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**ASIAN HEALTHCARE SPECIALISTS LIMITED**  
(Incorporated in the Republic of Singapore)  
(Company Registration No. 201727543R)

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**PROPOSED ACQUISITION OF THE REMAINING 49.0% INTEREST IN THE COMPANY'S  
SUBSIDIARY, CORNERSTONE ASIA HEALTH PTE. LTD.**

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**1. INTRODUCTION**

The board of directors (the "**Board**" or the "**Directors**") of Asian Healthcare Specialists Limited (the "**Company**", and together with its subsidiaries, the "**Group**") refers to the announcement made by the Company on 9 April 2021 (the "**Previous Announcement**") and wishes to announce that the Company has on 30 June 2021 entered into a sale and purchase agreement ("**SPA**") with the other shareholders<sup>1</sup> of the Company's subsidiary, Cornerstone Asia Health Pte. Ltd. ("**CAH**") (the "**Vendors**") in relation to the proposed acquisition by the Company of 33,495,379 issued and fully-paid ordinary shares representing the remaining 49.0% of the issued and paid-up share capital ("**Sale Sales**") in CAH (the "**Proposed Acquisition**").

*Unless otherwise defined herein, all capitalised terms used in this announcement shall have the same meaning ascribed to them in the Previous Announcement.*

**2. INFORMATION ON THE PROPOSED ACQUISITION**

**2.1 Information on CAH Group and the Vendors**

CAH was incorporated in Singapore on 28 June 2017, and is a company limited by shares, with a share capital of S\$35,825,848.19 comprising 68,357,917 issued and fully paid-up ordinary shares which are held by the Company and the Vendors in the following proportion:

| <b>Shareholders of CAH</b>                       | <b>Number of ordinary shares held in CAH</b> | <b>Percentage of shares to total issued capital (%)</b> |
|--|--|---|
| Asian Healthcare Specialists Limited             | 34,862,538                                   | 51.00   |
| Dr. Ng Tay Meng                                  | 5,623,728                                    | 8.23  |
| Dr. Seah Sheng Heang Geoffry                     | 2,825,011                                    | 4.13  |
| Dr. Khoo Shih Wee @ Lawrence Khoo                | 6,529,826                                    | 9.55  |
| Dr. Ho Siew Hong                                 | 8,391,042                                    | 12.28   |
| Dr. Cheng Ching Li, Bobby (" <b>Dr. Cheng</b> ") | 10,125,772                                   | 14.81   |
| <b>Total</b>                                     | <b>68,357,917</b>                            | <b>100.00</b>   |

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<sup>1</sup> Dr. Ng Tay Meng, Dr. Seah Sheng Heang Geoffry, Dr. Khoo Shih Wee @ Lawrence Khoo, Dr. Ho Siew Hong, Dr. Cheng Ching Li, Bobby.

The principal activities of the CAH and its subsidiaries (the "**CAH Group**") lie in the provision of multidisciplinary healthcare services across different specialisations, offering key services in ophthalmology, urology, dermatology and gastroenterology as well as family medicine. The CAH Group's operations in the five (5) medical disciplines comprise eight (8) specialists and family medicine clinics that are founded by doctors who each have over 20 years of experience in their respective fields.

Among the Vendors are five of the specialists and medical doctors referred to in the paragraph above namely, Dr. Ng Tay Meng, Dr. Khoo Shih Wee @ Lawrence Khoo, Dr. Ho Siew Hong, Dr. Cheng and Dr. Seah Sheng Heang Geoffry. As at the date hereof, the Vendors hold in aggregate 49.0% in CAH, of which Dr. Cheng holds 14.81% in CAH.

## **2.2 Certain Financial Information of CAH Group**

Based on CAH Group's unaudited consolidated financial statements for the 6 months ended 31 March 2021, CAH Group's net profit after tax was S\$2,964,000, and its net book value and net tangible assets was S\$1,749,000, as at 31 March 2021. Based on CAH Group's unaudited consolidated financial statements for the financial year ended 30 September 2020, CAH Group's net profit after tax was S\$4,772,000.

