



ECON HEALTHCARE (ASIA) LIMITED
(Company Registration Number: 200400965N)
(Incorporated in Singapore on 28 January 2004)

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- (1) **COMPLETION OF THE PROPOSED ACQUISITION OF THE ENTIRE ISSUED SHARE CAPITAL OF AMBULANCE MEDICAL SERVICE PTE. LTD.**
- (2) **UPDATE ON USE OF IPO PROCEEDS**
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*Unless otherwise defined or specified in this announcement ("**Announcement**"), all terms and references used herein shall bear the same meanings ascribed to them in the Circular (as herein defined).*

1. INTRODUCTION

The board of directors (the "**Board**" or the "**Directors**") of Econ Healthcare (Asia) Limited (the "**Company**", and together with its subsidiaries, the "**Group**") refers to:

- (a) the announcement released by the Company on 29 November 2023 in relation to the proposed acquisition of the entire issued share capital of Ambulance Medical Service Pte. Ltd. by the Company (the "**Proposed Acquisition**") and the proposed diversification of the Group's existing core business to include the provision of emergency ambulance services and medical transport services (the "**Proposed Diversification**");
- (b) the circular (the "**Circular**") dated 6 December 2023 to shareholders of the Company (the "**Shareholders**") in relation to the Proposed Diversification and the Proposed Acquisition;
- (c) the announcement released by the Company on 21 December 2023 in relation to the results of the extraordinary general meeting of the Company held on 21 December 2023 at 10.00 a.m. (Singapore time); and
- (d) the announcement released by the Company on 28 December 2023 in relation to the receipt of the listing and quotation notice from the SGX-ST for the listing and quotation of the Consideration Shares (as defined below).

2. COMPLETION OF THE PROPOSED ACQUISITION

2.1 The Board wishes to update Shareholders that Completion of the Proposed Acquisition had taken place today, 5 March 2024, pursuant to which:

- (a) the Company has acquired the entire issued share capital of Ambulance Medical Service Pte. Ltd. from the Sellers and Ambulance Medical Service Pte. Ltd. is now a wholly-owned subsidiary of the Company;
- (b) the Company has paid S\$7,000,000 in cash to the Sellers in accordance with the specified proportions set out in the SPA (the "**Cash Consideration**"); and
- (c) the Company has allotted and issued 8,910,891 new ordinary shares in the capital of the Company (collectively, the "**Consideration Shares**") to Dr. Sim at the issue price of S\$0.202 per Consideration Share. The Consideration Shares represent approximately 3.35% of the enlarged issued and paid-up share capital of the Company as of the date of this Announcement.

2.2 The Consideration Shares are allotted and issued as fully-paid Shares and rank *pari passu* in all respects with the existing Shares of the Company, including the right to receive all dividends declared, made or paid on or after Completion. The Consideration Shares are expected to be listed and quoted on the Catalist Board of the SGX-ST from 9.00 a.m. on 7 March 2024.

2.3 As disclosed in the Circular, Dr. Sim shall not, *inter alia*, sell, transfer or otherwise dispose of the Consideration Shares or any interest thereof, or attempt or propose to do any of the foregoing (the "**Restrictions**") for a period of six (6) months following the Completion Date (such period, the "**First Lock-Up Period**") and the period of six (6) months following the end of the First Lock-Up Period (such period, the "**Second Lock-Up Period**"). The Restrictions shall apply to all the Consideration Shares issued to Dr. Sim for the First Lock-Up Period and to at least 50% of the Consideration Shares issued to Dr. Sim for the Second Lock-Up Period.

2.4 The in-principle approval granted by the SGX-ST for the listing and quotation of the Consideration Shares is not to be taken as an indication of the merits of the Consideration Shares, the Proposed Acquisition, the Company, its subsidiaries and their securities.

2.5 Following the allotment and issuance of the Consideration Shares, the total number of issued Shares (excluding treasury shares) of the Company has increased from 257,000,000 to 265,910,891 Shares.

3. UPDATE ON USE OF IPO PROCEEDS

3.1 As disclosed in the Circular, the Cash Consideration will be funded entirely by the proceeds raised by the Company in connection with its initial public offering and listing on the Catalist Board of the SGX-ST on 19 April 2021 ("**IPO Proceeds**"). The utilisation of the IPO Proceeds is in line with the intended use as set out in the offer document dated 9 April 2021 in relation to the Company's initial public offering and subsequent announcements on the use of the IPO Proceeds released on 26 May 2023, 8 June 2023 and 9 November 2023.

3.2 In connection with the Completion of the Proposed Acquisition, the Company has utilised S\$7.0 million of the IPO Proceeds for the payment of the Cash Consideration to the Sellers. Accordingly, as at the date of this Announcement, proceeds of an aggregate of approximately S\$11.3 million had been utilised from the IPO Proceeds and there is a remaining unutilised balance of approximately S\$2.7 million proceeds.

3.3 The table below shows an update on the use of the IPO Proceeds as at the date of this Announcement:

Use of IPO Proceeds	Revised balance (as disclosed in announcement on 8 June 2023) (S\$'000)	Amount utilised as at the date of this Announcement (S\$'000)	Balance as at the date of this Announcement (S\$'000)
Expansion plans in Singapore as well as overseas through, among others, joint ventures, strategic collaborations, mergers and acquisitions, or investments; together with upgrading of existing medicare centres and nursing homes and other facilities, including equipment and IT infrastructure	7,947	7,365	582
General corporate and working capital purposes	2,070	-	2,070
Total	10,017	7,365	2,652

3.4 The Company will make further announcement(s) on the use of the remaining IPO Proceeds as and when they are materially disbursed.

4. CAUTIONARY STATEMENT

Shareholders and potential investors are advised to exercise caution when dealing or trading in the Shares. Shareholders and potential investors are advised to read this Announcement and any further announcements by the Company carefully. Shareholders and potential investors should consult their stockbrokers, bank managers, solicitors, accountants, tax advisers or other professional advisers if they have any doubt about the actions they should take.

BY ORDER OF THE BOARD

Ong Chu Poh
Executive Chairman and Group Chief Executive Officer
5 March 2024

This Announcement has been prepared by the Company and its contents have been reviewed by the 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 SGX-ST assumes 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.

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