
Issuer & Securities

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REVEZ CORPORATION LTD.

Securities

REVEZ CORPORATION LTD. - SGXE83751573 - RCU

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No

Announcement Details

Announcement Title

Asset Acquisitions and Disposals

ASSET ACQUISITIONS AND DISPOSALS::PROPOSED DISPOSAL OF PARTIALLY-OWNED SUBSIDIARY

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Announcement Sub Title

Proposed Disposal of Partially-Owned Subsidiary

Announcement Reference

SG220701OTHR32AG

Submitted By (Co./ Ind. Name)

Victor Neo

Designation

Executive Director, Chief Executive Officer and Deputy Board Chairman

Description (Please provide a detailed description of the event in the box below)

Please refer to the attached.

Attachments

[REVEZ Annc-Disposal of Subsidiary AIAC.pdf](#)

Total size =467K MB

PROPOSED DISPOSAL OF PARTIALLY-OWNED SUBSIDIARY – AIAC PTE. LTD.

1. INTRODUCTION

The Board of Directors (“Board”) of REVEZ Corporation Ltd. (“Company”) and together with its subsidiaries, the “Group”) announce that the Company had, on 1 July 2022, entered into a Shares Transfer Agreement (“STA”) with Tan Keng Siong (“Mr Tan”, and together with the Company, the “Parties”), in relation to the Company’s disposal of all of the shares held in its 55% owned subsidiary, AIAC Pte. Ltd. (“AIAC”) (“Sale Share”) to Mr Tan for an aggregate cash consideration of S\$200,000 (the “Consideration”), on the terms and subject to the conditions of the STA (the “Proposed Disposal”).

2. INFORMATION RELATING TO TAN KENG SIONG

Mr Tan is one of the minority shareholders of AIAC. The Company confirms that none of the Directors or substantial shareholders of the Company and their respective associates are related to Mr Tan and Mr Tan does not hold any shareholding interest, direct or indirect, in the Company.

3. INFORMATION RELATING TO AIAC

AIAC is a private limited liability company incorporated and domiciled in Singapore. The principal activities of AIAC are to provide engineering consultancy and industrial automation solutions.

Based on the financial statements of AIAC for the financial year ended 31 December 2021, the book value and net tangible asset (“NTA”) value of AIAC as at 31 December 2021 was S\$796,758 and the net loss of AIAC for the financial year ended 31 December 2021 attributable to the Sale Share was S\$387,292. No valuation was conducted on AIAC or the Sale Share.

4. CONSIDERATION PAID TO THE COMPANY FOR THE DISPOSAL

The Consideration, to be settled by cash, was arrived at based on arm’s length negotiation and on a ‘willing-buyer and willing-seller’ basis, taking into consideration that (a) the latest aggregate net asset value of AIAC based on the unaudited management accounts; and (b) the nature and future prospects of AIAC’s business. The intended use of the sale proceeds is for working capital.

Upon signing the STA, Mr Tan shall pay the Company a down payment sum of S\$100,000. Subsequent payment shall be paid on a monthly basis spread across 24 months equally. First monthly payment shall start on 1 September 2022. The Company will transfer the Sale Share to Mr Tan by 8 July 2022 or whichever deem earliest date possible.

5. RATIONALE OF THE DISPOSAL

The Proposed Disposal is part of the Company’s strategic plans to streamline the Group’s structure and improve the future operational performance and financial prospects of the Group. AIAC business had been affected by COVID-19. Since its incorporation, it had made losses of S\$290,850 in FY2020 and S\$387,292 in FY2021.

The Proposed Disposal is in relation to the disposal of a non-core asset of the Group, and is not expected to have any material impact on the Group’s risk profile and core business of Information Communication Technology.