CAH Group's pro forma unaudited consolidated net profit after tax for the 6 months ended 31 March 2021, after adjustments for, *inter alia*, the employment agreements entered by CAH Group with each of Dr. Ng Tay Meng, Dr. Seah Sheng Heang Geoffry, Dr. Khoo Shih Wee @ Lawrence Khoo, Dr. Ho Siew Hong and Dr. Cheng on 1 May 2021 ("**Employment Agreements**"), is S\$2,120,000. CAH Group's pro forma unaudited consolidated net book value and net tangible assets as at 31 March 2021 was S\$905,000. CAH Group's pro forma unaudited consolidated net profit after tax for the financial year ended 30 September 2020, after adjustments for, *inter alia*, the Employment Agreements, is S\$3,711,000.

No independent valuation was conducted on the CAH Group. CAH's operating subsidiaries operate as asset light entities with few tangible assets. Accordingly, the Company had not commissioned an independent property valuation. In arriving at the Consideration (as defined herein), the Company had considered the valuation of similar acquisitions made by other comparable Singapore listed healthcare providers. In addition, the Company had also considered the nature of the CAH Group's business, and that the real value is intrinsic in the reputation and experience of the specialists and medical doctors in the CAH Group. Due to the foregoing, the Company had concluded that an independent business valuation would not be necessary in the context of the Proposed Acquisition. Nevertheless, the Company has appointed Evolve Capital Advisory Private Limited as the independent financial adviser ("**IFA**") to provide an opinion letter as to whether the Proposed Acquisition, as an interested person transaction, is on normal commercial terms and is not prejudicial to the interests of the Company and its minority Shareholders.

On completion of the sale and purchase of the Sale Shares ("**Completion**"), the Company will be the sole shareholder holding 100% of the total issued and paid-up share capital of CAH.

## **3. RATIONALE FOR THE PROPOSED ACQUISITION**

The Board is of the opinion that the Proposed Acquisition is in the best interests of the Group and is in line with the Group's business strategies and future plans to invest in management and healthcare professionals as part of its growth and expansion strategy, as outlined in the Offer Document of the Company dated 12 April 2018.

As a 100% shareholder, the Proposed Acquisition will give the Company full control over CAH Group's healthcare assets and strengthen the ability to align CAH Group's objectives with the Company's long-term strategic goals and align the commitment of the Vendors to grow further together with the Group. The Proposed Acquisition is also expected to enhance the Group's operational efficiency, flexibility, and patient service quality; and add to a larger and deeper integrated healthcare group with a comprehensive suite of enhanced and integrated multi-disciplinary specialist healthcare capabilities that will accelerate the nurturing, attraction, and retention of talent.

The benefits from the Proposed Acquisition will support the Group's vision to become a holistic and multi-disciplinary specialist healthcare provider, generate long-term shareholder value, and enhance the overall profile of the Group to bankers and investors.

#### 4. PRINCIPAL TERMS OF THE PROPOSED ACQUISITION

##### 4.1 Consideration

The consideration ("**Consideration**") for the Proposed Acquisition is S\$16,000,000, which was arrived at on a willing buyer and willing seller basis after arm's length negotiations between the Company and the Vendors, after taking into account, *inter alia*, valuation of similar acquisitions made by other comparable Singapore listed healthcare providers, the business prospects of the CAH Group and the track record of the specialists and medical doctors in the CAH Group, and the capabilities and synergies between the Company and CAH Group.

The Consideration will be satisfied by the Company as follows:

- (a) S\$2,500,000 in cash ("**Cash Consideration**") to the Vendors on the completion date under the SPA (the "**Completion Date**"), which will be funded by the proceeds of the placement of 17,700,000 ordinary shares in the share capital of the Company ("**Shares**") completed on 26 April 2021; and
- (b) S\$13,500,000 by the issue and allotment of 72,972,973 new Shares to the Vendors (and/or their designated nominees) credited as fully paid up at the issue price of S\$0.185 (the "**Consideration Shares**") on the Completion Date ("**Proposed Allotment**", together with the Proposed Acquisition, "**Proposed Transaction**").

