



Corporate Presentation

9 months ended 30 September 2015



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The slide features a background of a 3D molecular structure with blue and light green hexagonal rings. In the upper left, a hexagonal inset shows a man and a woman in a laboratory setting. The text "Business Overview" is centered on the right side of the slide.

Business Overview

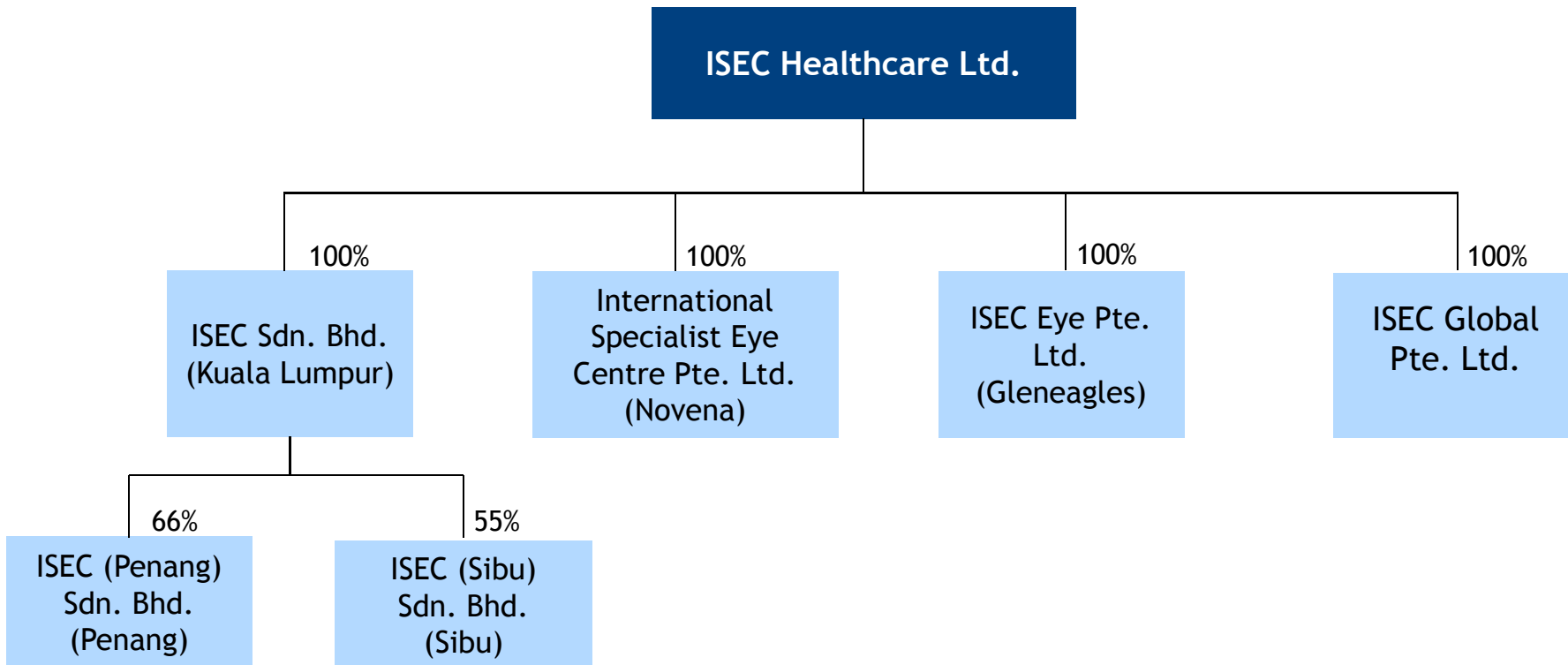
- ISEC is a comprehensive medical eye care service provider, with ambulatory surgical centres in Malaysia (Kuala Lumpur & Penang) and Singapore (Gleneagles Hospital)
- We specialise in the fields of cataract and refractive surgery (including LASIK), vitreoretinal diseases, corneal and external eye diseases, glaucoma, uveitis, oculoplastics, facial cosmetics and aesthetics surgery, adult strabismus and paediatric ophthalmology
- We have a strong team of 16 full-time specialist doctors, and most are also shareholders of the Company
- Our vision is to provide high quality, compassionate, world-class eye care at affordable level
- Listed on Catalist SGX-ST on 28 October 2014



ISEC stands for “International Specialist Eye Centre”

Business Overview

Group Structure



Clinics in Malaysia:

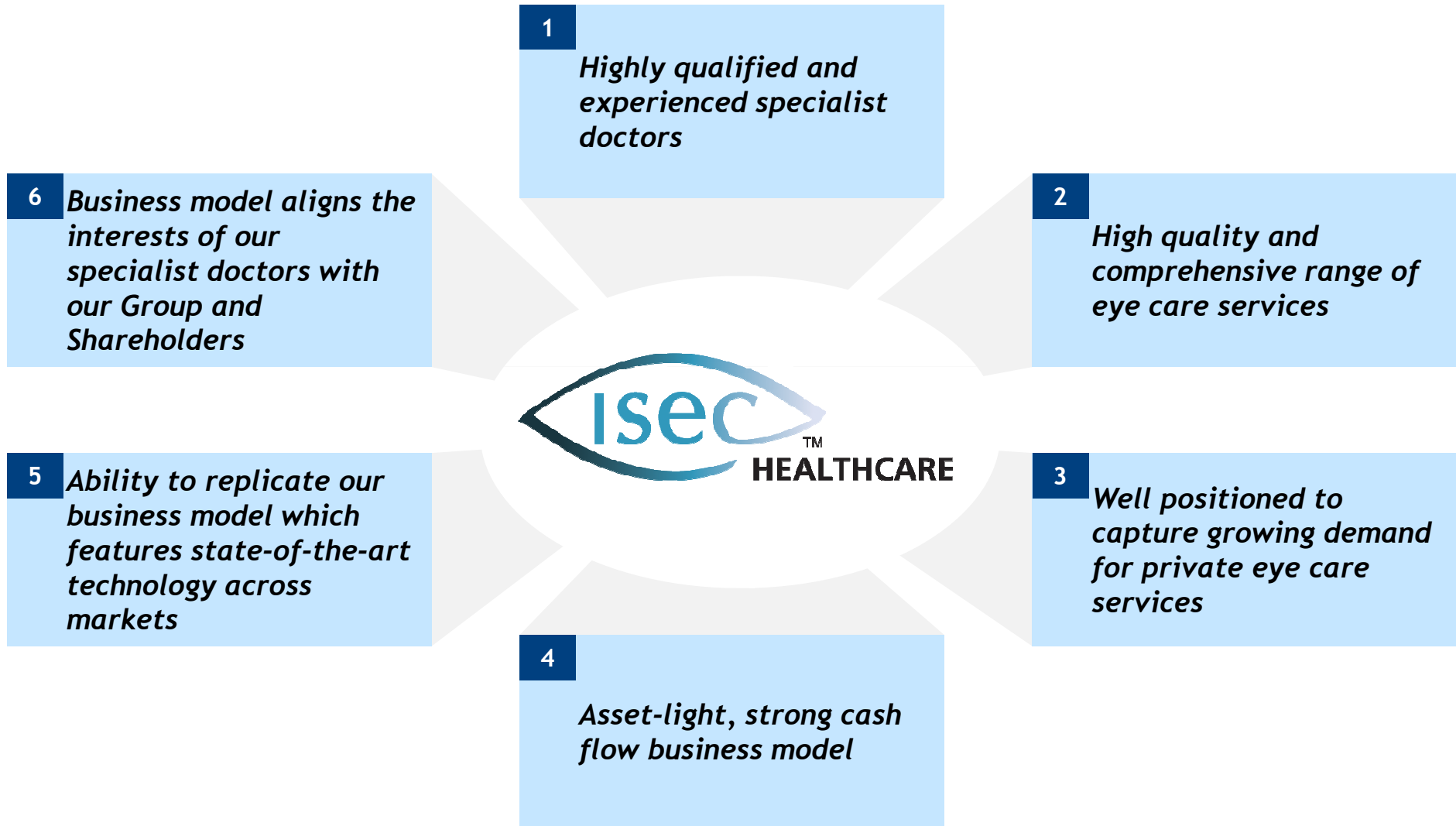
- 1) Mid Valley City, Kuala Lumpur (Main Branch)
- 2) Jalan Burma, Penang
- 3) Sibul, Sarawak (expected to commence operations in first quarter of 2016)

Clinics in Singapore:

- 1) Gleneagles Hospital
- 2) Mount Elizabeth Hospital, Novena (ceased eye clinic operations since 1 October 2015)

