



Corporate Presentation
Financial Year ended 31 December 2015



Disclaimer

ISEC Healthcare Ltd. (“ISEC” or the “Company”) was listed on Catalist of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) on 28 October 2014. The initial public offering of the Company was sponsored by PrimePartners Corporate Finance Pte. Ltd. (the “Sponsor”).

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Business Overview

Industry Overview

Business Strategy and Expansion Plans

Use of Proceeds and Corporate Developments

FY2015 Financial Highlights

The slide features a background of light blue and white 3D hexagonal shapes. A central hexagonal frame is highlighted in a darker blue. In the top-left corner, a smaller hexagonal frame contains a photograph of two business professionals in a meeting. The text 'Business Overview' is positioned in the upper right area of the slide.

Business Overview

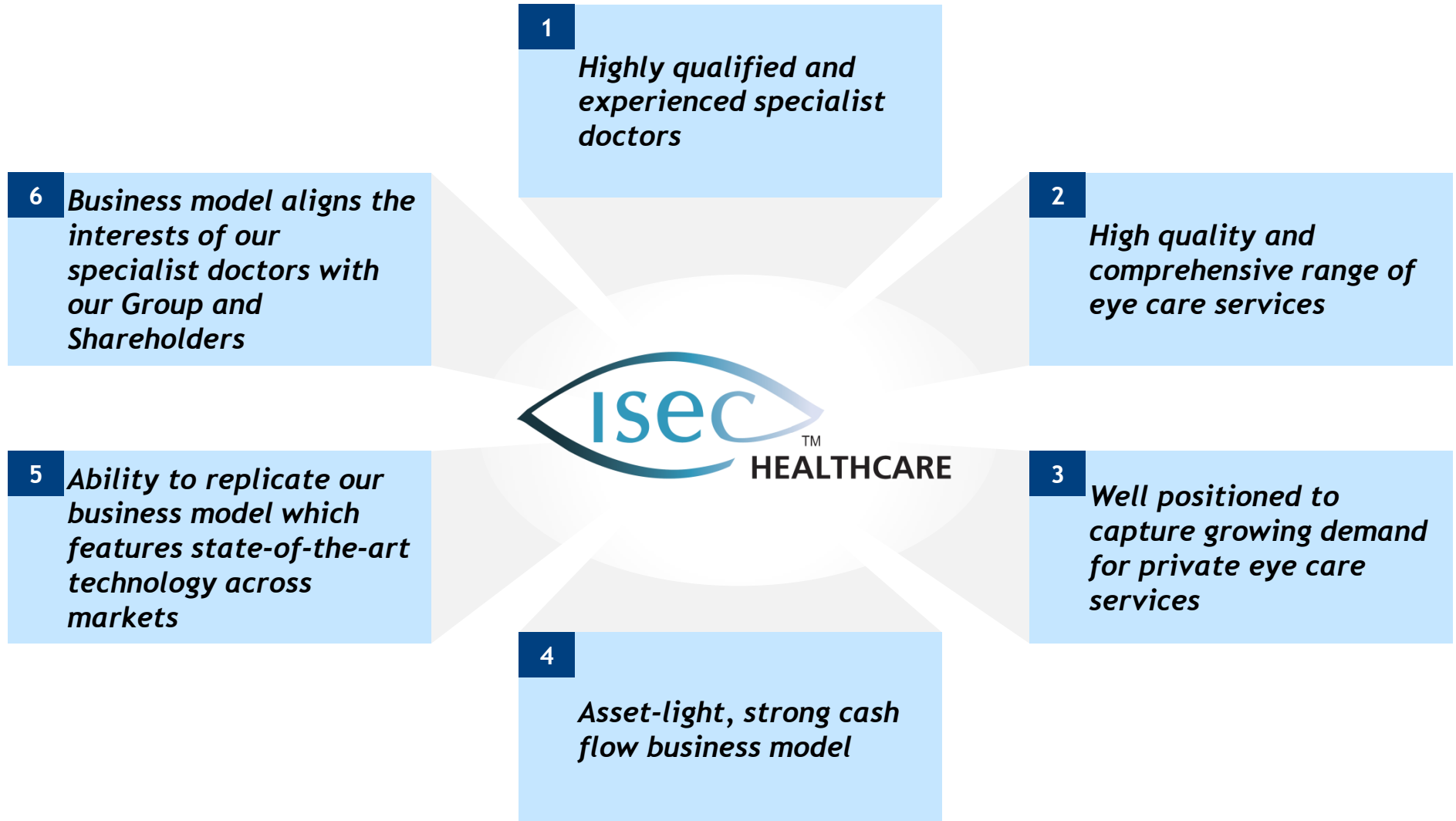
- ISEC is a comprehensive medical eye care service provider, with ambulatory surgical centres in Malaysia (Kuala Lumpur, Penang & Malacca) and Singapore (Gleneagles Hospital)
- We specialise in the fields of cataract and refractive surgery (including LASIK), vitreoretinal diseases, corneal and external eye diseases, glaucoma, uveitis, oculoplastics, facial cosmetics and aesthetics surgery, adult strabismus and paediatric ophthalmology
- We have a strong team of 19 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