Under the terms of the SPA, the Vendors have the right to designate the issuance of up to an aggregate of 364,864 Consideration Shares (out of the total 72,972,973 Consideration Shares) to business associates who have contributed to the success of the CAH Group ("**Reserved Consideration Shares**"), in proportion to their respective shareholding percentages in the issued share capital of CAH for the time being provided that written notice is given to the Company no later than five (5) business days prior to Completion Date.

The issue price for the Consideration Shares is at premium of 1.65% and 7.25% over the volume weighted average price of S\$0.1820 and S\$0.1725 for trades done on the Singapore Exchange Securities Trading Limited ("**SGX-ST**") for the full Market Day on 7 April 2021, being the last full Market Day for which trades were done on the SGX-ST prior to the signing of the Term Sheet and on 30 June 2021, being the last full Market Day for which trades were done on the SGX-ST prior to the signing of the SPA. As at the date hereof, the Consideration Shares represent approximately 15.41% of the existing share capital of the Company and approximately 13.35% of the Enlarged Share Capital (as defined below) of the Company, respectively.

The Consideration Shares will be allotted and issued pursuant to the specific approval to be obtained from the shareholders of the Company (the "**Shareholders**") by way of ordinary resolution at an extraordinary general meeting of the Company to be held at such date and time to be announced ("**EGM**"). Please see paragraph 8 of this announcement below for further details.

The Consideration Shares, when issued and allotted, shall rank *pari passu* in all respects with the then existing Shares. The Consideration Shares will be issued to the Vendors free from all encumbrances and will carry all rights similar to the existing Shares of the Company, except that they will not rank for any dividend, rights, allotment or other distribution, the record date for which falls on or before the date of issuance and allotment of the Consideration Shares.

The Company will be making an application to the SGX-ST via its continuing sponsor as soon as reasonably practicable after the signing of the SPA for the listing of, and quotation for, the Consideration Shares on the Catalist and will make the necessary announcement(s) upon receipt of the listing and quotation notice from the SGX-ST.

A breakdown of the Cash Consideration and Consideration Shares entitlement to each Vendor pursuant to the SPA is set out below:

| <b>Vendor</b>                     | <b>Cash Consideration Entitlement (S\$)</b> | <b>Consideration Shares Entitlement</b> |
|-----------------------------------|---|---|
| Dr. Ng Tay Meng                   | 419,739.09                                  | 12,251,844                              |
| Dr. Seah Sheng Heang Geoffry      | 210,850.80                                  | 6,154,564                               |
| Dr. Khoo Shih Wee @ Lawrence Khoo | 487,367.68                                  | 14,225,867                              |
| Dr. Ho Siew Hong                  | 626,283.55                                  | 18,280,709                              |
| Dr. Cheng                         | 755,758.88                                  | 22,059,989                              |
| <b>Total:</b>                     | <b>S\$2,500,000</b>                         | <b>72,972,973</b>                       |

Based on the proposed issuance and allotment of 72,972,973 Consideration Shares pursuant to the Proposed Allotment, the enlarged share capital of the Company will consist of 546,605,998 Shares ("**Enlarged Share Capital**"). Upon the issuance of the Consideration Shares, the shareholding of Dr. Ng Tay Meng, Dr. Seah Sheng Heang Geoffry, Dr. Khoo Shih Wee @ Lawrence Khoo, Dr. Ho Siew Hong and Dr. Cheng in the Company will be 27,386,455, 13,757,243, 31,798,975, 41,267,103 and 49,310,528, representing 5.01%, 2.52%, 5.82%, 7.55% and 9.02% of the Enlarged Share Capital (and after the allocation of the Reserved Consideration Shares) respectively.

#### **4.2 Conditions Precedent**

Completion is subject to certain conditions precedent (the "**Conditions Precedent**") being satisfied or waived in accordance with the SPA, including, *inter alia*, the following:

- (a) there not having been at any time hereafter and until Completion any material adverse change in relation to the affairs, operations, businesses, properties, financial condition (including liabilities, assets and results) and/or prospects of CAH Group;

- (b) all the representations and warranties on the part of the Vendors under the SPA being true, accurate and not misleading as at the Completion Date;
- (c) the approval of the Shareholders for the Proposed Transaction at the EGM; and
- (d) the approval-in-principle of the SGX-ST for the listing of and quotation for the Consideration Shares on Catalist.

