



BACUI TECHNOLOGIES INTERNATIONAL LTD.
(formerly known as Arion Entertainment Singapore Limited)

(Incorporated in Singapore)

(Company Registration Number 199407135Z)

**SALE AND PURCHASE AGREEMENT RELATING TO THE PROPOSED DISPOSAL OF
SHARES IN FAME HARVEST LIMITED**

1. Introduction

- 1.1 The board of directors (the “**Board**”) of the Bacui Technologies International Ltd. (the “**Company**”) and together with its subsidiaries, the “**Group**”) wishes to announce that the Company has on 7 September 2023 entered into a sale and purchase agreement (the “**SPA**”) with a Mr Chan Cheong Chun (the “**Purchaser**”), pursuant to which the Company has agreed to sell, and the Purchaser has agreed to purchase, the entire issued and paid-up share capital of Fame Harvest Limited (“**FHL**”) (the “**Sale Shares**”), for an aggregate consideration of HK\$1,800,000 (approximately S\$311,000, based on the exchange rate of HKD1.00 = SGD0.17284) (the “**Consideration**”), upon the terms and subject to the conditions of the SPA (the “**Proposed Disposal**”).
- 1.2 As the Sale Shares represent the entire interest of the Company in FHL, the Company will cease to have any interest in FHL and FHL will cease to be a subsidiary of the Company following the completion of the Proposed Disposal.

2. Information on FHL

- 2.1 FHL is a limited company incorporated in Hong Kong with its registered address at Room 301-302, New East Ocean Centre, 9 Science Museum Road, Tsim Sha Tsui East, Kowloon, Hong Kong and serves as the 100%-owned holding Company for the Group’s operations in Hong Kong. FHL has two Hong Kong incorporated subsidiaries namely Win Win Finance Limited (“**Win Win**”) and Bless Concept Limited (“**BCL**”) (collectively “**FHL Group**”). Win Win is a licensed money lender in Hong Kong whilst BCL has been dormant since its incorporation.

3. Information on the Purchaser

- 3.1 The Purchaser, Mr Chan Cheong Chun is a businessman and online promoter for products and services. Mr Chan owns a florist and gift company and is a 60% shareholder and a director of private company, Horizon Immigration Consultancy Limited (“**HIC**”). HIC is incorporated in Hong Kong and offers immigration consultancy services. Mr Ng Kai Man, Executive Director of the Company, is a passive investor in HIC and holds a 20% stake through 21 Services Ltd which is wholly owned by Mr Ng.

- 3.2 Save as disclosed in paragraph 3.1 above, there are no other relationships between the Purchaser and the Company, the directors of the Company (the “**Directors**”), the controlling shareholders of the Company, or their respective associates.

4. Consideration

The Consideration, which shall be fully satisfied in cash, was arrived at after arm’s length negotiations on a willing buyer, willing seller basis and after taking into account the historical financials of FHL Group (including the net asset value/book value), since the commencement of the Group’s Hong Kong operations in the financial year ended 31 March 2022 as well as the Hong Kong money lender license held by Win Win. The Consideration is payable as follow:

- (a) HK\$180,000 (approximately S\$31,000) within three (3) business days upon the execution of the SPA being a goodwill deposit which can be set off against the Consideration at Completion but will not be refunded in the event that Completion does not occur, and
- (b) HK\$1,620,000 (approximately S\$280,000) upon Completion (as defined below).

The purchase consideration of approximately S\$311,000, when compared to the book value of the assets to be disposed of as at 31 March 2023 of approximately S\$297,000, will result in an estimated gain on disposal of approximately S\$14,000.

5. Rationale for the Disposal

The Company has on 31 July 2023, obtained Shareholders’ approval to change its core business to that of labour outsourcing business and other related services in the People’s Republic of China. The Proposed Disposal of FHL, which has been loss-making for the past two financial years, is in line with the change in core business.

The Company intends to use the net proceeds (after deducting fees for the Proposed Disposal) amounting to approximately S\$280,000, for working capital purposes.

6. Salient Terms of the Proposed Disposal

6.1 Conditions Precedent to Completion

Completion of the Proposed Disposal is subject to conditions precedent, including but not limited to:

- (a) The approval of the board of directors of the Company being obtained for the Proposed Disposal and all other transactions in connection therewith and incidental thereto, and not amended or revoked prior to Completion;
- (b) The due diligence review to be carried out by the Purchaser;

- (c) All required approvals, consents, clearances, releases and/or waivers necessary or desirable for the Proposed Disposal and all other transactions in connection therewith and incidental thereto being obtained from any relevant governmental body and not amended or revoked prior to Completion.
- 6.2 Completion to take place by 30 September 2023 or such other time, date and venue as may otherwise agree to in writing ("**Completion**").

7. Financial Effects of the Proposed Disposal

The proforma financial effects of the Group after the Proposed Disposal as set out in this announcement below are for illustrative purposes only and do not reflect the actual future financial position of the Group following the Completion.