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	<i>0.01 ophthalmologist per 1,000 population</i>
Singapore	<i>0.04 ophthalmologist per 1,000 population</i>
World average	<i>0.036 per 1,000 population</i>
Other modernized nations	<i>0.05-0.11 per 1,000 population</i>



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, India, Indonesia, Myanmar, the Philippines, Taiwan 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

The background features a pattern of blue and white hexagonal shapes, some of which are 3D-style cutouts. In the upper left, a small inset photo shows a man in a dark suit and white shirt sitting at a table, looking at a document. The overall aesthetic is clean and professional.

Use of Proceeds And Corporate Developments

Use of Proceeds

As at 29 February 2016



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	(5,326) (N1)	8,774
General working capital	2,500	2,500	(2,500) (N2)	-
Total	16,300	16,600	(7,826)	8,774

(N1) Amount utilized for the acquisition of SSEC:	S\$'000
Cash consideration	5,204
Administrative expenses	122
Total	5,326

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

January 2016 - Vietnam

Entered into a Memorandum of Understanding with Hai Yen Anh Tran Company Limited (“Hai Yen Group”) and Dr Tran Hai Yen (“Dr Yen”) to operate and administer eye hospitals, ophthalmology centers and eye clinics in Vietnam

- Hai Yen Group was founded in 2014 in Ho Chi Minh City, Vietnam and it operates private eye clinics and affiliate centers
- Hai Yen Group offers comprehensive range of medical eye treatment such as corneal and refractive surgery, paediatric, presbyopia, glaucoma, vitreo-retina, cataract surgery and oculoplastics surgery
- Hai Yen Group is headed by Dr Yen, a well-known LASIK surgeon in Vietnam with experience of handling more than 40,000 corneal laser refractive procedures since 2000 using state of the art technologies and equipment.
- Dr Yen was the first Vietnamese refractive surgeon to perform EpiLASIK, PTK, FemtoLASIK, ReLEX smile and Corneal Raindrop Inlay in Vietnam
- Dr Yen is supported by 8 full time ophthalmologist and 15 part time ophthalmologist
- It is intended for ISEC Healthcare Ltd. to hold effective interest of 51% in the joint venture company to be set-up
- As at December 2015, Vietnam had a population of approximately 91.7 million people with around 69.8% of its population aged between 15 to 64 years

(source: en.m.wikipedia.org)