#### **4.3 Completion**

The Completion Date shall be the later of 30 July 2021 or the date falling one (1) business day after the last in time of the Conditions Precedent are satisfied or waived (as the case may be) in accordance with the SPA (or such other date as may be agreed in writing between the Vendors and the Company).

#### **4.4 Moratorium on the Moratorium Shares Held by the Vendors**

The Vendors have undertaken to the Company in relation to the Consideration Shares excluding the Reserved Consideration Shares ("**Moratorium Shares**") held by them that they shall not, during the periods as set out below, do or agree to do any of the following acts:

- (a) sell, contract to sell, offer, realise, transfer, assign, pledge, grant any option to purchase, grant any security over, encumber or otherwise dispose of, any part of the Moratorium Shares;
- (b) enter into any transaction or other arrangement, in whole or in part, (including any swap, hedge or derivative transaction) with a similar economic effect to the foregoing, whether such transaction is to be settled by delivery of the Moratorium Shares, in cash or otherwise;
- (c) deposit all of their effective interest, in any Moratorium Shares in any depository receipt facility;
- (d) enter into a transaction which is designed or which may reasonably be expected to result in any of the above; and
- (e) publicly announce any intention to do any of the above,

(collectively, the "**Restrictions**")

Upon the allotment and issuance of the Moratorium Shares, the Restrictions shall apply to the Vendors as follows:

- (i) for the first 12-month period after Completion, the Restrictions shall apply to 100.0% of the Moratorium Shares issued to the Vendors;
- (ii) for the second 12-month period after Completion, the Restrictions shall apply to 80.0% of the Moratorium Shares issued to the Vendors;
- (iii) for the third 12-month period after Completion, the Restrictions shall apply to 60.0% of the Moratorium Shares issued to the Vendors;
- (iv) for the fourth 12-month period after Completion, the Restrictions shall apply to 40.0% of the Moratorium Shares issued to the Vendors; and

- (v) for the fifth 12-month period after Completion, the Restrictions shall apply to 20.0% of the Moratorium Shares issued to the Vendors.

For the avoidance of doubt, after the fifth 12-month period after Completion, the Restrictions shall not apply to the Vendors in respect of any Moratorium Shares.

## **5. THE PROPOSED ACQUISITION AS AN INTERESTED PERSON TRANSACTION**

### **5.1 Details of the Interested Person**

The Company is an entity at risk within the meaning of Chapter 9 of the SGX-ST Listing Manual Section B: Rules of Catalist ("**Catalist Rules**") in relation to the Proposed Acquisition. As at the date of this announcement, Dr. Cheng Ching Li is a Director of the Company and a substantial shareholder of the Company with an approximate 6% interest in the Company's total issued and paid-up share capital. Dr. Cheng has a direct interest representing 14.81% to the total issued and paid-up share capital of CAH and is one of the Vendors. As such, he is an interested person of the Company as defined under Chapter 9 of the Catalist Rules and the Proposed Acquisition, insofar as it relates to Dr. Cheng, is an interested person transaction ("**IPT**").

### **5.2 Requirement for Shareholders' Approval**

The value of the IPT is approximately S\$4.84 million (consisting of the 22,059,989 Consideration Shares to be issued to Dr. Cheng and the S\$755,758.88 in Cash Consideration payable to Dr. Cheng), being the consideration payable by the Company for Dr. Cheng's shares in CAH, and represents approximately 40.0% of the Group's latest audited NTA of approximately S\$12.08 million as at 30 September 2020. Accordingly, the Proposed Acquisition will require the approval of Shareholders pursuant to Rule 906(1)(a) of the Catalist Rules, to be obtained by the Company at the EGM.

### **5.3 Total Value of Interested Person Transactions**

Save for the Proposed Transaction and excluding transactions which were less than S\$100,000, during the course of the current financial year ending 30 September 2021 ("**FY2021**"), which is from 1 October 2020 up to the date hereof:

- (i) there are no other interested person transactions entered into by the Group with Dr. Cheng and his associates; and
- (ii) there are no other interested person transactions entered into by the Group and other interested persons.