The proforma financial effects of the Proposed Disposal are based on the following assumptions:

- (a) in the calculation of the net tangible assets ("**NTA**") and NTA per share, for illustrative purposes, it is assumed that the Proposed Disposal had been effected on 31 March 2023;
- (b) in the calculation of NTA per share, the number of shares is based on the total number of issued shares of 933,951,593 as at 31 March 2023;
- (c) in the calculation of earnings per share ("**EPS**"), for illustrative purposes, it is assumed that the Proposed Disposal had been effected on 1 April 2022;
- (d) in the calculation of EPS, the number of shares is based on the weighted average number of ordinary shares of 933,951,593 as at the financial year ended 31 March 2023;
- (e) transaction costs incurred for the Proposed Disposal are assumed to be insignificant and ignored for computational purposes.

S\$'000	FY 2023	
	Before Proposed Disposal	After Proposed Disposal
Net Tangible Assets	2,300	2,405
NTA per share (Singapore cents)	0.25	0.26
Net profits attributable to shareholders	435	756
Earnings per share (Singapore cents)	0.05	0.08

8. Relative Figures under Catalyst Rule 1006

8.1 The relative figures of the Proposed Disposal computed on the bases set out in Catalyst Rule 1006 (a) to (e) are as follows:

Catalist Rules	Basis of Calculation	Relative Figure (%)
1006(a)	The net asset value of the assets to be disposed of, compared with the Group's net asset value ⁽¹⁾	12.43% ⁽²⁾
1006(b)	The net profits attributable to the assets acquired or disposed of, compared with the Group's net profits ⁽³⁾	-69.46% ⁽⁴⁾
1006(c)	The aggregate value of the consideration given or received, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares	4.76% ⁽⁵⁾
1006(d)	The 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
1006(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	Not applicable as the Group is not in the mineral, oil and gas industry.

Notes:

- (1) Under Rule 1002(3)(1) of the Catalyst Rules, "net assets" is defined as total assets less total liabilities.
- (2) This is based on the net assets of FHL Group and that of the Group of S\$297,000 and S\$2.39 million respectively.
- (3) Under Rule 1002(3)(b) of the Catalyst Rules, "net profits" is defined as profit or loss including discontinued operations that have not been disposed of, before income tax and non-controlling interests.
- (4) This is based on the loss before tax of FHL Group of S\$307,000 and the profits before tax of the Group for the full year ended 31 March 2023 of \$442,000.
- (5) This is based on the Consideration of S\$311,000 and the Company's market capitalization, being S\$6,537,043, which is calculated based on the volume weighted average price of S\$0.006 per Company's share as at 6 September 2023, being the full market day preceding the date of the SPA.

8.2 **Discloseable Transaction.** the relative figures of the Proposed Disposal computed on the bases set out in Catalist Rule 1006 exceed 5% but do not exceed 50%, except for Catalist Rule 1006(b) which involves a negative figure. Where the relative figures of a disposal exceed 5% but do not exceed 50%, the disposal transaction would be deemed a “discloseable transaction” as defined in Chapter 10 of the Catalist Rules, and shareholders’ approval is not required.

In relation to the negative relative figure obtained under Catalist Rule 1006(b), having regard to paragraph 4.4(e) of Practice Note 10A of the Catalist Rules, the negative figure of Catalist Rule 1006(b) does not cause the Proposed Disposal to be subject to shareholders’ approval because it arises from the disposal of a loss-making asset by the profitable Group where (i) the absolute relative figures for each of Catalist Rule 1006(a) and Catalist Rule 1006(c) (Rule 1006(e) being not applicable) are below 50%; and (ii) the Proposed Disposal will result in a gain on disposal as stated in paragraph 4 above, and not a loss on disposal.

9. **Directors’ and Controlling Shareholders’ Interests**

None of the Directors, controlling shareholders of the Company or their associates has any interest, direct or indirect, in the Proposed Disposal (other than through their shareholdings in the Company).

10. **Directors’ Service Contracts**

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

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 Proposed 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.

12. Document Available for Inspection

A copy of the SPA will be made available for inspection during normal business hours at the Company's registered office address at 138 Robinson Road #26-03 Oxley Tower Singapore 068906 for a period of three (3) months commencing from the date of this announcement.

13. Caution in Trading

Shareholders are advised to exercise caution in trading their shares. The Proposed Disposal is subject to, amongst others, the Conditions Precedent. There is no certainty or assurance as at the date of this announcement that the Proposed Disposal will be completed or that no changes will be made to the terms thereof. The Company will make the necessary announcements when there are further developments on the Proposed Disposal. Accordingly, shareholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders should consult their stock brokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

For and on behalf of the Board
Bacui Technologies International Ltd.

Ng Kai Man

Executive Director

7 September 2023

*This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**Exchange**") and the Exchange 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 Ms Foo Jien Jieng, 16 Collyer Quay, #10-00 Collyer Quay Centre, Singapore 049318, sponsorship@ppcf.com.sg.