

ONEAPEX LIMITED
(Formerly known as Chew's Group Limited)
(Company Registration No. 201020806C)
(Incorporated in the Republic of Singapore)

**PROPOSED ACQUISITION OF 51% OF THE ISSUED AND PAID-UP SHARE CAPITAL OF
ONEWEALTH DEVELOPMENT PTE. LTD.**

1. INTRODUCTION

The board of directors (the “**Board**”) of OneApex Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that the Company has entered into a sale and purchase agreement on 28 March 2019 (the “**SPA**”) with Mr Chiu Joon Sun (the “**Vendor**”) in relation to the proposed acquisition of 255,000 ordinary shares (the “**Target Shares**”), representing 51% of the total issued share capital of OneWealth Development Pte. Ltd. (the “**Target**”), for a total purchase consideration of S\$338,000 in cash (the “**Proposed Acquisition**”).

The Proposed Acquisition had completed on the same day. Following the Proposed Acquisition, the Company shall hold 51% of the issued and paid-up share capital of the Target and the Target will become a subsidiary of the Company. The Target will change its name to OneApex Capital Pte Ltd.

2. INFORMATION ON THE TARGET

The Vendor is the sole legal and beneficial owner of the Target's entire issued and paid-up share capital of S\$500,000 divided into 500,000 ordinary shares. The Target is a private company limited by shares incorporated in Singapore on 5 July 2018 and is a Registered Fund Management Company (the “**RFMC**”) with the Monetary Authority of Singapore (the “**MAS**”). As a RFMC, the Target may carry out the business of fund management in Singapore on behalf of not more than 30 qualified investors (as defined in the Securities and Futures (Licensing and Conduct of Business) Regulations (Chapter 289, Regulation 10)), of which not more than 15 may be collective investment schemes, closed-end funds, or limited partnerships, and the total value of assets managed by the Target shall not exceed S\$250 million. The RFMC will not be involved with retail investors.

3. RATIONALE OF THE PROPOSED ACQUISITION

The directors of the Company (“**Directors**”) believe that the Proposed Acquisition is in line with the Group's strategic plans to increase shareholder value in future, and this is in the best interest of the Group. The Proposed Acquisition is in line with the Group's strategy to expand into the Financial Investment Services Business which is intended to consist of fund management, wealth management and family office advisory services. The Proposed Acquisition is expected to expedite the business development of the Group's Financial Investment Services Business. The Financial Investment Services Business will be operated through the Target for the purpose of risk management, and is intended to support the Group's businesses as disclosed in the Company's circular to shareholders dated on 9 January 2019. The Proposed Acquisition represents an opportunity for additional stream of revenues which will enhance shareholders' value in the long term

4. KEY TERMS OF THE PROPOSED ACQUISITION

4.1. Sale and Purchase

- 4.1.1. On and subject to the terms of the SPA, the Vendor agrees to sell as legal and beneficial owner, and the Company agrees to purchase the Target Shares.

4.1.2. The Target Shares shall be sold free from all encumbrances and together with all rights, entitlements and advantages attaching thereto as at the Completion Date (as defined below).

4.2. Consideration

4.2.1. The consideration for the sale and purchase of the Target Shares shall be Singapore Dollars Three Hundred and Thirty-Eight Thousand (S\$338,000) ("**Consideration**") and shall be payable by the Company in the following manner:

- (a) an amount in cash equivalent to the sum of Singapore Dollars One Hundred and Seventy Thousand (S\$170,000) shall be paid on completion of the sale and purchase of the Target Shares; and
- (b) the remaining amount in cash equivalent to the sum of Singapore Dollars One Hundred and Sixty-Eight Thousand (S\$168,000) ("**Balance Consideration**") shall be paid seven (7) business days from the date falling one (1) year from the Completion Date (as defined below) ("**One Year Date**") if the Company has on the One Year Date achieved an asset under management equivalent to Singapore Dollars Fifty Million (S\$50,000,000) ("**Performance Target**").

4.2.2. The Consideration was arrived at pursuant to arm's length negotiations, on a willing-buyer, willing-seller basis, taking into account, *inter alia*, the following factors:

- (a) the existing paid-up capital of the Target;
- (b) business prospects of the Target;
- (c) the time required to set up a new subsidiary and apply to the Monetary Authority of Singapore to operate as a Registered Fund Management Company; and
- (d) the potential pool of investors that the Vendor has which is expected to expedite the business development of the Financial Investment Services business segment of the Company.

4.2.3. In the event that the Performance Target is not achieved by the Company on the One Year Date, the parties to the SPA agree that the Vendor shall buy back the Target Shares from the Company at a consideration of Singapore Dollars Three Hundred and Thirty-Eight Thousand (S\$338,000) in cash ("**Buyback Consideration**") as follows:

- (a) the amount of Singapore Dollars One Hundred and Seventy Thousand (S\$170,000) to be paid or refunded in cash to the Company within seven (7) business days from the One Year Date; and
- (b) waiver of the payment of the Balance Consideration.

The Buyback Consideration had been mutually agreed between the Vendor and the Company on a willing-buyer, willing-seller basis and based on the Purchase Consideration.

4.2.4. As at the date of this announcement, the book value, net tangible asset value and latest available open market value of the Target Shares is about S\$498,000.

4.2.5. The Proposed Acquisition will be financed through internal resources.

4.3. Representations and Warranties

Pursuant to the SPA, the Vendor and Company have furnished representations and warranties typical for transactions such as the Proposed Acquisition. The Vendor further represents and warrants to the Company the terms set out in Schedule A of the SPA.

