONES IN OBTAINING A NEW BUSINESS
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Unless otherwise defined, all capitalised terms used herein shall bear the same meaning as ascribed to them in the circular of SHC Capital Asia Limited (the “Company”) dated 10 July 2014 in relation to, inter alia, the disposal of the entire issued and paid-up share capital of SHC Insurance Pte. Ltd..

Pursuant to Rule 1017(1)(b) of the Singapore Exchange Securities Trading Limited (“SGX-ST”) Listing Manual Section B: Rules of Catalist (“Catalist Rules”), the board of directors (“Board” or the “Directors”) of the Company wishes to announce the following:

1. Monthly valuation of assets and utilisation of cash

- (i) The Company’s assets and liabilities as at 31 October 2017 were as follows:

	S\$’000
<u>Assets</u>	
Amount held in Escrow Account	1,627
Fixed deposits	2,975
Bank balances	728
Motor vehicle	209
Prepayments and other receivables	20
Total assets	<u>5,559</u>
Less:	
<u>Liabilities</u>	
Accruals for Directors’ fees and professional fees	<u>345</u>
Total liabilities	<u>345</u>
Net assets	<u><u>5,214</u></u>

(ii) The Company's utilisation of cash in the month of October 2017 was as follows:	S\$'000
Opening cash and bank balances	5,513
Add:	
Interest received	3
Less:	
Interim management's remuneration ⁽¹⁾	(50)
Legal and professional fees	(125)
Administrative and other expenses	(11)
Closing cash and bank balances ⁽²⁾	<u>5,330</u>

Notes:

- (1) This remuneration represents the amount paid to the Company's interim CEO and interim Chief Financial Officer for the month of October 2017.
- (2) This includes approximately S\$1.63 million held in the Escrow Account.

All figures provided in this announcement have not been reviewed or audited by the Company's auditors.

2. Quarterly update of milestones in obtaining a new business

Unless otherwise defined, all capitalised terms used below shall bear the same meaning as ascribed to them in the Company's announcements dated 24 October 2016, 14 December 2016, 22 December 2016, 24 December 2016, 21 June 2017, 30 June 2017, 17 August 2017, 26 September 2017 and 29 September 2017 in relation to the proposed acquisition by the Company on certain tourism related businesses in the Republic of Union of Myanmar.

On 24 October 2016, the Company announced ("**RTO Announcement**") that it had on 24 October 2016 entered into a conditional sale and purchase agreement ("**SPA**") with Yoma Strategic Investments Ltd. ("**YSIL**"), First Myanmar Investment Company Limited ("**FMI**") and Exemplary Ventures Limited (collectively, "**Vendors**"), pursuant to which the Company shall acquire from the Vendors the entire issued and paid-up share capital ("**Sale Shares**") of a company to be incorporated by YSIL and/or FMI which will in turn acquire the certain tourism related businesses in Myanmar, for a consideration to be satisfied in full by the issuance and allotment of new ordinary shares in the capital of the Company ("**Proposed Acquisition**"). Please refer to the RTO Announcement for further details on the Proposed Acquisition.

On 14 December 2016, the Company had announced that a further extension of time has been granted by the SGX-ST till 30 September 2017 to meet the requirements of a new listing subject to certain conditions.

The Company had also made separate announcements on 22 and 24 December 2016 on updates to the Proposed Acquisition in relation to the nomination of the Corporate Vendor Nominees and the incorporation of the Target and Singco SPVs.

On 21 June 2017, the Company had announced that the Company has appointed Asian Corporate Advisors Pte. Ltd. as the independent financial advisor to advise the directors who are considered independent for the purposes of the Proposed Whitewash Resolution and independent shareholders in relation to the Proposed Whitewash Resolution.

On 30 June 2017, the Company had announced that the Company and the Vendors have entered into an extension letter pursuant to which they have agreed that the Long Stop Date for the fulfilment or waiver of the conditions precedent set out in the SPA will be extended from 30 June 2017 to 30 September 2017. All other terms and conditions of the SPA shall remain the same.

The Company had on 17 August 2017 announced that the Company and the Vendors had on 17 August 2017 entered into an amending and restatement deed ("**Supplemental SPA**") to amend and restate the sale and purchase agreement dated 24 October 2016 ("**Original SPA**"). Further, in fulfilment of one of the condition precedents under the Supplemental SPA, JMR has on 17 August 2017 entered into a deed ("**JMR Deed of Undertaking and Warranty**") pursuant to which, inter alia, JMR has acceded to and/or agreed to be bound by the Warrantors' Warranties and certain indemnities in relation to the HAL Business and DMC Business as set out under the RTO SPA, which the Corporate Vendor had agreed and undertaken to procure JMR to do under the terms of the Original SPA.

On 26 September 2017, the Company had announced that a further extension of time has been granted by the SGX-ST till 31 December 2017 to meet the requirements of a new listing subject to certain conditions.

On 29 September 2017, the Company announced that:

- (a) the Company and the Vendors had on 29 September 2017 entered into an amendment letter to amend the Supplemental SPA ("**Second Supplemental SPA**"), the Parties have agreed that the Long Stop Date for the fulfilment or waiver of the conditions precedent relating to the Proposed Acquisition will be extended from 30 September 2017 to 31 December 2017 and have made certain editorial amendments to the Supplemental SPA;
- (b) the Company has agreed with JMR on certain amendments to the JMR Deed of Undertaking and Warranty with effect from 29 September 2017 ("**Supplemental JMR Deed of Undertaking and Warranty**"), including for JMR to warrant, represent and undertake that he shall not increase his percentage in the economic or ownership interests in the VL Business and the ACF Business without the approval of the new Audit Committee of the Company post-Completion of the Proposed Acquisition and certain editorial amendments to the JMR Deed of Undertaking and warranty; and
- (c) the SIC had on 27 September 2017, granted the Vendors and Corporate Vendor Nominees a waiver from making a general offer for the Company under Rule 14 of the Code in the event the Vendors and Corporate Vendor 2 Nominees and their concert parties ("**Vendors Concert Party Group**") acquire more than the 30.0% of the total voting rights of the Company based on its enlarged issued capital as a result of the allotment and issue of the Consideration Shares to the Vendors and Corporate Vendor Nominees, subject to certain conditions.

The Board would like to advise Shareholders that, although the SPA has been entered into, completion of the Proposed Acquisition is subject to conditions precedents being fulfilled and there is no certainty or assurance as at the date of this announcement that the Proposed Acquisition will be completed or that no changes will be made to the terms thereof.

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
31 October 2017

This announcement has been prepared by the Company and its contents have been reviewed by the sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor") for compliance with the Singapore Exchange Securities Trading Limited (the "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 (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: sponsorship@ppcf.com.sg).