



PROVIDING 10 YEARS
OF **QUALITY CARE**
AND **SERVICE**

Corporate Presentation

3 months ended
31 March 2018



This presentation has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"), for compliance with the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalyst. The Sponsor has not verified the contents of this presentation.

This presentation has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this presentation, including the accuracy, completeness and correctness of any of the information, statements or opinions made or reports contained in this presentation.

The contact person for the Sponsor is Ms Gillian Goh, Director, Head of Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: sponsorship@ppcf.com.sg).



Business Overview

Industry Overview

Business Strategy and Expansion Plans

Use of Proceeds

3 months Financial Highlights for the period ended 31 March 2018

Business Overview



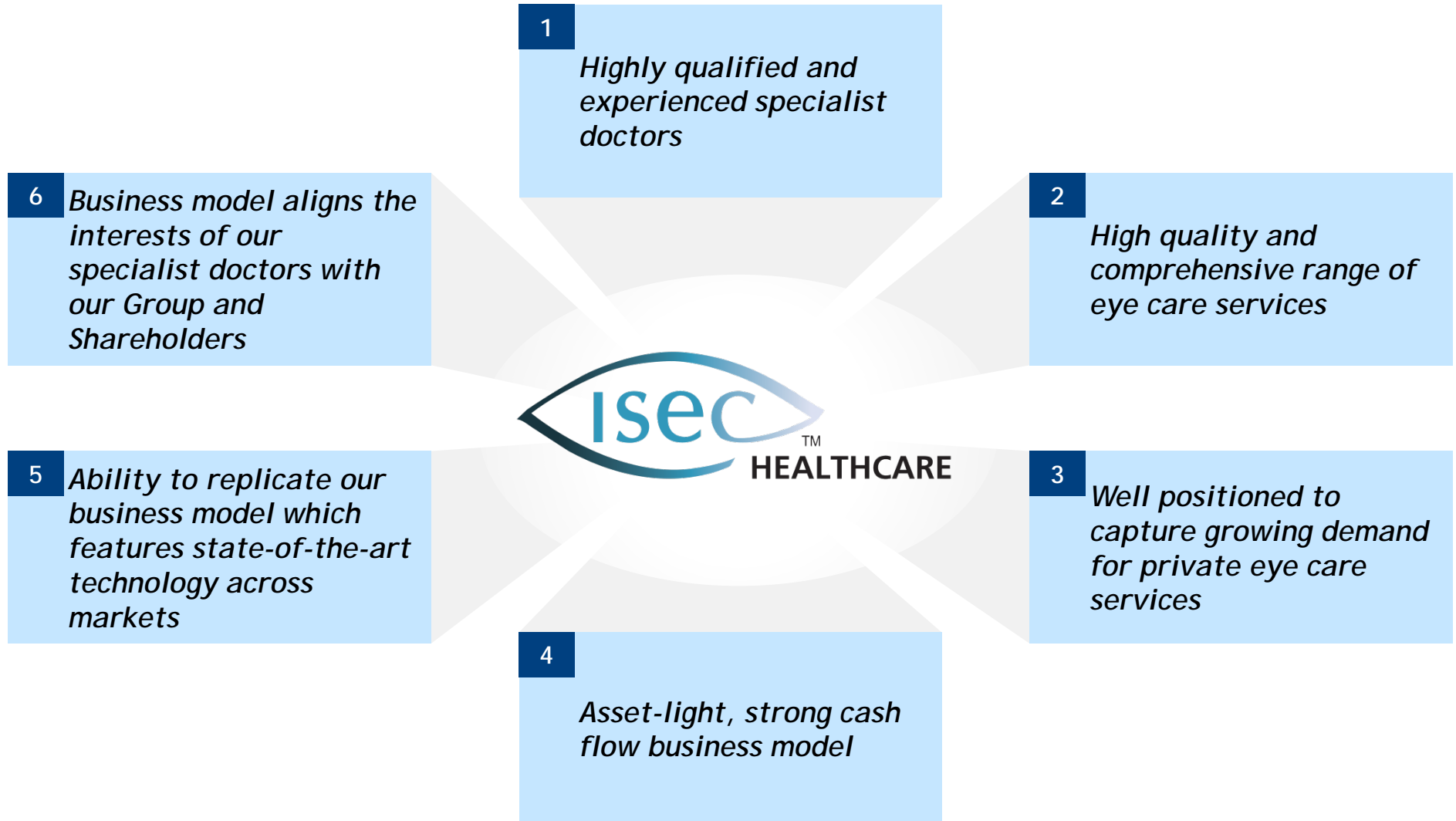
- Specialised Health Services – Medical eye care service provider
 - ISEC is a comprehensive medical eye care service provider, with ambulatory surgical centres in Malaysia (Kuala Lumpur, Penang, Malacca & Sibu) and provides specialist medical ophthalmology services to Lee Hung Ming Eye Centre in Gleneagles Hospital (Singapore)
 - We specialise in the fields of cataract and refractive surgery (including LASIK), vitreoretinal diseases, corneal and external eye diseases, glaucoma, uveitis, oculoplastics, facial cosmetics and aesthetics surgery, adult strabismus and paediatric ophthalmology
 - Our vision is to provide high quality, compassionate, world-class eye care at affordable level
- General Health Services – General family medicine and aesthetics services
 - Our clinics (Temasek Medical Centre) are located at Bukit Batok, Sembawang, Woodlands and Yew Tee (Singapore)
- We have a strong team of 21 specialist doctors and 4 general practitioners and most are also shareholders of the Company
- Listed on Catalist SGX-ST on 28 October 2014



