BioSpectrum the business of Bio & Health Sciences ASIA EDITION

Alliance Healthcare Group Limited Draws Positive Response from Investors

May 30, 2019 | News

Public Offer tranche of 1.0 million shares received valid applications for approximately 18.4 million shares

Alliance Healthcare Group Limited (“Alliance Healthcare”, and together with its subsidiaries, the “Group”), an integrated healthcare group that leverages the use of technology to provide a broad suite of healthcare services primarily in Singapore, on 30 May 2019, announced that it has received positive interest for its initial public offering (“IPO” or the “Invitation”) of 32.0 million new shares (the “Invitation Shares”) at S$0.20 for each Invitation Share (the “Invitation Price”), in conjunction with its listing on the Catalist board (“Catalist”) of Singapore.

Exchange Securities Trading Limited (“SGX-ST”). Terms used herein which are not defined have the meanings ascribed to them in the offer document lodged by SGXST, acting as an agent of the Monetary Authority of Singapore, on 24 May 2019 (the “Offer Document”).

As at the close of the IPO at 12.00 noon on 29 May 2019, there were 480 valid applications received for the 1.0 million Invitation Shares available under the Public Offer (“Public Offer Shares”). These applicants applied for approximately 18.4 million

Public Offer Shares, with application money, received amounting to approximately S$3.7 million. All 31.0 million Placement Shares available under the Placement were validly subscribed for with application money received for these Placement Shares amounting to S$6.2 million.

Excluding applications for approximately 0.6 million Placement Shares by connected persons and the persons mentioned in Rule 428 of the Rules of Catalist, based on the Invitation size of 32.0 million Invitation Shares and the total remaining valid applications received amounting to approximately 48.8 million Invitation Shares (comprising valid applications received for approximately 18.4 million Public Offer Shares and approximately 30.4 million Placement Shares), the Invitation was approximately 1.5 times subscribed.

Dr Barry Thng Lip Mong, Executive Chairman and CEO of Alliance Healthcare, said, “We are heartened by the positive response to our IPO, which is an indication of investors’ confidence in Alliance Healthcare’s business fundamentals and commitment towards delivering cost-effective and evidence-based medical solutions by leveraging the use of technology. With an enlarged capital base from our successful listing, we are now well-positioned for the continued expansion of our business, while our status as a listed company will enhance our visibility and potentially bring about greater opportunities as we continue to deliver quality and affordable healthcare services. We are glad that many of our stakeholders, including the public, are now able to participate in Alliance Healthcare’s growth as we tap on opportunities in the growing healthcare sector to take the Group to greater heights.”

Mr Yee Chia Hsing, Head of Catalist, CIMB Bank Berhad, Singapore Branch, added, “We are proud to have played a part in Alliance Healthcare’s growth story as its IPO Sponsor. This is in line with our strategy of supporting local SMEs.”

The Group intends to use the estimated net proceeds of approximately S$4.5 million raised from the Invitation for business expansion, including the expansion of the Group’s network of self-owned GP clinics, specialist care services and medical facilities in Singapore as well as acquisitions, joint ventures and/or strategic alliances; investment in technology systems as part of the digital transformation of the delivery of healthcare services; expansion of its pharmaceutical business; and general working capital purposes.

Alliance Healthcare’s post-Invitation market capitalisation is approximately S$41.6 million, based on the Invitation Price and the Company's enlarged share capital after the IPO. The Shares are expected to commence trading on a “ready” basis on Catalist at 9.00 a.m. on 31 May 2019.

CIMB Bank Berhad, Singapore Branch is the Sponsor and Issue Manager, while CGS-CIMB Securities (Singapore) Pte. Ltd. is the Underwriter and Placement Agent.