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

PROPOSED SUBSCRIPTION FOR 17,700,000 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY

1. INTRODUCTION

The board of directors ("**Board**" or the "**Directors**") of Asian Healthcare Specialists Limited (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that the Company has today entered into a subscription agreement (the "**Subscription Agreement**") with each of the Subscribers (as defined below), pursuant to which the Subscribers will subscribe for, and the Company will allot and issue to the Subscribers, an aggregate of 17,700,000 new ordinary shares (each a "**Subscription Share**") in the capital of the Company at an issue price of S$0.17 for each Subscription Share (the "**Issue Price**"), amounting to an aggregate gross consideration of S$3,009,000 (the "**Proposed Subscription**").

As at the date of this Announcement, the Company has an issued share capital of S$54,352,558.84 comprising 455,933,025 ordinary shares ("**Shares**"). Immediately following the completion of the Proposed Subscription, the Company will have an enlarged issued and paid-up capital of S$57,361,558.84 comprising 473,633,025 Shares of the Company. The Subscription Shares would represent approximately 3.88% of the issued Shares of the Company as at the date of this Announcement and approximately 3.74% of the issued Shares comprised in the enlarged share capital of the Company immediately after completion of the Proposed Subscription.

2. DETAILS OF THE PROPOSED SUBSCRIPTION

2.1. Subscribers and Subscription Shares

Pursuant to the Subscription Agreement, the following persons (the "**Subscribers**") will subscribe for, and the Company will allot and issue to them, the Subscription Shares at the Issue Price in the numbers and for the consideration set out below:

Name of Subscriber	Number of Subscription Shares	Consideration (S$)	Existing interest in Shares (Direct or Deemed)	Interest in Shares after Proposed Subscription (Direct or Deemed)	Percentage shareholding (Direct or Deemed) of the enlarged issued share capital of the Company[1]
Jin Xin Wealth Management Pte. Ltd. ("**Jin Xin**")	1,500,000	255,000	Nil	1,500,000	0.32%
Wuthelam Holdings Pte	5,900,000	1,003,000	Nil	5,900,000	1.25%

[1] The percentage shareholding of the enlarged issued share capital of the Company takes into account any existing interest in Shares held by the Subscribers prior to the Proposed Subscription. Any discrepancy between the listed percentages and the totals thereof is due to rounding.

Ltd ("**Wuthelam**")					
Chua Weijie	4,400,000	748,000	2,641,600	7,041,600	1.49%
Sim Siew Tin, Carol (Shen Xiuzhen, Carol)	4,400,000	748,000	78,000	4,478,000	0.95%
Wilson Lim C W	1,500,000	255,000	Nil	1,500,000	0.32%
Total	17,700,000	3,009,000	2,719,600	20,419,600	4.31%

Save for (a) Wuthelam, which was introduced to the Company by Dr. Seah Sheng Heang Geoffry, an existing shareholder of the Company and one of the doctors of the Group; and (b) Wilson Lim C W, who was introduced to the Company by Jin Xin, the rest of the Subscribers are either existing or previous shareholders of the Company who have shown interest in investing in the Company and were approached by the Company for the Proposed Subscription.

The Subscribers are private investors who are subscribing for the Subscription Shares for their own investment purposes. The Company did not appoint any placement agent for purposes of the Proposed Subscription, and no commission or introduction fees is payable by the Company in relation to the introduction of the Subscribers to the Company.

The Proposed Subscription will not result in a change of controlling interest in the Company.

The Subscribers are also not related to any Directors or substantial shareholders of the Company and do not fall within the category of restricted persons as listed in Rule 812(1) of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalist ("**Catalist Rules**"). Save as disclosed in the table above, none of the Subscribers have any existing interest (whether direct or deemed) in the Shares.

The Subscription Shares, when allotted and issued, shall rank *pari passu* with, and shall carry all rights similar to, the then existing issued ordinary shares of the Company, except that they will not rank for any dividend, right, allotment or other distributions, the record date for which falls on or before the completion of the Proposed Subscription.

