



ASIAN HEALTHCARE SPECIALISTS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 201727543R)

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- (1) **PROPOSED ISSUANCE OF CONVERTIBLE BONDS**
 - (2) **EARLY CONDITIONAL REDEMPTION AND TERMINATION AGREEMENT IN RESPECT OF CONVERTIBLE BONDS AND OPTION ISSUED TO VANDA 1 INVESTMENTS PTE. LTD. IN OCTOBER 2018**
 - (3) **INVESTMENT INTO FANSIPAN 2 HOLDINGS PTE. LTD.**
- **MANDATORY CONVERSION EVENT UPON COMPLETION OF THE HEALTHCARE INVESTMENT IN VIETNAM BY FANSIPAN 2, AN ASSOCIATED COMPANY OF THE GROUP**
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Unless otherwise defined, capitalised terms used herein shall bear the same meanings ascribed to them in the Company's announcements dated 22 July 2020, 29 July 2020, 3 August 2020 and 21 August 2020.

1. INTRODUCTION

The board of directors ("**Board**" or the "**Directors**") of Asian Healthcare Specialists Limited (the "**Company**", and together with its subsidiaries, the "**Group**"), refers to the announcements dated 22 July 2020, 29 July 2020, 3 August 2020 and 21 August 2020 in relation to the issuances of the Convertible Bonds under the Investment Agreements to the Investors, the Early Redemption and Termination Agreement and the Fansipan 2 Investment.

2. MANDATORY CONVERSION EVENT UPON COMPLETION OF THE HEALTHCARE INVESTMENT IN VIETNAM BY FANSIPAN 2, AN ASSOCIATED COMPANY OF THE GROUP

2.1 Completion of the Healthcare Investment in Vietnam

The Board wishes to announce that Fansipan 2, an associated company of the Group, has today completed an acquisition of an interest in approximately 99.9% of a medical group comprising two private hospitals located in Central Vietnam ("**Pacific Group**"), using the funds received from the First Funding Tranche of the Fansipan 2 Investment.

The first hospital was opened in 2001 and consists of a building with 3 floors and 1 attic. It has a capacity of 200 approved beds. The medical staff comprises in excess of 40 doctors and 130 nurses. The services provided include cardiology, resuscitation, dentistry, laboratory tests, dermatology, paediatrics, traditional medicine, obstetrics, imaging and diagnostics.

The second hospital was opened in 2015 and consists of a building with 10 floors. It has a capacity of 200 approved beds. The medical staff comprises in excess of 60 doctors and 130 nurses. The services provided include obstetrics, dermatology, dentistry, traditional medicine, general surgery, ophthalmology, laboratory tests, and imaging and diagnostics.

The Company believes that there are opportunities for private healthcare players in Vietnam given the expected growth in private healthcare expenditure in Vietnam in the coming years.

Traditionally, Vietnam has had an under-served healthcare sector, with fewer medical staff, nurses, doctors and hospital beds compared to certain other ASEAN peers.

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.

2.2 Conversion of Convertible Bonds and Redemption of 2018 Vanda Convertible Bond

As the Healthcare Investment in Vietnam constitutes a Mandatory Conversion Event:

- (a) pursuant to the Investment Agreements, each of the Encyclia Convertible Bond and the Vanda Convertible Bond will be mandatorily convertible in whole into Encyclia Conversion Shares and Vanda Conversion Shares respectively at a conversion price of S\$0.1602 per Conversion Share on the date falling five (5) Business Days from 27 August 2020, being 3 September 2020 ("**Conversion Shares Closing**"); and
- (b) pursuant to the Early Redemption and Termination Agreement, the Company shall redeem the remaining S\$4,000,000 in aggregate principal amount of the 2018 Vanda Convertible Bond at the redemption price equal to 100% of the principal amount of the bonds, upon the later of (i) the date falling two months from the date of the Early Redemption And Termination Agreement, and (ii) 10 Business Days from the occurrence of the Conversion Shares Closing pursuant to the occurrence of the Mandatory Conversion Event, being 22 September 2020.

The Company will make the necessary announcement(s) to update shareholders on the above in due course.

By Order of the Board of
Asian Healthcare Specialists Limited

Dr Chin Pak Lin
Executive Director and CEO
27 August 2020

*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.

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