



LIVINGSTONE HEALTH HOLDINGS LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number 200404283C)

**UPDATE ON THE PAYMENT OF THE DEFERRED CONSIDERATION
TO THE VENDORS PURSUANT TO TERMS OF THE SPA**

*Unless otherwise defined, all capitalised terms used in this announcement shall have the meanings ascribed to them in the circular dated 31 December 2020 ("**Circular**").*

1. Introduction

- 1.1 The board of directors (the "**Board**" or "**Directors**") of Livingstone Health Holdings Limited (the "**Company**" and together with its subsidiaries, the "**Group**") refers to the Circular, in particular Section 2.5.2 therein titled "*Consideration*", which is part of the Letter to shareholders of the Company ("**Shareholders**").
- 1.2 The Board wishes to provide an update to Shareholders of the Company on the payment of the Deferred Consideration to the Vendors.

2. Deferred Consideration

- 2.1 In accordance with the SPA and as set out in Section 2.5.2 of the Circular, the Total Consideration payable to the Vendors (comprising Livingstone Health Consolidated Pte. Ltd ("**LVS**"), ICH Capital Pte Ltd., Dax Ng, and Dr. Chua Hshan Cher) includes a Deferred Consideration component of up to S\$25,000,000, the exact amount of which is to be determined based on the 2021 Adjusted NPAT of the Company. Specifically, if the 2021 Adjusted NPAT of the Company is "*no less than S\$4,800,000, the amount of the Deferred Consideration payable shall be S\$25,000,000. For the avoidance of doubt, the amount of the Deferred Consideration shall be capped at S\$25,000,000 even if the 2021 Adjusted NPAT is higher than S\$4,800,000.*"
- 2.2 Upon determining the amount of Deferred Consideration payable to the Vendors, the Company is to pay the Deferred Consideration in the following manner:
 - (a) 94.0% of the Deferred Consideration (of up to S\$23,500,000), shall be satisfied by the allotment and issuance to the Vendors of up to 117,500,000 Deferred Consideration Shares, subject to any Variation at the Issue Price in proportion to the Vendor's Respective Shareholdings within three (3) months from the date of issuance of the Company's FY2021 audited consolidated financial statements; and
 - (b) 6.0% of the Deferred Consideration (of up to S\$1,500,000), shall be paid in cash to the Vendors in proportion to the Vendor's Respective Shareholdings within eighteen (18) months from the date of issuance of the Deferred Consideration Shares, unless otherwise agreed in writing.

3. Update on the payment of the Deferred Consideration

- 3.1 The Board wishes to update that, based on the 2021 Adjusted NPAT achieved by the Company, the amount of which is S\$5,395,418, which comprises Adjusted NPAT for year 2021 of S\$4,324,802 and adjusted NPAT excess amount brought forward from year 2020 of S\$1,070,616, it is determined that the Deferred Consideration payable to the Vendors is \$25,000,000.
- 3.2 Accordingly, the Deferred Consideration, comprising the following, will be paid to the Vendors as follows:

- (a) 94.0% of the Deferred Consideration payable via the issuance and allotment of the Deferred Consideration Shares

The Company has, on 31 December 2020, received the listing and quotation notice from the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) for, *inter alia*, the allotment and issuance of up to 342,500,000 Consideration Shares to the Vendors, which includes up to 117,500,000 Deferred Consideration Shares. As the profit milestone has been met, the Company shall issue and allot an aggregate of 117,500,000 Deferred Consideration Shares to the Vendors in proportion to the Vendor’s Respective Shareholdings by 15 June 2022.

- (b) 6.0% of the Deferred Consideration payable in cash

The Company will also make payment of \$1,500,000 to the Vendors in proportion to the Vendor’s Respective Shareholdings by 31 December 2023.

4. Deed of Assignment

- 4.1 One of the Vendors, namely LVS has entered into a deed of assignment on 20 May 2022 (“**Deed of Assignment**”), pursuant to which, LVS has assigned all its rights and benefits in the Deferred Consideration to the following shareholders of LVS (the “**Assignees**”) in the proportions set out below:

<u>Assignee</u>	<u>Proportion%</u>
Chua Meng Hui, Sebastian	21.40%
Dax Ng Yung Sern	5.00%
Lim Pang Yen, Rachel	17.35%
Tan Tze Sheng, Edwin	21.45%
Tay Ching Yit, Wilson	34.80%

- 4.2 Accordingly, the breakdown of the Deferred Consideration payable to the remaining Vendors and the Assignees is set out below:

<u>Name of Vendor / Assignee</u>	<u>Aggregate Amount of Deferred Consideration</u>	<u>Amount payable in Deferred Consideration Shares</u>	<u>Amount payable in Cash</u>
	<u>\$</u>	<u>\$</u>	<u>\$</u>
Chua Meng Hui, Sebastian	5,119,618	4,812,441	307,177
Chua Hshan Cher	288,275	270,979	17,296
Dax Ng Yung Sern	1,484,447*	1,395,380	89,067
ICH Capital Pte Ltd	500,000	470,000	30,000
Lim Pang Yen, Rachel	4,150,719	3,901,676	249,043
Tan Tze Sheng, Edwin	5,131,580	4,823,685	307,895
Tay Ching Yit, Wilson	8,325,361	7,825,839	499,522

* includes the amount of Deferred Consideration assigned to him from LVS.