ISEC stands for “International Specialist Eye Centre”

Business Overview

Competitive Strengths of the Group



Industry Overview



Industry Overview

Key Drivers for Private Ophthalmology



AGEING POPULATION with large elderly patient group suffering from cataract, glaucoma, AMD, dry eyes or vitreoretinal diseases as these eye disorders are age-related

- 25.9%⁽¹⁾ of population in Malaysia above 40 years old in 2013, expected to grow at CAGR of 1.7%⁽¹⁾ from 2013 to 2018
- 48.0%⁽¹⁾ of population in Singapore above 40 years old in 2013, expected to grow at CAGR of 4.6%⁽¹⁾ from 2013 to 2018

INCREASING AWARENESS with information technology penetration will increase patients' propensity to seek timely and private medical treatment

- Increase in internet penetration in Malaysia from 71.1 per 100 people⁽²⁾ in 2015 to 80.1 per 100 people⁽²⁾ in 2017 has allowed more patients to seek information about eye treatments online
- Number of internet users in Singapore increased from 79.0 per 100 people⁽³⁾ in 2015 to 84.0 per 100 people⁽³⁾ in 2016 allowing them to gain awareness over eye diseases from the internet

RISING INCOME LEVEL increases patients' affordability to engage private ophthalmology services

- Malaysian median monthly household income rose from MYR 4,585⁽⁴⁾ in 2014 to MYR 5,228⁽⁴⁾ in 2016
- In Singapore, the median monthly household income from work increased from SGD 8,846⁽⁵⁾ in 2016 to SGD 9,023⁽⁵⁾ in 2017

INCREASE IN PRIVATE INSURANCE COVERAGE encourages more people to seek private medical services, including ophthalmology-related medical procedures that are subsidized by insurance

- Medical and personal accident insurance market in Malaysia is expected to increase at a CAGR of 13.6%⁽¹⁾ from 2013 to 2018
- The annual premium growth in Singapore between 2013 to 2020 is expected to be 11.8%⁽¹⁾

Source: (1) Frost & Sullivan

(2) Department of Statistics Malaysia (https://www.dosm.gov.my/v1/index.php?r=column/cthemeByCat&cat=395&bul_id=bHBzbWxkWEIxRDImaU81Q3R2ckRkZz09&menu_id=amVoWU54UT10a21NWmdhMjFMMWcyZz09)

(3) Infocomm Media Development Authority (<https://www.imda.gov.sg/industry-development/facts-and-figures/infocomm-usage-households-and-individuals>)

(4) Department of Statistics Malaysia (https://www.dosm.gov.my/v1/index.php?r=column/cthemeByCat&cat=120&bul_id=RUZ5REwveU1ra1hGL21JWVlPRmU2Zz09&menu_id=amVoWU54UT10a21NWmdhMjFMMWcyZz09)

(5) Department of Statistics Singapore (http://www.singstat.gov.sg/docs/default-source/default-document-library/publications/publications_and_papers/household_income_and_expenditure/pp-s23.pdf)