### **5.4 ARMC's Statement**

The Audit and Risk Management Committee ("**ARMC**") of the Company will form its view as to whether the Proposed Acquisition is on normal commercial terms and is not prejudicial to the interests of the Company and its minority shareholders after considering the IFA's opinion to be obtained in due course. The ARMC's view of the Proposed Acquisition will be set out in the circular to be electronically despatched to Shareholders in due course.

## **6. FINANCIAL EFFECTS OF THE PROPOSED ACQUISITION**

The proforma financial effects of the Proposed Acquisition on the net tangible assets attributable to the owners of the Company ("**NTA**") per share and the earnings per share ("**EPS**") of the Group are

set out below. The proforma financial effects have been prepared based on (i) the audited financial results of the Group for the financial year ended 30 September 2020 and (ii) the unaudited pro forma financial results of CAH Group for the financial year ended 30 September 2020. The proforma financial effects are purely for illustration purposes only and are therefore not necessarily indicative of the actual financial position of the Group after Completion.

## 6.1 NTA

For illustrative purposes only, the proforma financial effects of the Proposed Acquisition on the Group's NTA per share, assuming that the Proposed Acquisition had been completed on 30 September 2020, being the end of the most recently completed financial year, are set out below:

| NTA                            | Before the Proposed Acquisition | After the Proposed Acquisition |
|--------------------------------|---------------------------------|--------------------------------|
| NTA (S\$'000)                  | 12,083                          | 10,294 <sup>(1)</sup>          |
| Number of issued shares ('000) | 455,933 <sup>(3)</sup>          | 528,906 <sup>(2)(3)</sup>      |
| NTA per Share (cents)          | 2.65                            | 1.95                           |

### Notes:

- (1) Based on 49.0% of the CAH Group's net tangible assets of S\$711,000 as at 30 September 2020.
- (2) Pursuant to the allotment and issuance of the Consideration Shares.
- (3) This excludes the effects of the Company's issuance of 17,700,000 ordinary shares pursuant to the placement exercise conducted by the Company on 26 April 2021, as such issuance was completed during FY2021

## 6.2 EPS

For illustrative purposes only, the proforma financial effects of the Proposed Acquisition on the consolidated earnings of the Group, assuming that the Proposed Acquisition had been completed on 1 October 2019, being the beginning of the most recently completed financial year, are set out below:

| EPS   | Before the Proposed Acquisition | After the Proposed Acquisition |
|---|---------------------------------|--------------------------------|
| Profits attributable to the owners of the Company (S\$'000) | 2,585 <sup>(1)</sup>            | 4,067 <sup>(1)(2)</sup>        |
| Weighted average number of issued shares ('000)             | 392,222 <sup>(4)</sup>          | 465,195 <sup>(3)(4)</sup>      |
| EPS – Basic   | 0.66                            | 0.87                           |

|         |  |  |
|---------|--|--|
| (cents) |  |  |
|---------|--|--|

**Notes:**

- (1) Based on the audited consolidated net profits after tax of the Group for the financial year ended 30 September 2020.
- (2) Based on 49.0% of the unaudited consolidated pro forma net profits after tax of CAH Group for the financial year ended 30 September 2020 and the audited consolidated net profits after tax of the Group for the financial year ended 30 September 2020, adjusted for the effects of the Employment Agreements.
- (3) Pursuant to the allotment and issuance of the Consideration Shares.
- (4) This excludes the effects of the Company's issuance of 17,700,000 ordinary shares pursuant to the placement exercise conducted by the Company on 26 April 2021, as such issuance was completed during FY2021.