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

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

- Internet penetration in Malaysia increase from 55.8 per 100 people in 2008 to 67.0 per 100 people in 2013, allowed patients to seek information about eye treatments online
- Number of internet users in Singapore increased from 69.0 per 100 people in 2008 to 73.0 per 100 people in 2013 allowing them to gain awareness over eye diseases from the internet

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

- Malaysian household monthly income rose from SGD 1,532 in 2009 to SGD 1,903 in 2012
- In Singapore, the median monthly household income from work increased from SGD 7,570 in 2012 to SGD 7,870 in 2013

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 increase at a CAGR of 13.6% from 2013 to 2018
- The annual premium growth in Singapore between 2013 to 2020 is expected to be 11.8%

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

- 12% of Malaysian 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

The ophthalmology industry is underserved by qualified ophthalmologist:

| | |
|--------------------------|---|
| Malaysia | 0.01 ophthalmologist per 1,000 population |
| Singapore | 0.04 ophthalmologist per 1,000 population |
| World average | 0.036 per 1,000 population |
| Other modernized nations | 0.05-0.11 per 1,000 population |



Business Strategy And Expansion Plans

Our Business Strategies



| | |
|--|---|
| Growing the ISEC Brand and Expanding into the Asia Pacific Region | <ul style="list-style-type: none">■ To reach more patients in locations where we currently operate, as well as new locations such as Johor and Malacca■ To expand via setting up of subsidiaries, JV, expand existing centres, acquire assets, businesses and companies■ Identified China, India, Indonesia, Myanmar, Philippines, Taiwan, Vietnam and other cities in Malaysia as markets with high growth potential |
| Expanding Talent Pool of Specialist Doctors and Management Staff | <ul style="list-style-type: none">■ 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 | <ul style="list-style-type: none">■ 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 | <ul style="list-style-type: none">■ 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 |

Source: Company's information

Expansion Plans



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

 Target Countries



Use of Proceeds And Corporate Developments

Use of Proceeds

As at 5 November 2015



| Use of proceeds | Amount allocated S\$'000 | Amount allocated pursuant to reallocation of unutilized listing expenses S\$'000 | Amount utilised S\$'000 | Balance S\$'000 |
|--|-----------------------------|---|----------------------------|--------------------|
| Business expansion in Asia Pacific region (including Malaysia and Singapore) | 13,800 | 14,100 | - | 14,100 |
| General working capital | 2,500 | 2,500 | (2,500)* | - |
| Total | 16,300 | 16,600 | (2,500) | 14,100 |

* Amount utilized for:

| General working capital | S\$'000 |
|-----------------------------------|---------|
| Cost of sales | 1,028 |
| Administrative expenses | 1,378 |
| Selling and distribution expenses | 94 |
| Total | 2,500 |

October 2015 - Proposed acquisition of 100% equity interest in Southern Specialist Eye Centre Sdn. Bhd. (“SSEC”) by ISEC Sdn Bhd (“Purchaser”)

Summary of the proposed acquisition

- Purchase consideration - RM37.1 million, approximately 12.43 times multiples of unaudited and normalized profit after tax of ophthalmology business segment for FY2014 of approximately RM2.98 million of KC Yeo Eye Specialist Clinic Sdn. Bhd. which was transferred to SSEC effective from 1 January 2015
- The purchase consideration shall be satisfied by cash of RM15,767,500 and consideration shares of ISEC Healthcare Ltd. equivalent to RM21,332,500
- Dr Yeo, Dr Wong and Dr Liu (collectively the “CS Recipients”) shall create in favour of the Purchaser a charge over 100% of their respective consideration shares portion, as continuing security for the performance of each CS Recipients
- 20% of the respective consideration shares proportion shall be released if no breach has occurred on or before the expiry of a 12-month period and this shall be repeated for the next 48 months
- All the 3 doctors shall enter into fixed term contracts for 5 years with SSEC

October 2015 - Proposed acquisition of 100% equity interest in SSEC by ISEC Sdn Bhd (Cont'd)

Rationale for the proposed acquisition

- The proposed acquisition will expand the Group's eye specialist clinics footprint in Malacca, serving health tourists from Southern Sumatra and the Riau Bintang Islands
- To tap into affluent local market and Singapore patients
- KC Yeo Eye Specialist Clinic Sdn. Bhd. had been operating for last 9 years under the professional team of eye surgeons of SSEC
- SSEC is one of the largest and reputable Malaysia private ophthalmology practice south of Kuala Lumpur



