

# Beauty Health Group Limited

(ASX Code: BHG)

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## ASX ANNOUNCEMENT

### **COMPANY AGREES TO ACQUIRE ASIA INFRASTRUCTURE LIMITED, CONDUCT A CAPITAL RAISING AND APPLY FOR RE-QUOTATION OF ITS SHARES ON ASX**

Beauty Health Group Limited (“**BHG**”) (**ASX: BHG**) is delighted to announce its intention to acquire all of the shares in Asia Infrastructure Limited (“**Asia Infrastructure**”), which recently entered into an asset purchase agreement to acquire all of the businesses and assets of various companies within the DrillCorp Limited group of companies.

DrillCorp Limited, through its various operating country based subsidiaries provides design, tunneling, drilling and civil infrastructure construction services in various countries including Malaysia, the Philippines, Thailand, Laos, Nepal and Indonesia.

The proposed acquisition by BHG will involve the issuing of 15,000,000 new consideration shares in BHG to the shareholders of Asia Infrastructure. The Company also proposes to seek shareholders approval to undertake a \$5 million prospectus capital raising at \$1.00 per share, in late November, early December 2015, and to seek re-quotation of its shares on ASX in late December 2015.

#### **HIGHLIGHTS:**

- **Acquisition of 100% of the shares in Asia Infrastructure for the issue of 15,000,000 new fully paid ordinary shares in BHG at \$1.00 per share.**
- **Asia Infrastructure has recently entered into an agreement to acquire the businesses and assets of various subsidiaries of the DrillCorp Limited group of companies. The assets to be acquired by Asia Infrastructure include goodwill, client lists, work in progress, trade receivables, existing contracts, intellectual property, the “DrillCorp” name and various physical assets including heavy earthmoving equipment and associated machinery.**
- **DrillCorp Limited through its country based subsidiaries provides civil infrastructure design and construction services including tunneling and drilling for hydro and power projects**

- The acquisition of the DrillCorp Limited businesses and assets by Asia Infrastructure will be completed on the successful completion of the transaction between BHG and Asia Infrastructure, the capital raising and the re-quotation of the Company's shares on ASX
- Asia Infrastructure has also established strategic alliances with a number of state owned infrastructure development companies including the Power Construction Corporation of China ("PowerChina"), a Fortune 500 Company which operates in over 100 countries in the areas of infrastructure engineering construction, design consultation and equipment manufacture.
- The incoming Board and Management have extensive backgrounds and considerable experience in the management and operation of civil infrastructure developments, project finance and project management in Asia
- The Company (to be renamed Asia Infrastructure Limited) will, subject to shareholder approval of the proposed transaction, undertake a prospectus capital raising to raise between \$3.5m and \$5m and, subject to satisfying the requirements of ASX and ASIC will seek to have its shares re-quoted on ASX in late December 2015

Further information in relation to the proposed acquisition, prospectus capital raising and application for re-quotation of the Company's shares on ASX is set out below:

## **1. ASIA INFRASTRUCTURE LIMITED**

Asia Infrastructure was established in 2013 to acquire businesses and assets in the civil infrastructure design and construction area and to capitalise on the continuing and rapid growth in Asian based infrastructure projects. The Company has invested significant time and effort in identifying suitable businesses and assets to acquire to develop its Asian business and expand its customer base.

## **2. COMPANY STRATEGY**

The Company intends to continue to develop the businesses and assets it is acquiring and to utilise the additional capital it intends to raise in the proposed capital raising to attract new infrastructure projects and customers in its existing and new Asian markets. The Company is particularly focused on delivering high quality well planned infrastructure projects to its customers and to further develop its strategic relationship with PowerChina and various other state owned enterprises.

## **3. NEW DIRECTORS**

On completion of the acquisition transaction, associated capital raising and re-quotation of the Company's shares on ASX, it is proposed that a number of new Directors with the requisite professional backgrounds in managing and operating large scale infrastructure projects in Asia will be appointed to the Company's Board. Arrangements with a number of experienced professional Board candidates are currently being finalised and those appointments will be announced to the market when those discussions are concluded.

## **4. TERMS OF THE ACQUISITION**

The Share Sale and Purchase Agreement provides, subject to the successful completion of due diligence by BHG, for BHG to acquire 100% of the shares in Asia Infrastructure Limited.

