



Medinex Limited

(Company Registration No: 200900689W)
(Incorporated in the Republic of Singapore on 01 December 2009)

DISPOSAL OF SHARES IN NUFFIELD HOLDINGS PRIVATE LIMITED

1. INTRODUCTION

The Board of Directors (the “**Board**” or “**Directors**”) of Medinex Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that the Company has on 7 July 2023, disposed of the Company’s entire equity interest of 5,677 ordinary shares (approximately 4.45% of the total issued share capital of Nuffield Holdings Private Limited (“**Nuffield**”)) in the capital of Nuffield (the “**Sale Shares**”) to Samintharaj Kumar S/O Samy Raja (the “**Purchaser**”) (the “**Disposal**”).

2. INFORMATION ON THE PURCHASER AND NUFFIELD

The Purchaser is the sole director of Nuffield.

Nuffield is an investment holding company that was incorporated in Singapore in 2014. Nuffield and its subsidiaries provide dental services, own general practitioner clinics and provide general medical services in Singapore. In 2019, the Company had through a joint venture company, provided a redeemable convertible loan agreement to Nuffield, which was subsequently terminated in consideration of the issuance of shares of Nuffield in 2021. Pursuant to this arrangement, the Company came to hold the Sale Shares.

Nuffield is also a customer of the Group, and the Group has provided medical support services to Nuffield.

3. SALE CONSIDERATION

The consideration for the Disposal is S\$1,334,153.26 in aggregate (the “**Sale Consideration**”), payable in cash.

The sale of the Sale Shares is part of a transaction in which the Purchaser is acquiring majority control of Nuffield. A valuation (“**Valuation**”) commissioned by the Company was carried out by RSM Corporate Advisory Pte Ltd, and a valuation report was issued on 30 May 2023 in respect of Valuation. The Valuation related to an estimate of the fair value of the Company’s interests in the Sale Shares, based on Nuffield’s latest available management accounts as at 28 February 2023. The valuation of the Sale Shares was S\$1,378,000. Accordingly, the Sale Consideration represents a 3.18% discount to the Valuation, and was arrived at on a willing-seller, willing-buyer basis, after having taken into consideration the Valuation and the benefits to the Group, as set out in section 4 of this announcement.

The Company has received the Sale Consideration from the Purchaser in full, and the Disposal had on 7 July 2023 been completed (“**Completion**”).

4. RATIONALE FOR THE DISPOSAL

The Board is of the view that the Disposal is in the best interests of the Group and the shareholders of the Company, as it will enable the Group to realise the value of the Sale Shares, which are currently held as an investment. The Disposal will result in a positive cash inflow of approximately S\$1.33 million, thereby improving the liquidity of the Group. This would also allow the Group to reallocate its resources to improve and optimise the utilisation of assets.

5. USE OF PROCEEDS

The net proceeds from the Disposal would be approximately S\$1.33 million. The Group intends to utilise the net proceeds for general working capital requirements and new business expansion(s), as and when opportunities arise.

6. FINANCIAL EFFECTS

The following financial effects of the Disposal on the net tangible asset (“NTA”) per share and earnings per share (“EPS”) of the Group have been prepared based on the most recently announced unaudited consolidated financial statements of the Group for the financial year ended 31 March 2023 (“FY2023”) (the “FY2023 FS”).

The financial effects are purely for illustrative purposes only and are therefore not necessarily indicative of the actual financial position of the Group after Completion.

6.1. NTA

The financial effect of the Disposal on the NTA per share of the Group for FY2023, assuming that the Disposal had been effected as at 31 March 2023 is as follows:

	Before the Disposal	After the Disposal
NTA (S\$'000)	8,000	7,944
Number of issued ordinary shares, excluding treasury shares	132,691,176	132,691,176
NTA per share (S\$ cents)	6.03	5.99

6.2. EPS

The financial effect of the Disposal on the EPS of the Group for FY2023, assuming that the Disposal had been effected on 1 April 2022 is as follows:

	Before the Disposal	After the Disposal
Profit attributable to shareholders (S\$'000)	1,700	1,644
Weighted average number of ordinary shares, excluding treasury shares	132,249,764	132,249,764
Potential ordinary shares issuable under deferred shares consideration	2,666,667	2,666,667
Total ordinary shares including deferred shares consideration	134,916,431	134,916,431
EPS (Singapore cents)	1.26	1.22

6.3 Value of the Sale Shares

Based on the unaudited FY2023 FS, the book value of the Sale Shares is S\$1,390,195 as at 31 March 2023 and the NTA for the Sale Shares as at 31 December 2022 is S\$230,290.

