

REVEZ CORPORATION LTD.
(Incorporated in the Republic of Singapore)
(Company Registration No. 201119167Z)

- (1) **THE PROPOSED DISPOSALS OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF REVEZ MOTION PTE. LTD. AND PGK DIGITAL NETWORKS PTE. LTD.; AND**
 - (2) **BUSINESS UPDATE**
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1. INTRODUCTION

1.1. The Board of Directors (the "**Board**") of REVEZ Corporation Ltd. (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that the Company had, on 20 November 2023, entered into:

- (a) a share purchase agreement ("**SPA**") with Lim Kian Sing ("**LKS**"), in relation to the proposed disposal of the entire issued and paid-up share capital of PGK Digital Networks Pte. Ltd. ("**PGK**"); and
- (b) a share purchase deed ("**SPD**") with Neo Wee Han, Victor ("**VN**", collectively with LKS, the "**Purchasers**"), in relation to the proposed disposal of the entire issued and paid-up share capital of Revez Motion Pte. Ltd. ("**RM**"),

(collectively, the "**Proposed Disposals**").

1.2. Upon the completion of the Proposed Disposals ("**Completion**"), PGK and RM will cease to be subsidiaries of the Company.

2. INFORMATION RELATING TO PGK, RM AND THE PURCHASERS

2.1. Information relating to PGK

PGK is a private limited company incorporated in Singapore on 4 February 2005. PGK is a media owner and operator of innovative digital TV networks, out-of-home digital advertising networks, and digital sport and media networks.

As at the date of this announcement, PGK has an issued and paid-up share capital of S\$100,000 comprising of 100,000 ordinary shares, and is a wholly-owned subsidiary of the Company.

2.2. Information relating to RM

RM is a private limited company incorporated in Singapore on 8 March 2012. The principal activities of RM are designing and developing immersive and interactive multimedia solutions.

As at the date of this announcement, RM has an issued and paid-up share capital of S\$1,750,000 comprising of 1,750,000 ordinary shares, and is a wholly-owned subsidiary of the Company.

2.3. Value attributable to RM and PGK

Based on the Company's unaudited condensed interim financial statements for the six (6) months ended 30 June 2023 ("**HY2023**"), the net asset value of RM and PGK are respectively S\$505,441 and S\$309,815. Nevertheless, it is noted that when the Intercompany Loans (defined below), RM Corporate Guarantee (defined below) and PGK Corporate Guarantee (defined below) are taken into account, PGK and RM are in the net liability position of S\$44,401 and S\$1,009,031 respectively.

The open value of the shares of RM and PGK are not available as the shares of RM and PGK are not publicly traded. No independent valuation was conducted on RM and/or PGK for the purposes of the Proposed Disposals.

2.4. Information relating to the Purchasers

As at the date of this announcement, LKS is the sole director of PGK, and VN is the sole director of RM. The Proposed Disposals are not an "interested person transaction" under Chapter 9 of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual (Section B: Rules of Catalyst) ("**Catalist Rules**").

3. RATIONALE FOR THE PROPOSAL DISPOSALS

3.1. RM

In the first half of 2023, RM experienced a notable drop in revenue to approximately S\$1,400,000 and incurred a loss before taxation of approximately S\$801,000. There are growing challenges in RM being able to retain existing customers and win new customers. These challenges are due to, among other reasons, intensified competition within the Singapore IT industry, global market weaknesses, and disruptions in IT supply chains due to geopolitical tensions. Accordingly, the Group expects that RM will continue to face difficulties in its efforts to reduce losses and achieve a turnaround. The continuation of such challenges would affect the financial performance of the Group, should RM continue as a subsidiary of the Group.

Furthermore, the Company and RM are involved in an ongoing legal proceeding against ex-employees ("**Legal Proceeding**"). This may put a further strain on the resources of both the Company and RM. Please refer to the Company's announcements dated 20 June 2023 and 17 August 2023 for more information regarding the Legal Proceeding.

Subject to the terms of the SPD, VN has offered to acquire the entire share capital of RM. This will, among other things, release the corporate guarantee provided by the Company in respect of banking facilities provided to RM ("**RM Corporate Guarantee**") and will free up resources and management's time and attention to support the Group's other operations.

3.2. PGK

The business operations of PGK continue to face challenges, notwithstanding the settlement of claims and counter claims with a former director of PGK. Please refer to the Company's announcements dated 11 December 2022, 14 December 2022 and 26 June 2023 for more information relating to the settlement of claims and counter claims with a former director of PGK.