2.2. Issue Price

The Issue Price represents a discount of approximately 6.59% to the volume weighted average price of S$0.1820 for trades done on the SGX-ST for the full market day on 7 April 2021, being the last market day for which the shares of the Company were traded on the SGX-ST prior to the execution of the Subscription Agreement.

The Issue Price was arrived at following arm's length negotiations between the Company and the Subscribers.

2.3. Conditions Precedent

Completion of the Proposed Subscription ("**Completion**") is conditional upon:

(a) the approval in-principle for the listing of and quotation for the Subscription Shares on the Catalist of the SGX-ST having being obtained and not having been revoked, and where such approval is subject to conditions, (i) such conditions being reasonably acceptable to the Company and the Subscribers and (ii) if such conditions are required to be fulfilled on or before Completion, such conditions are so fulfilled;

(b) the allotment, issue and subscription of the Subscription Shares and all the transactions contemplated in the Subscription Agreement not being prohibited by any statute, order, rule, regulation or directive promulgated or issued after the date of the Subscription Agreement by any legislative, executive or regulatory body or authority (including, without limitation, the Monetary Authority of Singapore ("**MAS**") and the SGX-ST) in Singapore or elsewhere, which is applicable to either the Company or any of the Subscribers, including the provisions of the Catalist Rules or the Securities and Futures Act, Chapter 289 of Singapore ("**SFA**"); and

(c) the representations, warranties and undertakings by the Company and each of the Subscribers remaining true and correct in all material respects as if made on the date of Completion, with reference to the then existing facts and circumstances, and each of them having performed all of its/his obligations under the Subscription Agreement to be performed on or before Completion.

If any of the conditions is not satisfied or waived on or before three (3) months from the date of the Subscription Agreement or such later date as the Company and the Subscribers may agree in writing, the Proposed Subscription will not proceed and the Subscription Agreement will lapse and cease and no parties will have any claims against any other party, save for any antecedent breach of the Subscription Agreement.

3. RATIONALE AND USE OF PROCEEDS

The estimated net proceeds (the "**Net Proceeds**") from the Proposed Subscription, after deducting estimated expenses, will amount to approximately S$2,950,000.

The Board believes that the Proposed Subscription will strengthen the Group's financial position and flexibility to capitalise on growth opportunities. The Proposed Subscription will result in an injection of funds into the Company for potential business investments and/or acquisitions.

The Company intends to utilise 100% of the Net Proceeds for the following purposes:

Proposed use of Net Proceeds	**% of Net Proceeds**
Financing the Group's business expansion (including organic expansion and mergers and acquisitions)	100%

Pending the utilisation of the Net Proceeds for such purposes, such proceeds may be placed in deposits with banks or financial institutions or invested in short-term money markets or debt instruments or for any other purpose on a short-term basis as the directors may, in their absolute discretion, deem fit from time to time.

The Company will make periodic announcements on the uiltisation of the Net Proceeds from the Proposed Subscription as and when such proceeds are materially disbursed and provide a status report of the use of proceeds from the Proposed Subscription in the Company's annual report. Where there is any material deviation from the stated use of proceeds, the Company shall announce the reasons for such deviation when such funds are materially disbursed.

4. FINANCIAL EFFECTS

The financial effects of Proposed Subscription on the Company are prepared based on the audited consolidated financial statements of the Company and its subsidiaries for the financial year ended 30 September 2020.

The financial effects below are purely **for illustrative purposes only** and do not reflect the actual financial performance or position of the Company and the Group after the Proposed Subscription.

4.1. Share Capital

	Before the Proposed Subscription	After the Proposed Subscription
Number of Shares	455,933,025[1]	473,633,025

Note:

(1) Based on the number of Shares outstanding as at the date of this Announcement.