Industry Overview

Key Drivers for Private Ophthalmology (cont'd)



GOVERNMENT SUPPORT IN PROMOTING MEDICAL TOURISM leading to generation of additional demand for medical services including ophthalmology services

- Medical tourism based healthcare expenditure forecast to grow at 26.7%⁽¹⁾ CAGR from 2009 to 2018 in Malaysia
- Medical tourism based healthcare expenditure forecast to grow at 13.6%⁽¹⁾ CAGR from 2009 to 2018 in Singapore. Ophthalmology is the second most popular medical procedures amongst medical tourists coming to Singapore

RISING INCIDENCE OF DIABETES can in turn increase one's chances of getting an eye disorder such as diabetic retinopathy, cataract and glaucoma

- 18%⁽²⁾ of Malaysians are suffering from diabetes, and this would subsequently contribute to the growth of more eye patients who suffer from diseases such as diabetic retinopathy, cataract and glaucoma

Source:(1) Frost & Sullivan

(2) New Straits Times (<https://www.nst.com.my/news/2016/05/144687/diagnosing-diabetes>)

Business Strategy And Expansion Plans



Our Business Strategies



Growing the ISEC Brand and Expanding into the Asia Pacific Region

- To reach more patients in locations where we currently operate, as well as new locations such as major cities or locations in Peninsular Malaysia, East Malaysia and Singapore
- To expand via setting up of subsidiaries, JV, expand existing centres, acquire assets, businesses and companies
- Identified China, Indonesia, Myanmar and Vietnam as markets with growth potential

Expanding Talent Pool of Specialist Doctors and Management Staff

- To recruit and retain highly qualified and talented management and healthcare professionals
- To provide them with opportunity and time to further their professional development and expertise in their subspecialty areas

Building Regional Network with Referral Centres

- To build relationships with referral centres which will refer patients requiring more complicated surgical procedures or medical consultation
- To offer patients options in country of treatment, added comfort and convenience of receiving follow-up treatment in home country

Investing in the Latest Technology

- To constantly upgrade and improve our medical equipment and keeping abreast of the latest technology to ensure that we are at the forefront of our industry

Expansion Plans



Business expansion
in the Asia Pacific
region
(including Malaysia
and Singapore)

★ Target Countries

Use of Proceeds



E
F P
T O
I

Use of Proceeds

As at 9 May 2018



Use of proceeds	Amount allocated S\$'000	Amount allocated pursuant to reallocation of unutilised listing expenses S\$'000	Amount utilised S\$'000	Balance S\$'000
Business expansion in Asia Pacific region (including Malaysia and Singapore)	13,800	300	(12,565) (N1)	1,535
General working capital	2,500	-	(2,500) (N2)	-
Total	16,300	300	(15,065)	1,535

(N1) Amount utilised for:	Acquisition of SSEC ⁽¹⁾ S\$'000	Acquisition of JLM Companies ⁽²⁾ S\$'000	Total S\$'000
Cash consideration	5,204	6,971	12,175
Administrative expenses	122	268	390
Total	5,326	7,239	12,565

(N2) Amount utilised for:	S\$'000
Cost of sales	1,028
Administrative expenses	1,378
Selling and distribution expenses	94
Total	2,500

Notes:

(1) SSEC refers to Southern Specialist Eye Centre Sdn. Bhd.