9 Months Financial Highlights

for the period ended 30 September 2015

Basis of Preparation of Financial Information



| | 2014 | | | 2015 | |
|--------------------|----------|------------------------------------|--|---|----------------------|
| | 1Q2014 | 2Q2014 | 3Q2014 onwards | | January 2015 onwards |
| ISEC Group results | ISEC Mal | ISEC Mal + ISEC Sing | ISEC Mal + ISEC Sing + ISEC Eye | | |
| Description | | ISEC Sing was transferred to ISECH | ISEC Sing started operations in Aug 2014 | Acquisition of ISEC Eye on 26 Sept 2014 | |

ISEC Group - ISEC Healthcare Ltd. (“ISECH”) and its subsidiary companies

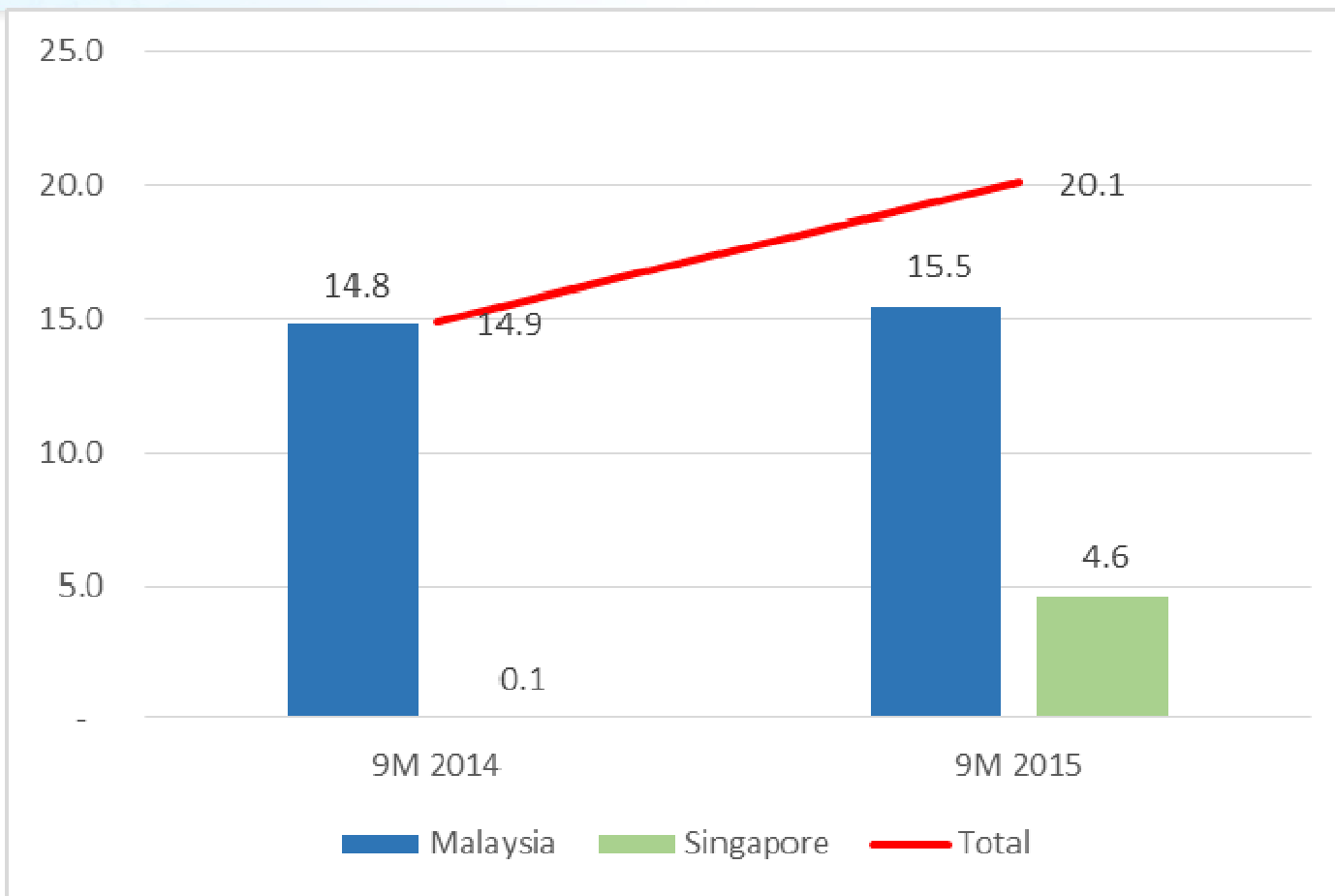
ISEC Mal - ISEC Malaysia consists of ISEC Sdn Bhd and its subsidiaries

ISEC Sing - International Specialist Eye Centre Pte. Ltd.