6.4 Net Profit Attributable to the Sale Shares

The net profit attributable to the sales share is S\$109,128.

6.5 Deficit of Sale Consideration over Book Value and Gain on Disposal

Based on the book value of the Sale Shares as set out in section 6.3 above, there is a deficit of approximately S\$56,042 of the Sale Consideration over the said book value.

Based on the initial cost of investment of the Sale Shares of S\$0.825 million, there is an excess of approximately S\$509,153 of the Sale Consideration over the said book value.

7. RELATIVE FIGURES UNDER RULE 1006 OF THE CATALIST RULES

The relative figures in relation to the Disposal computed on the applicable basis set out in Rule 1006 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the "Catalist Rules") and based on the most recently announced unaudited figures of the Group for FY2023, are as follows:

Rule 1006	Listing Rule	Relative Figures (%)
(a)	The net asset value of the assets to be disposed of, compared with the group's net asset value.	1.30 ⁽¹⁾
(b)	The net profits attributable to the assets acquired or disposed of, compared with the group's net profits.	5.34 ⁽²⁾
(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.	5.31 ⁽³⁾
(d)	Number of equity securities issued by the Company as consideration for the acquisition, compared with the number of equity securities previously in issue.	Not applicable ⁽⁴⁾
(e)	The aggregate volume or amount of proven and probable reserves to be disposed of, compared with the aggregate of the Group's proven and probable reserves.	Not applicable ⁽⁵⁾

Notes:

(1) Based on the net asset value of the Sale Shares of S\$230,517 as at 31 December 2022 for Nuffield, and the net asset value of the Group of S\$17.78 million as at 31 March 2023.

(2) Based on the Company's share of profit of S\$109,128 of Nuffield for the 12 months ended 31 December 2022 and the net profit value of the Group for FY2023 of S\$2.04 million.

- (3) Based on the Sale Consideration of S\$1,334,153.26 and the Company's market capitalisation of S\$25,118,440. The Company's market capitalisation is determined by multiplying the Company's total number of issued ordinary shares of 132,691,176 shares (excluding treasury shares) by the volume weighted average price of S\$0.1893 per share on 7 July 2023, being the last traded market day immediately preceding the date of the Disposal.
- (4) Not applicable as there will be no issuance of equity securities by the Company in relation to the Disposal.
- (5) Not applicable as the Disposal is not of mineral, oil or gas assets.

As the relative figures for the Disposal computed on the basis set out in Rule 1006(b) and (c) of the Catalist Rules exceed 5% but are less than 75%, the Disposal constitutes a discloseable transaction under Chapter 10 of the Catalist Rules and does not require the approval of shareholders of the Company.

8. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Save for their respective interests arising by way of their shareholdings and/or directorships in the Company, none of the Directors, controlling shareholders of the Company or their associates have any interest, direct or indirect, in the Disposal.

9. SERVICE CONTRACT

No person is proposed to be appointed as a director of the Company in connection with the Disposal. Accordingly, no service contract is proposed to be entered into between the Company and any such person.

10. DOCUMENTS FOR INSPECTION

The valuation report in respect of the Valuation will be available for inspection during normal business hours at the Company's registered office at 111 North Bridge Road, 23-04, Peninsula Plaza, Singapore 179098, for three months from the date of this announcement. Kindly contact the Company at weichun@medinex.com.sg prior to making any visits to arrange for a suitable time slot for the inspection.

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 on the Disposal, 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.

By Order of the Board

Jessie Low Mui Choo
Executive Director and Chief Executive Officer
7 July 2023

*This announcement has been prepared by the Company and reviewed by the Company's sponsor, Novus Corporate Finance Pte. Ltd. (the "**Sponsor**") in compliance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalyst.*

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. Pong Chen Yih, Chief Operating Officer, at 7 Temasek Boulevard, #18-03B Suntec Tower 1, Singapore 038987, telephone (65) 6950 2188.