As at the date of this Announcement, the existing share capital of the Company is approximately $54,352,558.84 comprising 455,933,025 Shares. On Completion, the Company will have an enlarged issued share capital of approximately S$57,361,558.84 comprising 473,633,025 Shares.

4.2. Earnings per ordinary share ("**EPS**")

Assuming that the Proposed Subscription was completed on 1 October 2019, the effect on the Company's EPS for the financial year ended 30 September 2020 would be as follows:

	Before the Proposed Subscription	After the Proposed Subscription
Profit attributable to shareholders of the Company (S$'000)	2,585	2,585
Weighted average number of shares ('000)	392,222	409,922
EPS (SGD cents)	0.66	0.63

4.3. Net Tangible Assets ("**NTA**") per Share

Assuming that the Proposed Subscription was completed on 1 October 2019, the effect on the Company's NTA per Share for the financial year ended 30 September 2020 would be as follows:

	Before the Proposed Subscription	After the Proposed Subscription
NTA (S$'000)	12,083	15,092
Number of ordinary shares in issue ('000)	455,933	473,633
NTA per Share (SGD cents)	2.65	3.19

5. DIRECTORS' OPINION

The Directors are of the opinion that (i) after taking into consideration the Group's present bank facilities, the working capital available to the Group is sufficient to meet its present requirements.

Notwithstanding the above, the Company has decided to undertake the Proposed Subscription to strengthen the Group's financial position and flexibility to capitalise on growth opportunities. The Proposed Subscription will result in an injection of funds into the Company for potential business investments and/or acquisitions.

The Directors are of the further opinion that, as at the date of this Announcement, after taking taking into consideration the Group's present bank facilities and the Net Proceeds from the Proposed Subscription, the working capital available to the Group is sufficient to meet its present requirements.

6. ADDITIONAL LISTING APPLICATION

The Company, through its sponsor, RHT Capital Pte. Ltd., will be making an application to the SGX-ST for the listing of and quotation for the Subscription Shares on the Catalist of the SGX-ST. The Company will make the necessary announcements upon receipt of the listing and quotation notice from the SGX-ST.

7. AUTHORITY FOR ISSUE OF SUBSCRIPTION SHARES

The Subscription Shares will be issued pursuant to the general mandate approved by the Company's shareholders at the annual general meeting of the Company held on 28 January 2021 ("**2021 Share Issue Mandate**").

The 2021 Share Issue Mandate authorises the Directors to allot and issue new Shares and/or convertible securities of not exceeding 100% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company as at the date of the 2021 Share Issue Mandate (being 455,933,025 Shares), of which the aggregate number of Shares to be issued other than on a pro rata basis to existing shareholders shall not be more than 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company as at the date of the 2021 Share Issue Mandate (being approximately 227,966,512 Shares).

No Share were previously issued under the 2021 Share Issue Mandate prior to the date of the Subscription Agreement and as such, the total number of Shares that may be issued pursuant to the 2021 Share Issue Mandate is 455,933,025 Shares, of which the number of Shares to be issued other than on a pro rata basis is 227,966,512 Shares.

Accordingly, the proposed issuance and allotment of the 17,700,000 Subscription Shares will be within the limits of the 2021 Share Issue Mandate and specific shareholder approval from Shareholders for the issuance and allotment of the Subscription Shares is not required.

8. NO PROSPECTUS OR OFFER INFORMATION STATEMENT

The Proposed Subscription will be undertaken by way of a private placement in accordance with and in reliance on Section 272B of the SFA. As such, no prospectus or offer information statement will be lodged with the SGX-ST acting as agent on behalf of the MAS in connection with the issuance of the Subscription Shares.

9. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the Directors or (so far as they are aware) substantial shareholders of the Company has any interest, direct or indirect, in the Subscription Agreement and transactions contemplated therein, other than through their respective directorships and/or shareholding interests, if any, in the Company.

10. 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
9 April 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