In the first half of 2023, PGK's revenue was approximately S\$402,000 and incurred a loss before taxation of S\$187,000. The Group expects PGK to continue incurring operations losses moving forward, which would affect the financial performance of the Group should PGK continue as a subsidiary of the Group. The SPA will, amongst other things, release the corporate guarantee provided by the Company in respect of banking facilities provided to PGK ("**PGK Corporate Guarantee**") and will free up resources and management's time and attention to support the Group's other operations.

3.3. **Use of proceeds**

The net aggregate proceeds from the Proposed Disposals (i.e. S\$105,001) will be utilised as general working capital for the Group's other businesses.

3.4. **Directors' opinion**

Following the completion of the Proposed Disposals, the Company will no longer be involved in the business of creative tech, incorporating innovators, technologists and creative capabilities to drive enterprise and consumer value. The Company will deploy more resources to grow the existing healthcare business through Magenta Wellness Pte. Ltd. ("**MW**"), a 60% owned subsidiary of the Company. Please refer to paragraph 7 of this announcement for the business update relating to MW.

In light of the aforesaid reasons, the Directors are of the view that it would be in the best interests of the Group to proceed with the Proposed Disposals.

4. **PRINCIPAL TERMS OF THE PROPOSED DISPOSALS**

4.1. **Consideration**

4.1.1. PGK

Pursuant to the SPA, the consideration for the entire issued and paid-up share capital of PGK is the nominal consideration of S\$1.00 ("**PGK Consideration**"). The PGK Consideration was determined following arms' length negotiations between the Company and LKS on a willing buyer-willing seller basis, taking into consideration, among other things, the release of the PGK Corporate Guarantee of S\$500,461, the recourse on the outstanding Intercompany Loans (defined below) of S\$1,322,110 and net loss position of PGK of S\$371,012 as of 30 September 2023.

4.1.2. RM

Pursuant to SPD, the consideration for the entire issued and paid-up share capital of RM is S\$155,000 ("**RM Consideration**"). For the avoidance of doubt, the RM Consideration takes into consideration the assignment of the Consideration Receivable (defined below) of S\$50,000, and as such, the net consideration from the disposal of RM is S\$105,000.

The net consideration from the disposal of RM was determined following arms' length negotiations between the Company and VN on a willing buyer-willing seller basis, taking into consideration, among other things, the release of the RM Corporate Guarantee of S\$634,268, and net loss position of RM of S\$971,243, as of 30 September 2023 and the Consideration Receivable (defined below) of S\$50,000. The net amount due from the Company to RM of S\$12,820 will be settled by offsetting the net consideration from the disposal of RM.

4.1.3. Method of payment

The PGK Consideration and RM Consideration will be satisfied by payment in cash by LKS and VN (respectively) to the Company on Completion.

4.2. **Conditions precedent**

4.2.1. PGK

Completion of the sale and purchase of PGK under the SPA is conditional on the fulfilment of, among other things, the following conditions:

- (a) if required, the approval of Shareholders of the Company;
- (b) all necessary governmental, regulatory and third-party consents, approvals and waivers having been obtained and not amended or revoked before Completion, and if any such consents, approvals or waivers are subject to conditions, such conditions being reasonably acceptable to the Company and LKS; and
- (c) the warranties and undertakings by each party to the SPA remaining true and correct in all material respects as if made on the date of Completion.

4.2.2. RM

Completion of the sale and purchase of RM under the SPD is conditional on the fulfilment of, among other things, the following conditions:

- (a) if required, the approval of Shareholders of the Company;
- (b) all necessary governmental, regulatory and third-party consents, approvals and waivers having been obtained and not amended or revoked before Completion, and if any such consents, approvals or waivers are subject to conditions, such conditions being reasonably acceptable to the Company and VN; and
- (c) the warranties and undertakings by each party to the SPD remaining true and correct in all material respects as if made on the date of Completion.

4.3. **Completion**

Completion of the Proposed Disposals will respectively take place on the earlier of:

- (a) the date falling two (2) business days after the date which the last of the condition precedents (in the SPD or the SPA) have been fulfilled or waived (as the case may be); or
- (b) 24 November 2023.

