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Catalist listing*

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SINGAPORE (Dec 1): Medinex, the provider of professional support services to medical clinics, is selling 30 million shares at \$0.25 each to raise \$7.5 million.

This is ahead of its listing on the Catalist board of the Singapore Exchange.

Founded in 2009, Medinex helps clients oversee the setting up of clinics and facilitates applications for relevant clinic licences. It also offers accounting and tax agent services, human resource management services and corporate secretarial services.

The IPO comprises a placement tranche of 30 million shares, which is made up of 26 million new shares and four million vendor shares. There is no public tranche.

Placement of the shares closes on Dec 5 two days before trading starts on Dec 7.

Medinex intends to use \$4 million of net proceeds to expand its marketing and business development team, and could also acquire human resources consulting services group Ark Leadership & Learning for an undisclosed sum.

Ark is owned by Valerie Low who is sister of Medinex founder and CEO Jessie Low. The remaining \$1.3 million is earmarked as working capital.

Based on the IPO price and issued share capital of 131.2 million shares, Medinex will have a market cap of \$32.8 million immediately upon listing.

Medinex made a pro forma net profit of \$1.3 million in the first half of 2018, on revenue of \$4.9 million. This is more than double the \$583,000 net profit it made in the first half of 2017, on revenue of \$1.1 million.

Medinex does not have a fixed dividend policy, but it intends to distribute at least 70% of profit after tax as dividends for the 2018, 2019 and 2020 financial years.

Catalist-listed HC Surgical Specialists, a client of Medinex and 32.76% owner, is selling four million shares. This will cut its direct stake to 22.92% after placement.

HC Surgical will keep an indirect 9.5% stake in Medinex through HSN Healthcare.

<https://www.theedgesingapore.com/medinex-placing-out-30-million-shares-raise-75-mil-ahead-catalist-listing>