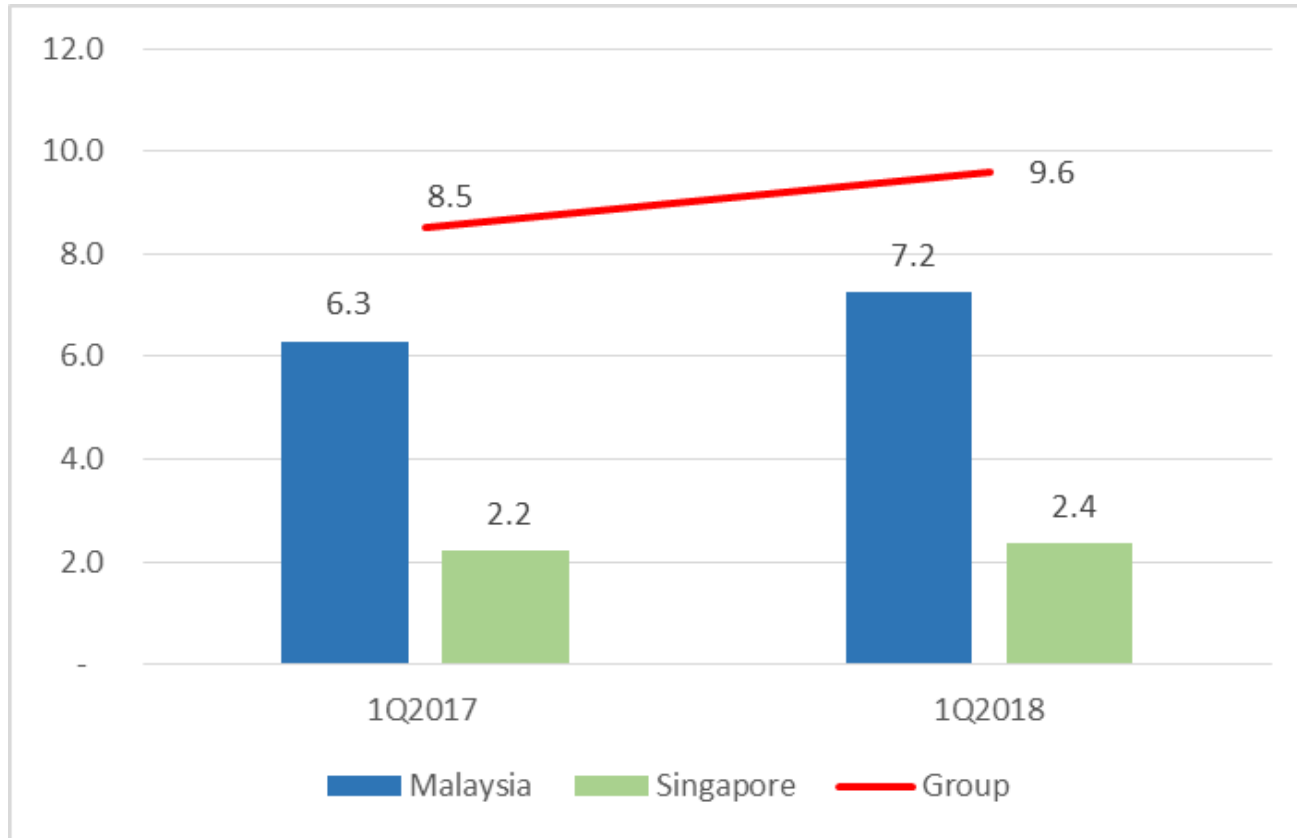
(2) JLM Companies refer to JL Medical (Bukit Batok) Pte. Ltd., JL Medical (Sembawang) Pte. Ltd., JL Medical (Woodlands) Pte. Ltd. and JL Medical (Yew Tee) Pte. Ltd.