4.4. Other salient terms

4.4.1. PGK

Other salient terms the SPA includes, amongst others, the following:

- (a) LKS will, within thirty (30) days from the date of Completion, procure the unconditional discharge or release of the PGK Corporate Guarantee. LKS and PGK (after Completion) agree to indemnify, hold harmless and keep indemnified the Company against any and all losses, liabilities, claims, charges, actions, proceedings and expenses which the Company may incur during the period commencing from the date of Completion up to the date of the discharge of the PGK Corporate Guarantee arising from enforcement of the PGK Corporate Guarantee. As of 30 September 2023, the amount outstanding in relation to the PGK Corporate Guarantee is S\$500,461.
- (b) The Company will not seek or demand repayment of any monies or liabilities owing and/or due to the Company for a period of six (6) months after the date of Completion under the various intercompany loan agreements entered into between the Company and PGK ("**Intercompany Loans**"). LKS and PGK (following Completion) will, within ten (10) business days after the date of Completion, deliver to the Company a repayment plan in relation to the Intercompany Loans. As of 30 September 2023, the amounts outstanding in relation to the Intercompany Loans are in an aggregate of S\$1,322,110.

As stated at paragraph 3.2 above, PGK's business operations are currently facing challenges and is expected to continue incurring operations losses. Accordingly, the Company will not be seeking repayment of the Intercompany Loans for six (6) months after the date of Completion. The Company will re-assess the recoverability of the Intercompany Loans after receiving the repayment plan from PGK.

4.4.2. RM

Other salient terms the SPD includes, amongst others, the following:

- (a) VN will, within thirty (30) days from the date of Completion, procure the unconditional discharge or release of the RM Corporate Guarantee. VN and RM (after Completion) agree to indemnify, hold harmless and keep indemnified the Company against any and all losses, liabilities, claims, charges, actions, proceedings and expenses which the Company may incur during the period commencing from the date of Completion up to the date of the discharge of the RM Corporate Guarantee arising from enforcement of the RM Corporate Guarantee. As of 30 September 2023, the amount outstanding in relation to the RM Corporate Guarantee is S\$634,268.
- (b) In consideration of the disposal of RM to VN:
 - (i) the Company assigns and transfers absolutely to RM, with effect from 20 November 2023, all of the Company's present and future rights, title and interest in and to, and all benefits accrued and to accrue to the Company under each of the causes of action that are the subject of the Legal Proceeding and any other pending or potential causes of action brought or entitled to be brought by the Company and RM against the defendants in relation the Legal Proceeding (whether or not acquired or entitled to on or before 20 November 2023); and

- (ii) the Company agrees to permit VN, RM and/or any of their respective representatives to:
- (1) continue prosecuting the Legal Proceeding in the Company's name;
 - (2) give instructions to the solicitors acting for the Company;
 - (3) have absolute discretion over the conduct of the Legal Proceeding and negotiations in connection with the Legal Proceeding; and
 - (4) have absolute discretion over any compromise, disposal or settlement of the Legal Proceeding,

for the period commencing from the date of Completion. This is provided that VN shall, and VN shall procure RM to, jointly and severally indemnify, hold harmless and keep indemnified the Company against any or all reasonable losses, liabilities, claims, charges, actions, proceedings and expenses which the Company may incur arising from the Legal Proceeding, including but not limited to any liability for legal fees and expenses incurred by the solicitors acting for the Company or any adverse costs orders, whether or not incurred or entered into on or before 20 November 2023.

- (c) The Company covenants with VN and RM that, *inter alia*, after Completion:
- (i) subject to shareholders' approval and within eight (8) months after the date of Completion (or such longer period as may be agreed in writing between the Company and VN), change its names, trade and service marks, domain names and logos, such that following the expiry of such period:
 - (1) the Company ceases to be called "Revez Corporation Ltd."; and
 - (2) subject always to (1), the Company will not use or continue to use (a) any name, trade or service mark, business or domain name, design, logo, or any sign containing the word "Revez Motion" (including anything similar or identical to "Revez Motion"), and (b) "Revez" (collectively, "**Restricted Name**") to carry on any business or activity under any Restricted Name, and
 - (ii) it will not at any time do or acquiesce in anything, directly or indirectly, except where the prior written approval of RM has been obtained to challenge the registration, validity, use and/or exploitation of "Revez" and/or "Revez Motion" by RM whether now or in the future.

Accordingly, the Company will be seeking specific approval from Shareholders at the extraordinary general meeting ("**EGM**") for, *inter alia*, the proposed change in name pursuant to the terms of the SPD. The Circular and the notice of the EGM to be convened will be despatched to the Shareholders in due course.

- (d) The Company will, within thirty (30) days from the date of Completion, provide to the VN a duly executed copy of the deed of assignment by the Company. This deed of assignment is in relation to the assignment of the remaining consideration receivable (totalling an aggregate of S\$50,000 as of 30 September 2023) ("**Consideration Receivable**") under the share transfer agreement dated 1 July 2022 entered into between the Company and Tan Keng Siong involving approximately 55% of the issued and paid-up share capital of AIAC Pte. Ltd., from the Company to RM. Please refer to the Company's announcements dated 1 July 2022 and 4 July 2022 for further information on the Company's disposal of AIAC Pte. Ltd. to Tan Keng Siong.