4.4. Post-Completion

Subject to the instructions of the board of directors of the Company, the parties to the SPA agree that following the completion of the Proposed Acquisition, the Vendor will act as the Managing Director of the Target and shall be responsible for the day-to-day management and supervision of the Target including the general charge of the business, affairs and property of the Target, and control over its officers, agents and employees.

5. RELATIVE FIGURES COMPUTED ON THE BASES SET OUT UNDER RULE 1006 IN RELATION TO THE PROPOSED ACQUISITION

Based on the latest audited consolidated financial statements of the Group for financial year ended 30 September 2018 (“FY2018”), the relative figures for the Proposed Acquisition computed on the bases set out under Rule 1006 of the Singapore Exchange Securities Trading Limited (“SGX-ST”) Listing Manual Section B: Rules of Catalist (“Catalist Rules”) are as follows:

Rule 1006	Bases	Relative figure (%)
(a)	The net asset value of the assets to be disposed of, compared with the group's net asset value.	Not applicable ⁽¹⁾
(b)	The net profits ⁽²⁾ attributable to the assets acquired or disposed of, compared with the group's net profits.	Not meaningful ⁽³⁾
(c)	The aggregate value of the consideration given or received, compared with the issuer's market capitalisation based on the total number of issued shares excluding treasury shares. [(S\$338,000 / S\$18,589,560)]	1.82% ⁽⁴⁾
(d)	Number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not applicable ⁽⁵⁾
(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets.	Not applicable ⁽⁶⁾

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 or loss before income tax, minority interests and extraordinary items.
- (3) The Group’s audited net loss from continuing operations in FY2018 was approximately S\$539,202. As the Target was only incorporated on 5 July 2018, the net loss attributable to the Target was about \$2,000 which mainly comprise of administrative expenses.

- (4) The market capitalisation is approximately S\$18,589,560 as calculated based on the volume weighted average price of S\$0.22 on 18 February 2019 being the last market day on which the shares of the Company were traded, preceding the date of the SPA.
- (5) Not applicable as the Consideration for the Proposed Acquisition is to be wholly-satisfied in cash.
- (6) Not applicable as the Proposed Acquisition is not a disposal of mineral, oil and gas assets.

As none of the relative figures under Catalist Rule 1006 exceed 5%, the Proposed Acquisition is a “Non-Discloseable Transaction” as defined under Chapter 10 of the Catalist Rules. Notwithstanding, this announcement in respect of the Proposed Acquisition has been made pursuant to Rule 1008 of the Catalist Rules.

6. FINANCIAL EFFECTS

The Proposed Acquisition is not expected to have any material impact on the Group’s earnings per share or net tangible assets per share for the current financial year ending 30 September 2019.

7. THE PROPOSED ACQUISITION AS AN INTERESTED PERSON TRANSACTION

As at the date of this Announcement, the Vendor is an Executive Director of the Company, and is an interested person in relation to the Company within the meaning of Rule 904(4) of the Catalist Rules. Accordingly, the Proposed Acquisition between the Company as an “entity at risk” and the Vendor as “interested person” would constitute an interested person transaction under Chapter 9 of the Catalist Rules.

Notwithstanding the above, the value of the Proposed Acquisition is less than 3% ($S\$338,000 \div S\$14,292,829 = 2.36\%$) of the latest audited consolidated net tangible assets of the Company as at 30 September 2018 being S\$14,292,829. Notwithstanding that an announcement in respect of the Proposed Acquisition is not required pursuant to Catalist Rule 905, the Company has elected to make an announcement to update shareholders on the progress of its expansion into the Financial Investment Services Business.

8. AUDIT COMMITTEE STATEMENT

The Audit Committee of the Company has considered the terms and rationale for the Proposed Acquisition, and is of the view that the Proposed Acquisition is on normal commercial terms, and is not prejudicial to the interests of the Company and its minority shareholders.

9. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Save as disclosed in this announcement and their respective shareholdings in the Company, to the best of the Directors’ knowledge, none of the Directors or controlling shareholders of the Company have any interest, direct or indirect, in the Proposed Acquisition.

10. DETAILS OF SERVICE AGREEMENTS

No new directors are proposed to be appointed to the Board in connection with the Proposed Acquisition. Hence, no service agreements will be entered into with any new director of the Company in connection with the Proposed Acquisition.

11. DIRECTORS’ RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this announcement constitutes full and true

disclosure of all material facts about the SPA, the Proposed Acquisition, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading.

Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

12. DOCUMENT FOR INSPECTION

A copy of the SPA is available for inspection during normal business hours at the registered office of the Company at 80 Raffles Place #25-01 UOB Plaza 1 Singapore 048624 for three (3) months from the date of this announcement.

13. CAUTION IN TRADING

Shareholders ought to exercise caution when trading or dealing in their shares of the Company. Shareholders and potential investors should seek advice from their stockbrokers, bank managers, solicitors, accountants or other professional advisers if they have any doubts about the actions they should take.

By Order of the Board

Tan Pei Hong, Alex (Chen Peifeng)
Executive Director and Chief Executive Officer
28 March 2019

This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"), for compliance with the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalyst. The Sponsor has not verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume 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.

The contact person for the Sponsor is Ms Jennifer Tan, Associate Director, Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: sponsorship@ppcf.com.sg).