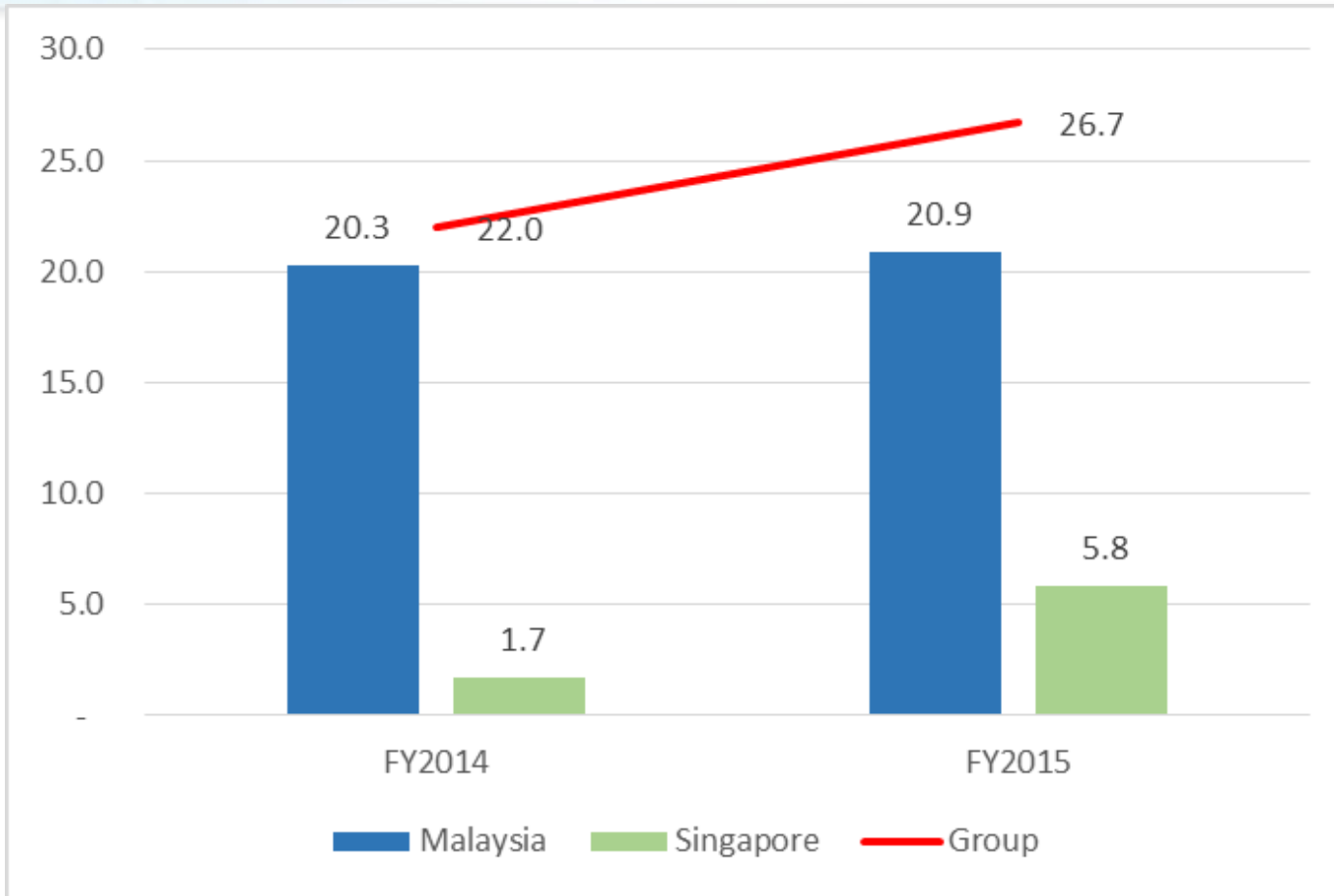


12 Months Financial Highlights

for the financial year ended 31 December 2015

Revenue

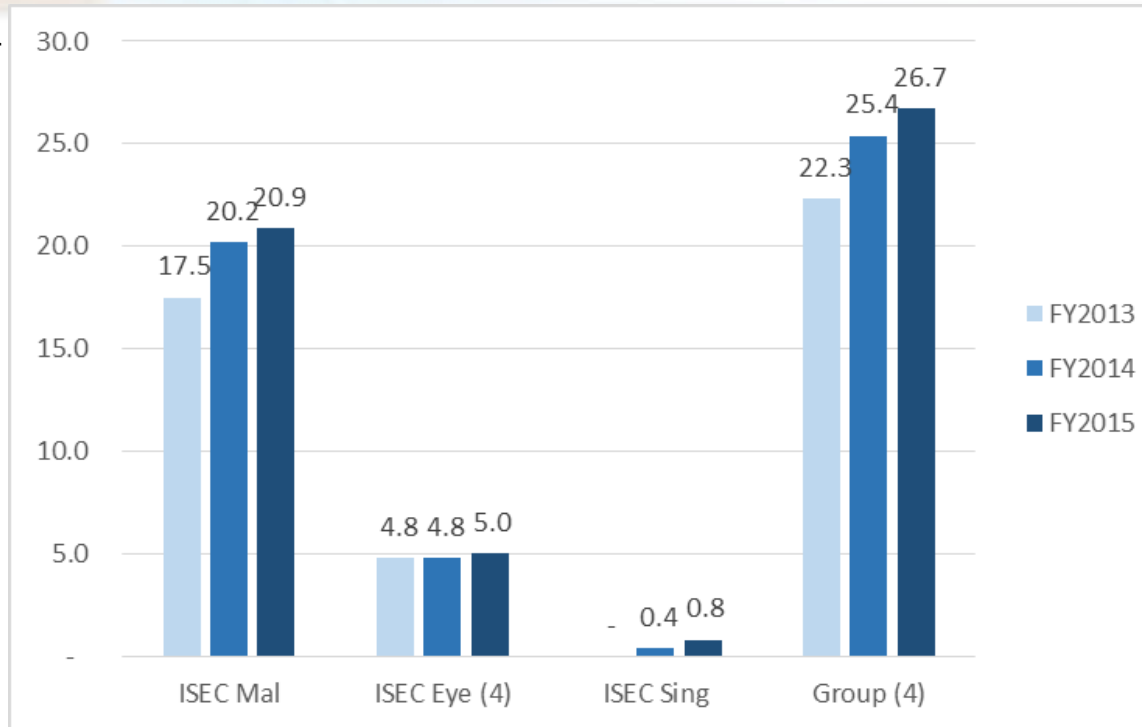
SGD'mil



- **FY2015 vs FY2014** Group revenue was higher mainly due to additional revenue contribution from Singapore operations and increased number of patient visits in Malaysia operations. There was an increase in revenue contribution from Singapore operations of S\$4.0 million (or 241%) mainly because there was a full 12 months of revenue contribution in FY2015 as opposed to approximately 4.5 months in FY2014