ISEC Eye - ISEC Eye Pte. Ltd.

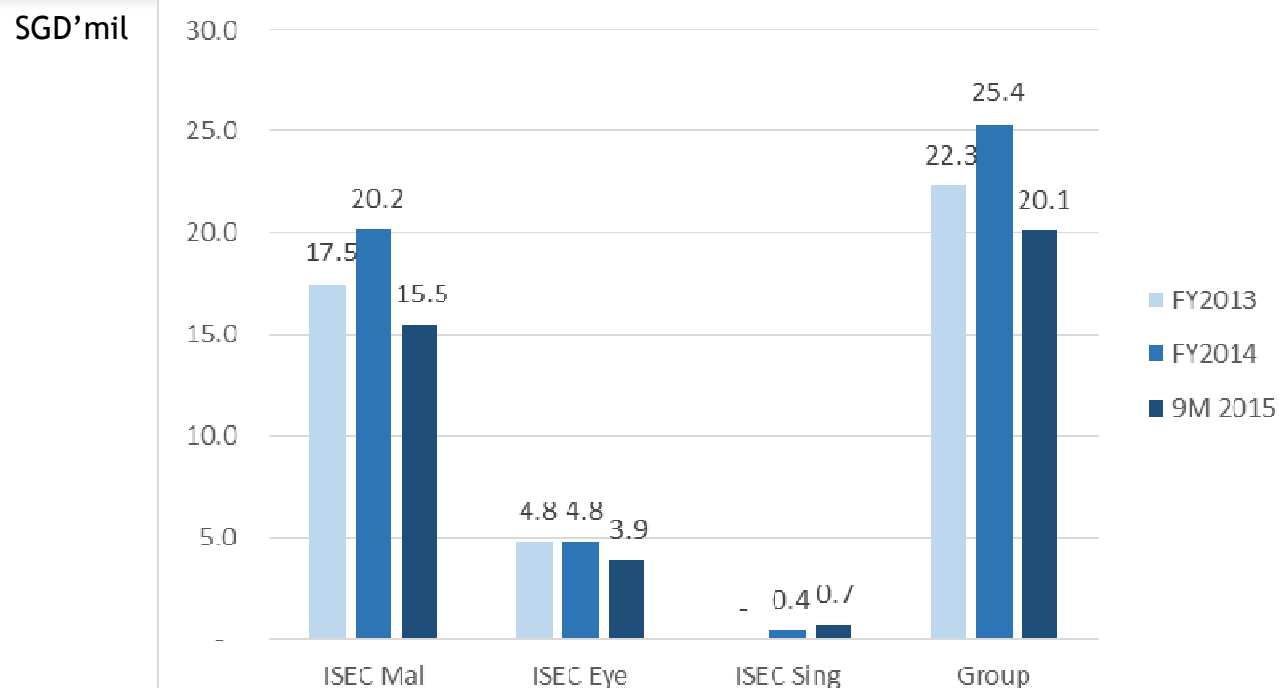
Revenue

SGD'mil



■ **9M 2015 vs 9M 2014** revenue was higher mainly due to additional revenue contribution from Singapore operations and increased number of patient visits in Malaysia operations. In 9M 2014, revenue contribution from Singapore was negligible since ISEC Singapore only commenced operations in August 2014 and the recognition of ISEC Eye revenue contribution commenced from 27 September 2014 onwards.

Revenue - By location/clinic



Notes:

- 1) ISEC Mal consists of revenue from ISEC Kuala Lumpur and ISEC Penang
- 2) ISEC Eye - revenue from Lee Hung Ming Eye Centre
- 3) ISEC Sing - revenue from ISEC Singapore
- 4) Revenue from ISEC Eye included in FY2013 and FY2014 was based on the assumption that the acquisition of ISEC Eye by ISEC Healthcare Ltd. had occurred on 1 January 2013