**7. RELATIVE FIGURES COMPUTED ON THE BASES SET OUT IN RULE 1006 OF THE CATALIST RULES**

Relative figures of the Proposed Acquisition under Listing Rule 1006 of the Catalist Rules:

| <b>Rule 1006</b> | <b>Bases</b>   | <b>Relative Figures (%)<br/>(Based on the Unaudited Consolidated Financial Statements of CAH Group)</b> | <b>Relative Figures (%)<br/>(Based on the Pro Forma Unaudited Consolidated Financial Statements of CAH Group)</b> |
|------------------|--|---|---|
| (a)              | The net asset value of the assets to be disposed of, compared with the Group's net asset value   | Not applicable <sup>(1)</sup>   | Not applicable <sup>(1)</sup>   |
| (b)              | The net profits <sup>(2)</sup> attributable to the assets acquired or disposed of, compared with the Group's net profits   | 69.0% <sup>(3)</sup>  | 61.6% <sup>(4)</sup>  |
| (c)              | The aggregate value of the consideration given or received, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares | 19.1% <sup>(5)</sup>  | 19.1% <sup>(5)</sup>  |
| (d)              | The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in                             | 15.4% <sup>(6)</sup>  | 15.4% <sup>(6)</sup>  |

|  |       |  |  |
|--|-------|--|--|
|  | issue |  |  |
|--|-------|--|--|

**Notes:**

- (1) This basis is not applicable to the Proposed Acquisition.
- (2) Pursuant to Rule 1002(3)(b) of the Catalist Rules, "net profits" means profit before income tax, minority interests and extraordinary items.
- (3) Based on 49.0% of the unaudited consolidated net profits of CAH Group for the six months ended 31 March 2021 and the unaudited consolidated net profits of the Group for the six months ended 31 March 2021 attributable to the owners of the Company, being S\$1,680,000 and S\$2,435,000, respectively.
- (4) Based on 49.0% of the unaudited consolidated pro forma net profits of CAH Group for the six months ended 31 March 2021 and the unaudited consolidated net profits of the Group for the six months ended 31 March 2021 attributable to the owners of the Company, adjusted for the effects of the Employment Agreements, being S\$1,181,000 and S\$1,917,000, respectively.
- (5) Based on the Consideration and market capitalisation of the Company of approximately S\$83.83 million as at the close of trading on 30 June 2021.
- (6) The number of Consideration Shares to be issued by the Company as consideration for the Proposed Acquisition is 72,972,973 new Shares. As at the date hereof, the Company has 473,633,025 Shares in issue.

Based on the above figures, the Proposed Acquisition constitutes a "discloseable transaction" under Rule 1010 of the Catalist Rules and is not subject to shareholders' approval under Rule 1014(2) of the Catalist Rules. Pursuant to Rule 1014(2) of the Catalist Rules, the requirement for shareholders' approval does not apply in the case of an acquisition of profitable assets if the only limit breached is Rule 1006(b).

## **8. SHAREHOLDERS' APPROVAL FOR THE PROPOSED ALLOTMENT**

### **8.1 Rule 805(1) of the Catalist Rules**

Section 161 of the Companies Act and Rule 805(1) of the Catalist Rules provide, among others, that an issuer must obtain the prior approval of shareholders in general meeting for the issue of shares or convertible securities or the grant of options carrying rights to subscribe for shares of the issuer unless the issue of shares or convertible securities or the grant of options carrying rights to subscribe for shares of the issuer is made pursuant to a general mandate previously obtained from shareholders of the issuer at a general meeting as provided in Rule 806 of the Catalist Rules.

The Proposed Allotment will be made pursuant to a specific mandate and the Company is seeking specific Shareholder's approval for the Proposed Allotment at the EGM in accordance with Rule 805(1) of the Catalist Rules.

### **8.2 Rule 804 and Rule 812 of the Catalist Rules**

Rule 804 of the Catalist Rules further provides, among others, that except in the case of an issue made on a pro rata basis to shareholders or a scheme referred to in Part VIII of Chapter 8 of the Catalist Rules, no director of an issuer, or associate of the director, may participate directly or indirectly in an issue of equity securities or convertible securities unless shareholders in general meeting have approved the specific allotment. Such directors and associates must abstain from exercising any voting rights on the matter.

In addition, Rule 812(1) and Rule 812(2) of the Catalist Rules provide that an issue of shares must not be placed to an issuer's directors and substantial shareholders and their immediate family

members unless specific shareholders' approval has been obtained for such placement, and the person, and its associates, must abstain from voting on the resolution approving the placement.

As 22,059,989 Consideration Shares will be allotted and issued to Dr. Cheng, a Director and Substantial Shareholder of the Company, Shareholders' approval is required for the allotment of and issue of 22,059,989 Consideration Shares to Dr. Cheng pursuant to Rule 804 and Rule 812 of the Catalist Rules.