3 Months Financial Highlights

for the period ended 31 March 2018



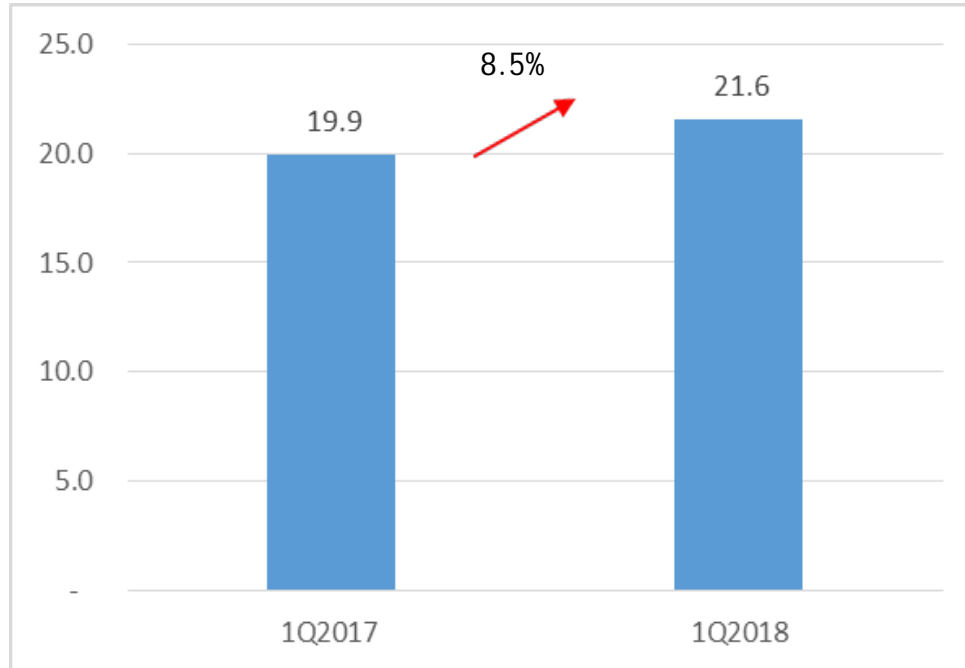
SGD'mil



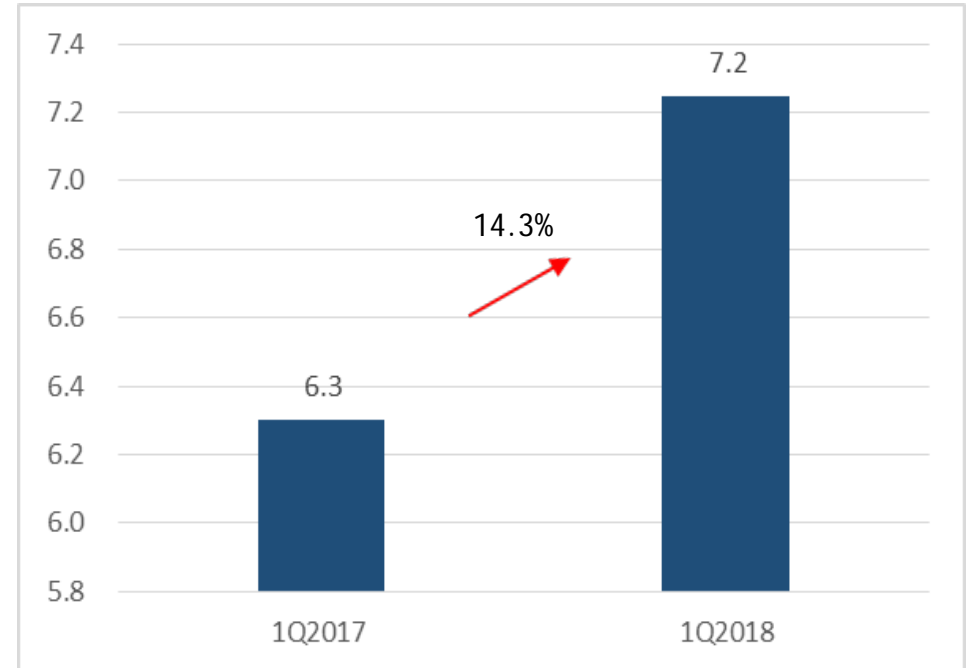
- **1Q2018 vs 1Q2017** The increase in Group revenue was mainly attributable to increased patient visits from the Group's specialised eye care services in Malaysia and Singapore.