ISEC Mal

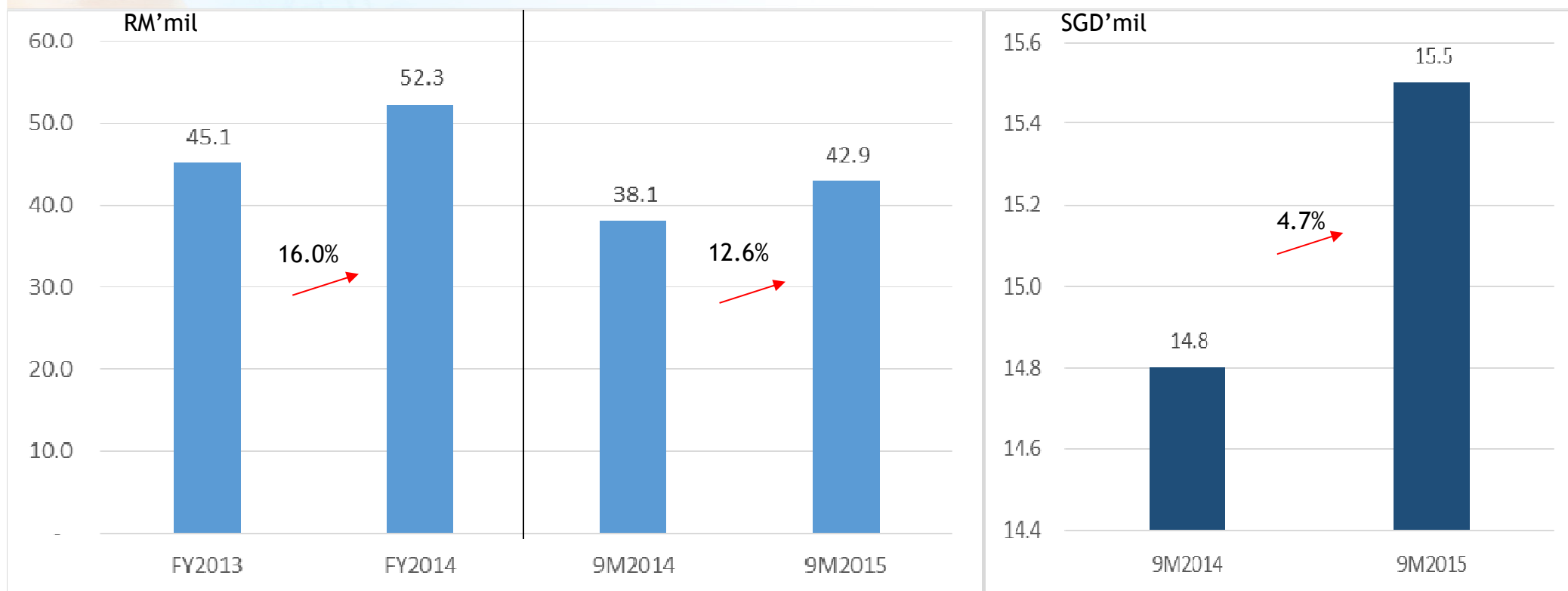
- Revenue from Malaysia increased by approximately 15.4% from S\$17.5 million in FY2013 to S\$20.2 million in FY2014 and in the 9 months ended 30 September 2015, revenue was S\$15.5 million

ISEC Eye

- Revenue from ISEC Eye in the 9 months ended 30 September 2015 was S\$3.9 million

Group revenue increased by 13.9% from of S\$22.3 million in FY2013 to S\$25.4 million in FY2014 and revenue recorded in the 9 months ended 30 September 2015 was S\$20.1 million, mainly due to increased number of patient visits in our clinics