5. Deferred Consideration Shares

5.1 Principal terms of Deferred Consideration Shares

The Deferred Consideration Shares shall be issued as fully-paid shares and will be free from all encumbrances and shall rank *pari passu* in all respects with the ordinary shares in the capital of the Company (“**Shares**”) existing as at their date of issue except for any dividends, distributions or entitlements, the record date of which falls on or before such date of issue and allotment of the Deferred Consideration Shares.

5.2 Issue size

As at the date of this announcement, the Company has an existing issued and paid-up share capital of 318,891,448 Shares (the “**Existing Share Capital**”). Upon issuance and allotment of the aggregate of 117,500,000 Deferred Consideration Shares, the Company’s issued and paid-up share capital will increase to 436,391,448 Shares (the “**Enlarged Share Capital**”). The 117,500,000 Deferred Consideration Shares represent approximately 36.8% of the Existing Share Capital, and 26.9% of the Enlarged Share Capital. The issuance of the Deferred Consideration Shares will not result in any transfer of controlling interest in the Company.

Upon the issuance of Deferred Consideration Shares, the breakdown of shareholding interests in the Company of the Vendors and the Assignees will be as follows:

<u>Name of Vendor / Assignee</u>	<u>No. of Deferred Consideration Shares to be issued</u>	<u>No. of existing Shares</u>	<u>Total No. of Shares as a % of the Existing Share Capital</u>	<u>Total No. of Shares as a % of the Enlarged Share Capital</u>
LVS**	Nil	Direct interest: 215,311,056	Direct interest: 67.5%	Direct interest: 49.3%
Chua Meng Hui, Sebastian	24,062,200	Deemed interest**: 215,311,056	Direct interest: 7.5% Deemed interest: 67.5%	Direct interest: 5.5% Deemed interest: 49.3%
Chua Hshan Cher	1,354,900	Direct interest: 3,880,272	Direct interest: 1.6%	Direct interest: 1.2%
Dax Ng Yung Sern	6,976,900	Direct interest: 2,594,472	Direct interest: 3.0%	Direct interest: 2.2%
ICH Capital Pte. Ltd.	2,350,000	Direct interest: 7,314,000	Direct interest: 3.0%	Direct interest: 2.2%
Lim Pang Yen, Rachel	19,508,400	Nil	Direct interest: 6.1%	Direct interest: 4.5%
Tan Tze Sheng, Edwin	24,118,400	Deemed interest**: 215,311,056	Direct interest: 7.6% Deemed interest: 67.5%	Direct interest: 5.5% Deemed interest: 49.3%
Tay Ching Yit, Wilson	39,129,200	Direct interest: 556,900 Deemed interest**: 215,311,056	Direct interest: 12.4% Deemed interest: 67.5%	Direct interest: 9.1% Deemed interest: 49.3%

** LVS is an investment holding company incorporated in Singapore on 8 December 2017. As at the date of the announcement, LVS is owned in the aggregate by Dr Tay Ching Yit, Wilson Tay (34.8%), Dr Tan Tze Sheng, Edwin (21.45%), Dr Chua Meng Hui, Sebastian (21.4%). Dr Lim Pang Yen, Rachel (17.35%) and Dax Ng Yung Sern (5.0%). Accordingly, Dr Tay Ching Yit, Wilson Tay, Dr Tan Tze Sheng, Edwin and Dr Chua Meng Hui, Sebastian are deemed interested in shares held by LVS by virtue of Section 4 of the Securities and Futures Act.



5.3 Authority to issue and allot the Deferred Consideration Shares

Specific shareholders' approval had been obtained for the issuance of the Consideration Shares, including up to 117,500,000 Deferred Consideration Shares, at the Company's (formerly known as Citicode Ltd.) extraordinary general meeting held on 22 January 2021. Pursuant to the said shareholders' approval obtained pursuant to Rule 805 of the Catalist Rules, the receipt of the listing and quotation notice on 31 December 2020, and the terms of the Deed of Assignment, the Company shall allot and issue the Deferred Consideration Shares to the Vendors and Assignees.

The Company will make further announcements to update Shareholders on the issuance and allotment of the Deferred Consideration Shares in due course.

By Order of the Board
Livingstone Health Holdings Limited

Dr Tay Ching Yit, Wilson
Chief Executive Officer

20 May 2022

*This announcement has been reviewed by the Company's sponsor, SAC Capital Private Limited ("**Sponsor**"). This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited ("**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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