

CAMSING HEALTHCARE LIMITED
(Company Registration No. 197903888Z)
(Incorporated in Singapore)

**PROPOSED DISPOSAL OF THE PROPERTY LOCATED AT 18 KAKI BUKIT ROAD #05-16
SINGAPORE 415978**

1. INTRODUCTION

The Board of Directors (the “**Board**”) of Camsing Healthcare Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that a wholly-owned subsidiary, Nature’s Farm Pte Ltd (the “**Subsidiary**”), has on 16 October 2019 granted Ong Hock Chung and/or nominee (NRIC No. S2608928Z) (the “**Purchaser**”) an option to purchase (the “**Option**”) the property located at 18 Kaki Bukit Road #05-16 Singapore 415978 (the “**Property**”) at the sale price (the “**Consideration**”) of S\$ 900,000.00 exclusive of goods and services tax (the “**Proposed Disposal**”).

Completion of the Proposed Disposal shall be subject to and conditional upon, among other things, the Purchaser’s exercise of the Option and the entry into a definitive sale and purchase agreement between the Purchaser and the Subsidiary.

2. BACKGROUND OF THE PROPOSED DISPOSAL

2.1. Rationale of the Disposal

The Proposed Disposal is in line with the Group’s plan for reduction of expenditure and better usage of its capital.

2.2. Information on the Property

The Property has a leasehold estate of 60 years commencing 9 January 1995 comprised in Subsidiary Strata Certificate of Title Volume MK23 Folio U20999K. The Property has a gross floor area of approximately 395.0 sqm and was previously used as a corporate office by the Subsidiary. The Property is under a mortgage.

Currently, the Property is vacant, and the Company and the Subsidiary do not conduct any operations at the Property. There is therefore no income from the Property, and no profits being derived from the Property.

2.3. Information on the Purchaser

As at the date of this announcement, none of the Purchaser, its ultimate beneficial shareholders and directors is an associate of the Company, the Directors of the Company or substantial shareholders of the Company. As of the date of this announcement, none of the Purchaser, its ultimate beneficial shareholders and directors hold any shares in the share capital of the Company.

2.4. Valuation and Use of Sale Proceeds

Based on a valuation report dated 10 October 2019 (the “**Valuation Report**”) issued by JY Realty Pte. Ltd. (the “**Valuer**”), the market value of the Property is S\$ 1,000,000.00. The valuation was commissioned by the Company.

Based on the latest audited financial statements of the Group for the financial year ended 31 January 2018 (“**FY2018**”), the book value of the Property was approximately S\$ 1,250,000.00. The deficit of the sale proceeds over the book value of the Property is S\$ 321,795.00.

The Group expects to record a net loss of approximately S\$ 321,795.00 from the Proposed Disposal, after deducting incidental costs and related expenses.

All proceeds of sale will be used in repayment of the mortgage on the Property.

3. PRINCIPAL TERMS OF THE DISPOSAL

3.1. Consideration

The Consideration for the Property of S\$ 900,000.00 excluding goods and services tax (“GST”) will be satisfied wholly in cash upon completion of the Proposed Disposal.

The Consideration was arrived at after arm’s length negotiations between the Subsidiary and the Purchaser on a willing buyer willing seller basis, taking into account, *inter alia*, the market value of the Property and prevailing market conditions.

3.2. The Option

Further to the terms of the Option, the Consideration shall be fully satisfied in cash and payable to the Company as follows:-

- (a) 1% of the Consideration as the Option fee, together with the GST thereon. As at the date of this announcement, the Company has received a cheque from the Purchaser in respect of this amount;
- (b) 4% of the Consideration on the Purchaser’s exercise of the Option, together with the GST thereon, which shall be payable by the Purchaser no later than 4 December 2019, being the latest date on which the Purchaser shall exercise the Option; and
- (c) 95% of the Consideration on the Completion Date (as defined below), together with the GST thereon.

3.3. Conditions

The Proposed Disposal is conditional upon, amongst others, the following conditions having been fulfilled or waived in accordance with the Option:-

- (a) The obtaining of the approval from shareholders of the Company in respect of the Proposed Disposal, or the Company obtaining a waiver from the SGX-ST in respect of the requirement under Rule 1014(2) of the Listing Manual to seek shareholders’ approval for the Proposed Disposal in general meeting.
- (b) The Purchaser’s solicitors receiving satisfactory replies to all the usual legal requisitions and road and drainage interpretation plans sent by them to the various relevant government departments, including the Land Transport Authority.
- (c) There being no notice of acquisition or intended acquisition in whole or in part of the Property (where such part affects the building comprised in the Property, or affects more than 5% of the Property) by the government or any other competent authority.