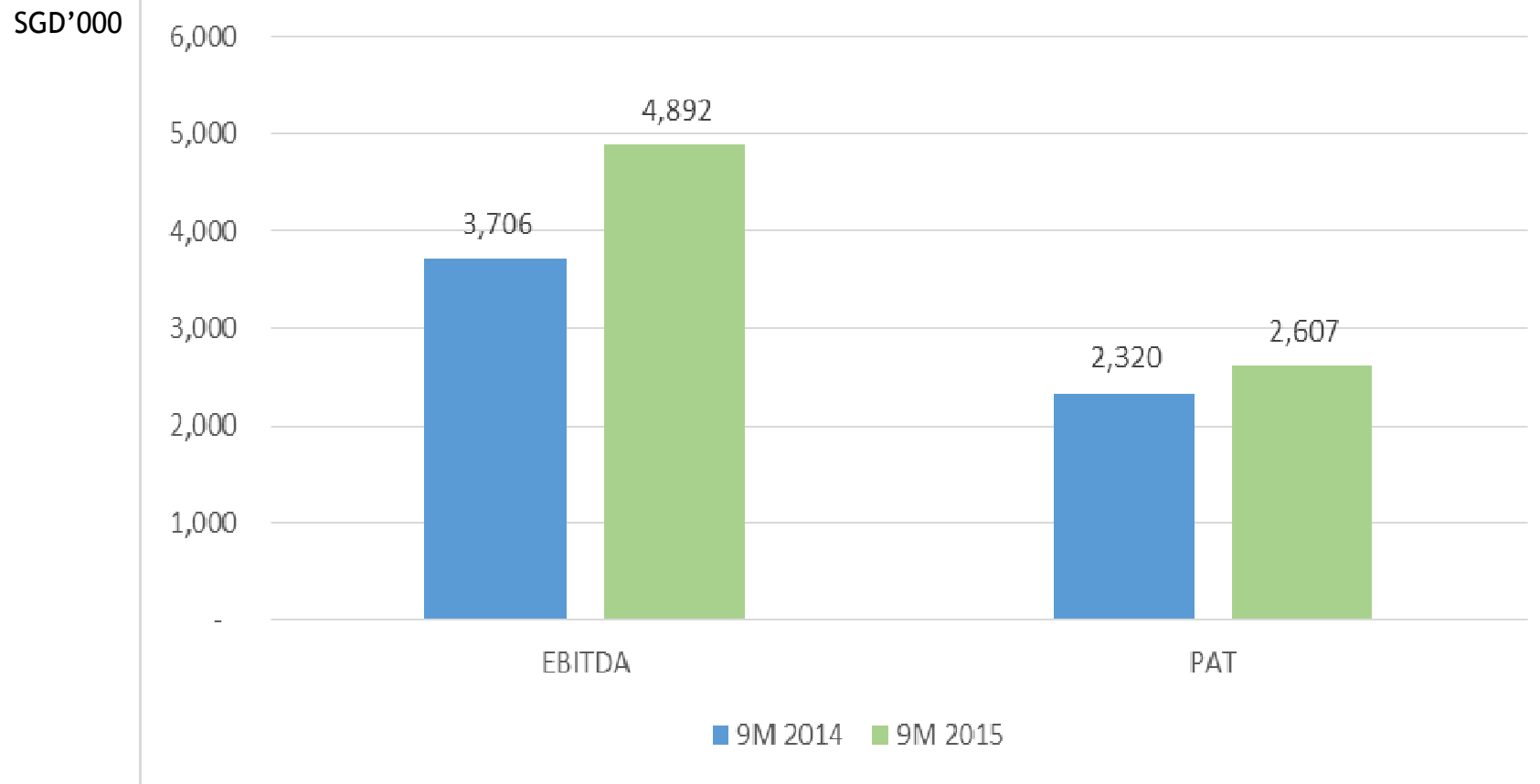
Revenue - Malaysia



- Revenue contribution from Malaysia operations in Ringgit Malaysia was RM45.1 million in FY2013 and RM52.3 million in FY2014, up by approximately 16.0%, mainly due to upward revision in selling price and increased number of patients visits
- For 9M 2015, revenue was RM42.9 million, up 12.6% from RM38.1 million in 9M 2014 mainly due to increased number of patients visits