## **9. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS**

Save as disclosed herein, none of the Directors or the controlling shareholders of the Company or their respective associates has any interest, direct or indirect, in the above transactions, other than through their respective directorships and/or shareholdings in the Company.

## **10. DIRECTORS' SERVICE CONTRACTS**

No person is proposed to be appointed as a director of the Company in connection with the Proposed Acquisition. Accordingly, no service contract is proposed to be entered into between the Company and any such person.

## **11. INDEPENDENT FINANCIAL ADVISER**

Pursuant to Chapter 9 of the Catalist Rules, the Company has appointed Evolve Capital Advisory Private Limited as the IFA to provide an opinion letter as to whether the Proposed Acquisition, as an interested person transaction, is on normal commercial terms and is not prejudicial to the interests of the Company and its minority Shareholders.

A copy of the letter from the IFA will be set out in the circular to be electronically despatched to Shareholders in due course and Shareholders are advised to read the letter carefully.

## **12. EGM AND CIRCULAR TO SHAREHOLDERS**

### **12.1 Resolutions to be passed**

The Company will convene the EGM to seek the approval of the Shareholders for (a) the Proposed Acquisition as an interested person transaction with regards to Dr. Cheng under Chapter 9 of the Catalist Rules; and the (b) Proposed Allotment of the Consideration Shares under Rule 805(1) of the Catalist Rules as part of the Consideration pursuant to the Proposed Acquisition, of which 22,059,989 Consideration Shares are to be issued to Dr. Cheng under Rule 804 and 812 of the Catalist Rules.

Shareholders should note that the above resolutions are inter-conditional. In the event that any of the resolutions is not approved, the other resolution will not be duly passed.

### **12.2 Circular**

A circular containing, *inter alia*, information on the Proposed Acquisition and the Proposed Allotment, the advice of the IFA on the Proposed Acquisition, and the notice of the EGM to be convened, will be electronically despatched to the Shareholders in due course.

### **12.3 Abstention from voting**

Pursuant to Rule 919 of the Catalist Rules, an interested person and any associate of the interested person must abstain from voting on the resolution approving the interested person transactions involving themselves and their associates. Such interested persons and their associates shall not act as proxies nor accept appointments as proxies in relation to such resolution unless specific voting instructions had been given by the Shareholders.

Rule 804 of the Catalist Rules provides that a director and his associates must abstain from voting on any shareholders' resolutions approving the specific allotment to such director or his associates.

In addition, Rule 812(2) of the Catalist Rules provides that persons falling under Rule 812(1) of the Catalist Rules and their associates must abstain from voting on any shareholders' resolutions approving the placement to themselves.

Accordingly, Dr. Cheng will abstain, and will ensure that his associates will abstain, from voting on the Proposed Transaction, nor accept any nominations to act as proxy for any Shareholder in approving the Proposed Transaction at the EGM unless specific instructions as to voting are given by such Shareholder in the proxy instrument.

### **13. DOCUMENTS AVAILABLE FOR INSPECTION**

The SPA is available for inspection during normal business hours from 9.00 a.m. to 5.00 p.m. at the registered office of the Company at 38 Irrawaddy Road, #09-42, Singapore 329563 for a period of three (3) months from the date of this announcement.

### **14. CAUTIONARY STATEMENT**

Shareholders and potential investors of the Company are advised to read this announcement and any further announcements by the Company carefully. Shareholders of the Company are advised to refrain from taking any action in respect of their securities in the Company which may be prejudicial to their interests, and to exercise caution when dealing in the securities of the Company. In the event of any doubt, Shareholders of the Company should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisors.

By Order of the Board of  
**Asian Healthcare Specialists Limited**

Dr. Chin Pak Lin  
Executive Director and CEO  
30 June 2021

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*This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, RHT Capital Pte. Ltd. (the "Sponsor"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (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.*

*The contact person for the Sponsor is Mr Mah How Soon - Registered Professional, 6 Raffles Quay, #24-02, Singapore 048580, [sponsor@rhtgoc.com](mailto:sponsor@rhtgoc.com)*