Revenue - Malaysia

RM'mil



SGD'mil



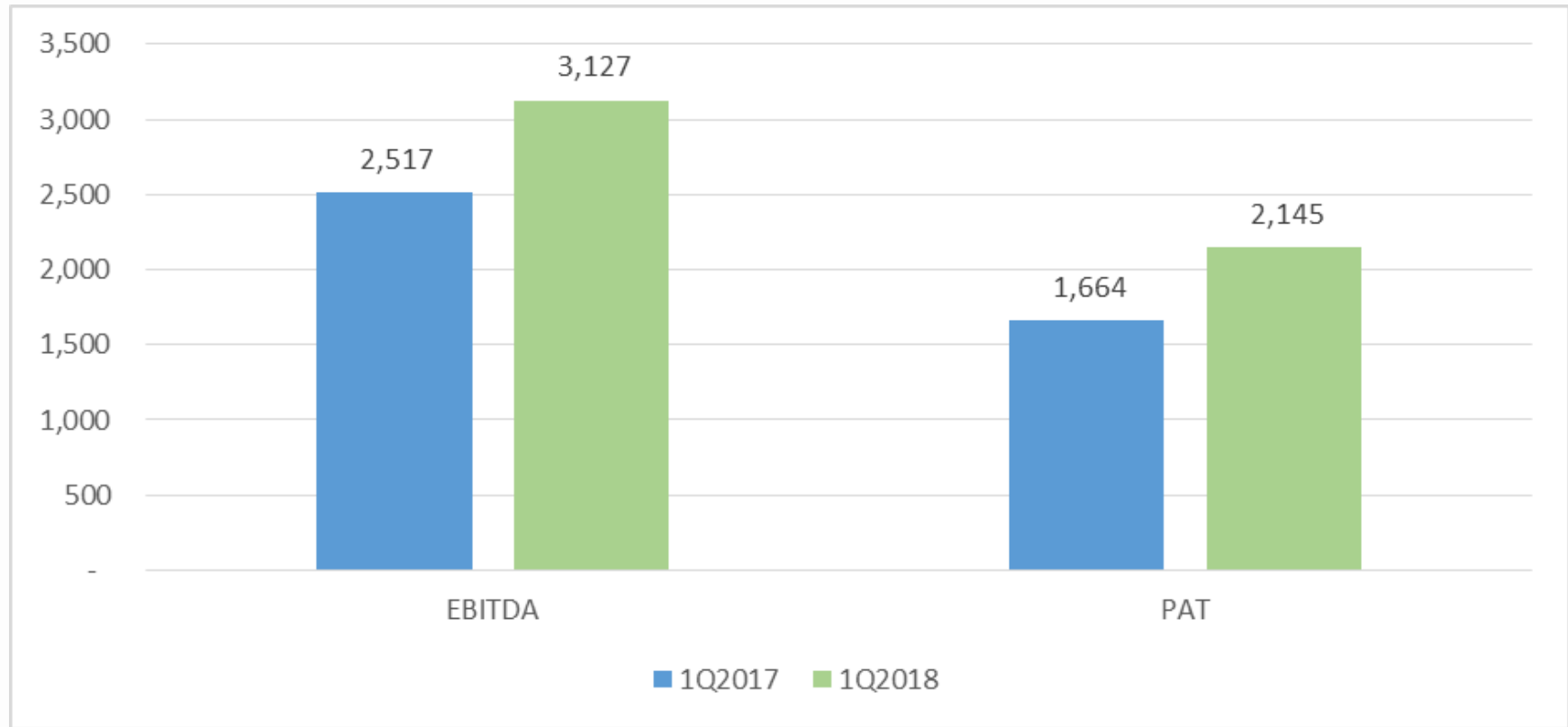
- Revenue from Malaysia operations in Ringgit Malaysia (“RM”) increased from RM19.9 million in 1Q2017 to RM21.6 million in 1Q2018, up 8.5% mainly due to increased number of patients visits.

Singapore Dollar translated revenue from Malaysia operations in 1Q2018 was 14.3% higher compared to 1Q2017, from S\$6.3 million in 1Q2017 to S\$7.2 million in 1Q2018, due to strengthening RM.

Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) and Profit After Tax (PAT)