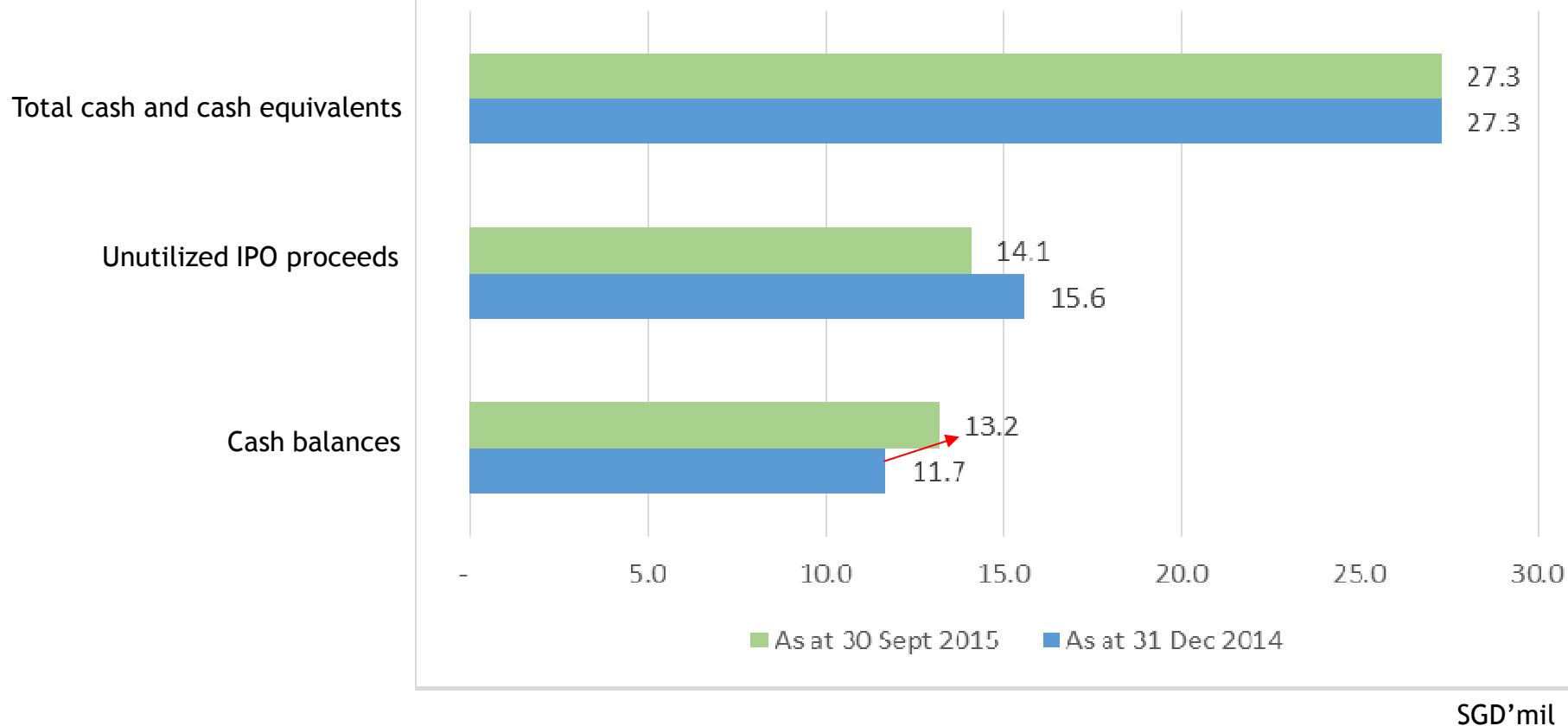
However, the higher revenue contribution from Malaysian operations to the Group was only S\$15.5 million in 9M 2015 from S\$14.8 million in 9M 2014 up by approximately 4.7% when reported in Singapore Dollar due to weaker Ringgit Malaysia

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



- EBITDA was S\$4,892,000 for 9M 2015 as compared to S\$3,706,000 for 9M 2014 and PAT was S\$2,607,000 for 9M 2015 as compared to S\$2,320,000 in 9M 2014 mainly due to higher revenue contribution from Singapore operations, ISEC Eye
- PAT computation was derived after taking into account the higher depreciation charge for the period, S\$613,000 in 9M 2015 (S\$406,000 in 9M 2014), higher amortisation charge, S\$417,000 in 9M 2015 (S\$18,000 in 9M 2014) and higher income tax provision, S\$1,249,000 (S\$929,000 in 9M 2014)

Cash Position



- Total cash and cash equivalents as at 30 September 2015 was S\$27.3 million. No debts.
- Cash balances (exclude unutilized IPO proceeds) increased from S\$11.7 million as at 31 Dec 2014 to S\$13.2 million as at 30 September 2015

Statement of Financial Position



| S\$'000 | 30 September 2015 | 31 December 2014 |
|--------------------------------|----------------------|---------------------|
| Key Assets | | |
| Plant and equipment | 4,004 | 4,285 |
| Intangible assets [^] | 12,950 | 13,219 |
| Trade and other receivables | 2,053 | 2,570 |
| Cash and cash equivalents | 27,254 | 27,267 |
| Key Liabilities | | |
| Trade and other payables | 1,856 | 2,498 |
| Equity | | |
| Shareholders equity | 43,810 | 43,680 |

[^] - Arose mainly from the acquisition of ISEC Eye Pte. Ltd. (Intangible assets arose from contractual relationship of S\$5.2 million and goodwill of S\$8.0 million)



Thank You