5. RELATIVE FIGURES COMPUTED PURSUANT TO RULE 1006 OF THE CATALIST RULES

- 5.1. Based on the latest announced consolidated financial statements of the Group (being the unaudited financial statements for the financial period ended 30 June 2023), the relative figures of the Proposed Disposals computed on the bases set out in Catalist Rules 1006(a) to 1006(e) are set out below.

Catalist Rule	Basis of Calculation	Relative figure (%)		
		RM	PGK	Aggregate
1006(a)	The net asset value of the assets to be disposed of, compared with the group's net asset value. ⁽¹⁾ This basis is not applicable to an acquisition of assets.	(1.59) ⁽²⁾	(36.10) ⁽²⁾	(37.69) ⁽²⁾
1006(b)	The net profits attributable to the assets acquired or disposed of, compared with the group's net profits. ⁽³⁾	36.52 ⁽⁴⁾	8.54 ⁽⁴⁾	45.06 ⁽⁴⁾
1006(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.	2.34 ⁽⁵⁾	1.65 ⁽⁵⁾	3.99 ⁽⁵⁾
1006(d)	The number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not applicable ⁽⁶⁾	Not applicable ⁽⁶⁾	Not applicable ⁽⁶⁾
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. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company,	Not applicable ⁽⁷⁾	Not applicable ⁽⁷⁾	Not applicable ⁽⁷⁾

Catalist Rule	Basis of Calculation	Relative figure (%)		
		RM	PGK	Aggregate
	but not to an acquisition of such assets. If the reserves are not directly comparable, the Exchange may permit valuations to be used instead of volume or amount.			

Notes:

- (1) Under Rule 1006(a) of the Catalist Rules, "net assets" means total assets less total liabilities.
- (2) Based on the Company's unaudited condensed interim financial statements for HY2023, the net liabilities value of RM and PGK are respectively S\$44,401 and S\$1,009,031, and the Company's net asset value is S\$2,795,033.
- (3) Under Rule 1002(3)(b) of the Catalist Rules, "net profits" is defined as profit or loss including discontinued operations that have not been disposed and before income tax and non-controlling interests.
- (4) Based on the Company's unaudited interim condensed financial statements for HY2023, the net loss before tax of RM and PGK are respectively S\$801,135 and S\$187,387, and the Company's net loss before tax is S\$2,193,919.
- (5) The market capitalisation of S\$34,231,720 is calculated based on the volume weighted average price of S\$0.13 on 17 November 2023, being the last full market day on which the shares of the Company were traded, preceding the date of the signing of SPD and SPA and 263,320,923 shares in issue. The consideration received includes corporate guarantees for bank loans extended by the Company to RM and PGK. The total aggregate value of the consideration received for the purposes of calculating Rule 1006(c) is S\$1,367,106 (i.e. the PGK Consideration of S\$1, the PGK Corporate Guarantee of S\$565,902 as of 30 June 2023, the net RM Consideration of S\$105,000 and the RM Corporate Guarantee of S\$696,203 as of 30 June 2023).
- (6) Rule 1006(d) of the Catalist Rules is not applicable as the Proposed Disposals does not involve any acquisition.
- (7) Rule 1006(e) of the Catalist Rules is not applicable as the Company is not a mineral, oil and gas company.

5.2. The relative figures for the Proposed Disposals as computed on the basis set out in Rule 1006 of the Catalist Rules does not exceed 50%. In addition, the relative figure computed on the basis of Rule 1006(a) and 1006(b) involves negative figures. As of 30 September 2023, the net assets of RM and PGK are respectively S\$126,281 and S\$159,917 after eliminating the intercompany balances. The Proposed Disposals are expected to result in an aggregate loss on disposal of approximately S\$181,197 (i.e. the sum of (i) the loss on disposal of RM of S\$21,281 and (ii) the loss on disposal of PGK of S\$159,916), representing approximately 8.26% of the unaudited net loss of the Company of S\$2,193,000 (for the financial period ended 30 June 2023).

This value exceeds 5% but does not exceed 10% of the net loss of the Company. Pursuant to 1007(1), Rule 1010 and the guidance provided in Practice Note 10A paragraph 4.4(e) of the Catalist Rules, the Proposed Disposals constitute a discloseable transaction and therefore, an immediate announcement in respect of the information required pursuant to Rule 1010, 1011, 1012 and 1013 of the Catalist Rules, where applicable, is required and has been hereby made accordingly.