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6. RELATIVE FIGURES UNDER RULE 1006 OF THE CATALIST RULES

Based on the audited consolidated financial statements of the Group for the year ended 31 December 2021, the relative figures of the Proposed Disposal as computed on the bases set out in Rule 1006 of Listing Manual Section B: Rules of the Catalist ("Catalist Rules") as follows:

Rule 1006 of the Listing Manual	Bases	Relative Figures (%)
(a)	The net asset value of the assets to be disposed of, compared with the Group's net asset value. This basis is not applicable to an acquisition of assets.	7.20 ⁽¹⁾
(b)	The net profits attributable to the assets to the assets acquired or disposed of, compared with the Group's net profits.	9.60 ⁽²⁾
(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.	1.26 ⁽³⁾
(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 ⁽⁴⁾
(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, 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.	Not applicable ⁽⁵⁾

Notes:

- (1) Based on the financial statements of AIAC for the year ended 31 December 2021, the net asset value of the Sale Share was S\$438,217 and the net asset value of the Group was S\$6,082,414, respectively.
- (2) Based on the financial statements of AIAC for the year ended 31 December 2021, the loss before income tax attributable to the Sale Share was S\$213,011 and the loss before income tax of the Group was S\$2,217,847, respectively.
- (3) Based on the Purchase Consideration of S\$200,000 and the market capitalisation of the Company of S\$15,912,494 as at 27 June 2022, being the last full market day preceding the date of the STA on which shares were last traded on the SGX-ST. The Company's market capitalisation was determined by multiplying the number of shares in issue (167,499,937 shares) by the weighted average price of such shares transacted on 27 June 2022 (S\$0.095).
- (4) The Proposed Disposal is a disposal of assets for cash consideration.
- (5) The Company is not a mineral, oil and gas company.

The Company expects to recognise a net gain on disposal of approximately S\$34,147. As the relative figures of Catalist Rule 1006 do not exceed 50.0% and the Proposed Disposal will result in a net gain on disposal not exceeding 10.0% of the consolidated net loss of the Company, the Proposed Disposal is a discloseable transaction under Rule 1010 of the Listing Manual.

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7. FINANCIAL EFFECTS OF THE DISPOSAL

The *pro forma* financial effects of the Proposed Disposal on the Company's share capital and the Group's net tangible asset ("NTA") and loss per share ("LPS") as set out below are strictly for illustrative purposes and are not indicative of the actual financial position and results of the Group following the Proposed Disposal.

The *pro forma* financial effects have been prepared based on the Company's latest audited financial statements for the financial year ended 31 December 2021, on the following bases and assumptions:

(a) the Proposed Disposal had been completed on 31 December 2021 for the purpose of illustrating the financial effects on the NTA; and

(b) the Proposed Disposal had been completed on 1 January 2021 for the purpose of illustrating the financial effects on the LPS

7.1 NTA of the Group

	Before the Disposal	After the Disposal
NTA attributable to owners of the Company (in S\$)	3,529,259	3,563,406
Number of shares	167,499,937	167,499,937
NTA per share (in cents)	2.11	2.13

7.2 LPS of the Group

	Before the Disposal	After the Disposal
Net loss attributable to owners of the Company (in S\$)	1,932,879	1,898,732
Number of shares	167,499,937	167,499,937
Loss per share (in cents)	1.15	1.13

8. INTERESTS OF DIRECTORS, CONTROLLING SHAREHOLDERS AND SUBSTANTIAL SHAREHOLDERS

None of the Directors or substantial shareholders of the Company or their respective associates has any interest, direct or indirect, in the above matter other than through their respective shareholding interests in the Company.

9. 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.

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10. DOCUMENTS FOR INSPECTION

A copy of the STA will be available for inspection during normal business hours at the Company's registered office at 29 Media Circle, Alice@Mediapolis, #03-13, Singapore 138565 for a period of three (3) months from the date of this Announcement.

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 enquires, 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 Group 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
REVEZ CORPORATION LTD.

Neo Wee Han Victor
Executive Director, Chief Executive Officer and Deputy Board Chairman

Date: 1 July 2022

This announcement has been prepared by REVEZ Corporation Ltd. (the "Company") and its contents have been reviewed by the Company's sponsor, UOB Kay Hian Private Limited (the "Sponsor") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("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 accuracy, completeness or correctness of any of the information, statements or opinions made, or reports contained in this announcement.

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