The key terms of the Share Sale and Acquisition Agreement are as follows:

1. The shareholders of Asia Infrastructure are to be issued with 15,000,000 new fully paid ordinary shares in BHG (on the same terms as the existing BHG shares on issue) at a deemed price of \$1.00 per share.
2. The acquisition is conditional upon inter alia, the completing of further due diligence to satisfaction of BHG, the approval of the acquisition by the shareholders of BHG and Asia Infrastructure, the capital raising and other consequent resolutions being passed to give effect to the transaction
3. The Company successfully having its shares re-quoted on ASX having re-satisfied Chapters 1 and 2 and any other regulatory requirements imposed by ASX and ASIC.

## 5. PROSPECTUS CAPITAL RAISING

As stated above, the Company proposes, subject to shareholder approval, to conduct a prospectus capital raising to raise up to \$5,000,000, the proceeds which will be used to complete the Asia Infrastructure acquisition of the DrillCorp group subsidiaries business and assets, to undertake further development and marketing of the Asia Infrastructure business, to meet the costs of completing the transaction and seeking re-quotations of the Company's shares on ASX and for general working capital purposes.

The Company will announce the appointment of a Lead Manager to manage the proposed capital raising shortly.

## 6. COMPANY CAPITAL STRUCTURE POST ACQUISITION AND CAPITAL RAISING

On completion of the proposed acquisition of Asia Infrastructure and capital raising the Company's capital structure will be as follows:

1.	Existing BHG shares held by BHG's current shareholders	1,235,941	5.8%
2.	Consideration shares to be issued to the Asia Infrastructure vendor shareholders	15,000,000	70.6%
3.	New shares to be issued under the proposed prospectus capital raising to raise \$5,000,000 at \$1.00 per share	5,000,000	23.6%

**Total shares on issue and market capitalization @ \$1.00 per share**      **21,235,941**      **100%**

(Note: if the total amount of \$5,000,000 is raised under the prospectus)

## 7. CHANGE OF COMPANY NAME

The Company will also seek shareholder approval at the shareholders meeting to be called to approve the transaction to change the name of the Company to Asia Infrastructure Limited to better reflect the nature of the Company and its future activities after completion of the transaction and re-quotations of its shares on ASX.

## RE-COMPLIANCE WITH ASX LISTING RULES

The proposed acquisition of Asia Infrastructure will constitute a significant change in the nature and scale of the Company's activities of the nature contemplated by Chapter 11 of the ASX Listing Rules.

As a result of changing the nature of its activities to the civil infrastructure construction sector, various aspects of the transaction will need to be approved by shareholders and the requirements of Chapters 1 and 2 of the ASX Listing Rules will need to be re-complied with as a condition of the completion of the acquisition and capital raising.

Accordingly the Company intends to convene a meeting of its shareholders as soon as possible to seek the necessary shareholder approvals required by ASX. It will also then, subject to obtaining the approval of its shareholders, issue a prospectus and conduct a capital raising to enable the Company to complete the acquisitions and support its intended development strategy.

Further details in respect of the proposed transaction and capital raising will be set out in the Notice of Meeting which the Company proposes to dispatch to the Company's existing shareholders in early November 2015. Subject to the approval of BHG shareholders at that meeting to approve the acquisition, the capital raising and other consequential resolutions the Company expects to be in a position to issue a prospectus for the proposed capital raising in late November early December 2015.

As shareholders will be aware BHG has had its securities suspended from trading on ASX since 2004. ASX has previously advised that companies that have had their shares suspended from trading on ASX for in excess of 3 years, will, if they have not had their shares re-quoted on ASX by 31 December 2015, be delisted from the official list on ASX. Accordingly the Company and its Board is working extremely hard to ensure that the proposed transaction, necessary shareholders meeting, capital raising and re-quotations of the Company's shares can occur before that date.

The Directors of BHG believe this acquisition represents a very attractive and exciting opportunity to acquire an established business in the infrastructure design and construction sector in South East Asia and has the potential to generate significant shareholder value in the future.

If you require any further information please contact

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Yours sincerely

Hemant Amin  
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