6. FINANCIAL EFFECTS OF THE PROPOSED DISPOSALS

6.1. Bases and Assumptions

The following are presented for illustration purposes only and are not intended to reflect the actual future financial situation of the Company after Completion. The financial effects of the Proposed Disposals on the Company as set out below are based on the Group's latest audited financial statements for the financial year ended 31 December 2022 and the following assumptions:

- (a) there are no expenses in relation to the Proposed Disposals;
- (b) the financial effects on the Group's net tangible assets ("**NTA**") attributable to the Shareholders and the NTA per Share as well as the gearing ratio have been computed assuming that Completion took place on 31 December 2022; and
- (c) the financial effects on the Group's earnings attributable to the Shareholders and the earnings per Share ("**EPS**") have been computed assuming that Completion took place on 1 January 2022.

6.2. NTA per Share

	Before the Proposed Disposals	After the Proposed Disposals
NTA attributable to Shareholders	1,316,079	75,954
Number of issued shares	167,499,937	167,499,937
NTA per share (cents)	0.79	0.05

6.3. EPS

	Before the Proposed Disposals	After the Proposed Disposals
Net loss attributable to Shareholders	(4,372,488)	(4,043,871)
Weighted average number of shares	167,499,937	167,499,937
EPS (cents)	(2.61)	(2.41)

7. BUSINESS UPDATE

- 7.1. Upon completion of the Proposed Disposals, MW will be the sole subsidiary of the Company. As disclosed in the Company's circular dated 12 June 2023, MW has established an extensive network of medical services and wellness providers to deliver healthcare and wellness services to corporations and employees of corporations, and the Group will be able to leverage on MW's established track record and extensive network to take up a greater role in the healthcare industry. As at the date of this announcement, MW is 60% owned subsidiary of the Company.
- 7.2. As part of the Group's ongoing business strategy to expand into the healthcare industry, the Board wishes to update Shareholders that MW has commenced work under two (2) separate services agreements with Tokio Marine Life Insurance Singapore Ltd. ("**TM**") and a national sport association ("**NSA**"). Further information related to Tokio Marine, NSA and the services agreement are set out below:

- (a) TM has partnered with MW to launch an innovative new service for TM members. Under the services agreement, MW will be the sole provider of specialist care medical concierge services to TM members. This type of concierge service was co-developed by TM and MW to deliver a streamlined and AI-assisted service to TM members to access their specialist care in a hassle-free and targeted manner.

Tokio Marine Life Insurance Singapore Ltd is part of the Tokio Marine Holdings Inc ., which was established as the first insurance company in Japan more than 140 years ago. Today, Tokio Marine is one of the world's largest insurance groups, with a robust network that spans across 46 countries and regions operated by high-performing teams of more than 40,000 employees.

- (b) Under the services agreement, NSA has appointed MW to be the exclusive provider for medical services to all the athletes under NSA. MW will help manage all aspects of the health and wellness of their athletes. This is especially important in helping their athletes getting back to match fitness and ensuring that the injuries receive appropriate care.

- 7.3. The services agreements will not have a material impact on the profits of the Group and/or MW for the financial year ending 31 December 2023. The Group will continue to explore available business opportunities and ventures within the healthcare industry.

8. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the Directors or substantial Shareholders of the Company has any interest, direct or indirect, in the Proposed Disposals contemplated herein (other than in his capacity as a Director or Shareholder of the Company).

9. DIRECTOR'S SERVICE CONTRACTS

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

10. CAUTION IN TRADING

Shareholders are advised to exercise caution in trading their shares. The Proposed Disposals are subject to the certain conditions (including various condition precedents), and there is no certainty or assurance as at the date of this announcement that the Proposed Disposals 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 Disposals. Accordingly, Shareholders are advised to exercise caution before making any decision in respect of their dealings in the shares of the Company. Shareholders should consult their stockbrokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

11. RESPONSIBILITY STATEMENT

The Directors of the Company 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 Disposals, 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. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the SPA and the SPD (including the deed of assignment) are available for inspection during normal business hours from 9.00 a.m. to 5.00 p.m. at the registered office of the Company at 20 Collyer Quay, #11-07, Singapore 049319 for a period of three (3) months from the date of this announcement.

By Order of the Board
REVEZ CORPORATION LTD.

Jennifer Zhang Dan
Executive Director
Date: 20 November 2023

This announcement has been reviewed by the Company's sponsor, UOB Kay Hian 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.

The contact person for the Sponsor is Mr Lance Tan, Senior Vice President at 8 Anthony Road, #01-01, Singapore 229957, telephone (65) 6590 6881.