The Proposed Disposal is further conditional upon the Purchaser’s and the Subsidiary’s entry into and execution of a definitive sale and purchase agreement.

The Proposed Disposal is subject to “The Law Society of Singapore’s Conditions of Sale 2012”, insofar as they are applicable to a sale by private treaty and are not varied by or inconsistent with the terms of the Proposed Disposal.

3.4. Completion

Completion of the Proposed Disposal is expected to take place on the date falling 10 weeks from the date of the Purchaser's exercise of the Option, or such other date as may be agreed between the Purchaser and the Subsidiary (the "**Completion Date**").

3.5. Stamp Duty

The Purchaser shall bear any stamp duty payable in connection with the Proposed Disposal.

4. FINANCIAL INFORMATION

4.1. Assumptions

The financial effects of the Proposed Disposal on the Group set out below are purely for illustrative purposes only, and do not reflect the future financial position of the Group after completion of the Proposed Disposal.

The financial effects have been prepared on a pro forma basis using the latest audited consolidated financial statements of the Group for FY2018.

(a) Net Tangible Assets (NTA)

The effects of the Proposed Disposal on the NTA per share of the Group for FY2018, assuming that the Proposed Disposal had been effected at the end of FY2018, are as follows:

	Before the Proposed Disposal	After the Proposed Disposal
NTA of the Group attributable to shareholders of the Company (S\$)	11,047,000	10,725,205
Number of issued shares	29,999,993	29,999,993
NTA per share (Singapore cents)	0.3682	0.3575

(b) Earnings Per Share (EPS)

The effects of the Proposed Disposal on the EPS of the Group, assuming that the Proposed Disposal had been completed at the beginning of FY2018, the effect of the Proposed Disposal on the EPS for FY2018, will be as follows:

	Before the Proposed Disposal	After the Proposed Disposal
Profit / (Loss) attributable to shareholders (S\$)	181,000.00	(140,795.00)
Number of issued shares	29,999,993	29,999,993
EPS (Singapore cents)	0.18	(0.89)

5. RELATIVE FIGURES COMPUTED ON THE BASES SET OUT IN RULE 1006 OF THE CATALYST RULES

For the purposes of Chapter 10 of the Catalist Rules, the relative figures in respect of the Proposed Disposal using the applicable bases of comparison set out in Rule 1006 of the Catalist Rules based on the latest announced unaudited consolidated financial statements of the Group for the half year ended 31 July 2018 are set out as follows.

	Relative Figures (%)
Rule 1006 (a) The net asset value of the assets to be disposed of, compared with the group's net asset value as at 31 July 2018. ⁽¹⁾	13.13%
Rule 1006 (b) The net profits attributable to the assets acquired or disposed of, compared with the Group's net profits as at 31 July 2018. ⁽²⁾	Not applicable
Rule 1006 (c) Aggregate value of consideration given or received, compared with the market capitalisation of the Company based on the total number of issued shares excluding treasury shares. ⁽³⁾	2.80%
Rule 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

Notes:

- (1) The net asset value of the Property and the net asset value of the Group as at 31 July 2018 were approximately S\$ 1,233,641 and S\$ 9,399,000 respectively.
- (2) As the Property is not rented out and has no rental income, the Property is not contributing to the Group's results. Accordingly, no profits are attributable to the Property.
- (3) The market capitalisation of the Company of S\$ 32,099,993 is determined by multiplying 29,999,993 ordinary shares in issue as at the date of this announcement by the volume weighted average price of the shares of approximately S\$ 1.07 per share on the last full market day immediately preceding the signing of the Option.

6. OTHER MATTERS

6.1. Interests of Directors and Substantial Shareholders

Other than through their respective shareholdings in the Company, none of the Directors and/or substantial shareholders of the Company, has any interest (direct or indirect) in the Proposed Disposal.

6.2. Service contracts of the Directors

No person is proposed to be appointed as a Director of the Company or any of its subsidiaries in connection with the Proposed Disposal.

6.3. Commission to Sales Agent

The Proposed Disposal will be subject to the payment of a 2% commission to the property agent, instead of a 4% commission as announced previously in the announcement titled "Suspension of Duties and Powers of CEO of Subsidiary", released by the Company on 30 October 2019.

6.4. Documents available for inspection

A copy of the Option and the Valuation Report is available for inspection during normal business hours at the Company's registered office at SGX Centre 2 #17-01, 4 Shenton Way, Singapore 068807 for a period of three (3) months from the date of this announcement.

6.5. 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 the 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 its proper form and context.

BY ORDER OF THE BOARD

Liu Hui
Executive Director
20 November 2019