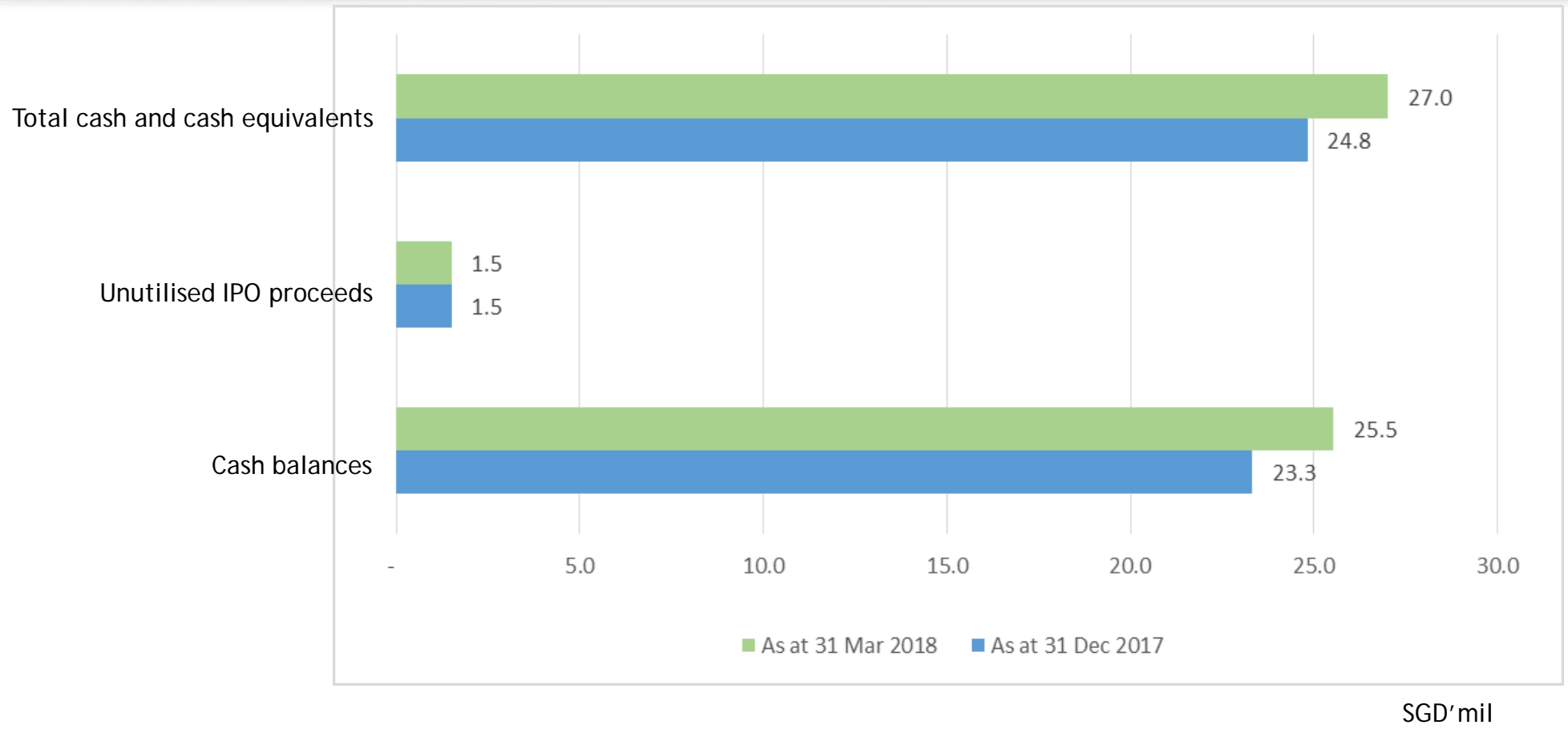


SGD'000



- EBITDA was S\$3.1 million in 1Q2018 as compared to S\$2.5 million in 1Q2017, an increase of S\$0.6 million mainly due to increased patient visits from the Group's specialised eye care services in Malaysia and Singapore.
- PAT was S\$2.1 million in 1Q2018 as compared to S\$1.7 million in 1Q2017, an increase of S\$0.4 million mainly due to increased revenue, offset by increased in income tax expenses and other operating expenses.

Cash Position



- Total cash and cash equivalents as at 31 March 2018 was S\$27.0 million. No debt.
- Cash balances (exclude unutilised IPO proceeds) increased from S\$23.3 million as at 31 December 2017 to S\$25.5 million as at 31 March 2018.

Statement of Financial Position



S\$'000	31 March 2018	31 December 2017
Key Assets		
Plant and equipment	3,844	3,894
Intangible assets	38,993 [^]	38,766 [^]
Trade and other receivables	3,028	2,505
Cash and cash equivalents	27,025	24,824
Key Liabilities		
Trade and other payables	3,094	3,475
Equity		
Total equity (Including non-controlling interest)	69,436	66,385

[^] - Arose mainly from the acquisition of:

- (i) ISEC Eye Pte. Ltd. - Intangible assets related to contractual relationship of S\$3.4 million (FY2017: S\$3.6 million) and goodwill of S\$8.0 million; and
- (ii) SSEC - goodwill of S\$12.7 million (FY2017: S\$12.3 million)
- (iii) JLM Companies - Intangible assets related to customer relationship of S\$0.12 million (FY2017: S\$0.12 million) and goodwill of S\$14.6 million

Thank You