Revenue - By location/clinic

SGD'mil



Notes:

(1) ISEC Mal consists of revenue from ISEC Kuala Lumpur and ISEC Penang in FY2013 & FY2014

On 8 Dec 2015, the Group completed the acquisition of Southern Specialist Eye Centre Sdn. Bhd. (“SSEC”) and the results of SSEC was consolidated into the Group pursuant thereto

(2) ISEC Eye - revenue from Lee Hung Ming Eye Centre

(3) ISEC Sing - revenue from ISEC Singapore (which ceased operations in October 2015)

(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

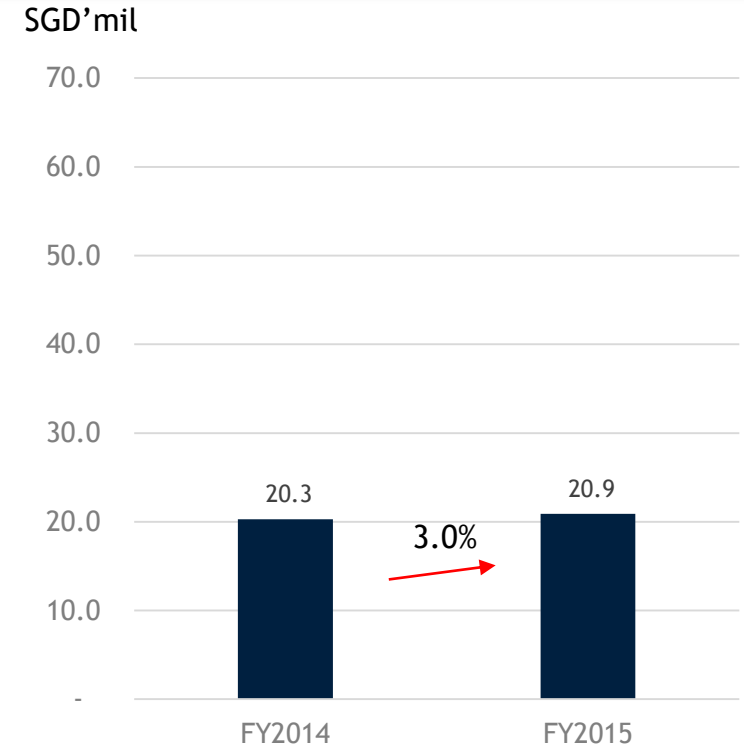
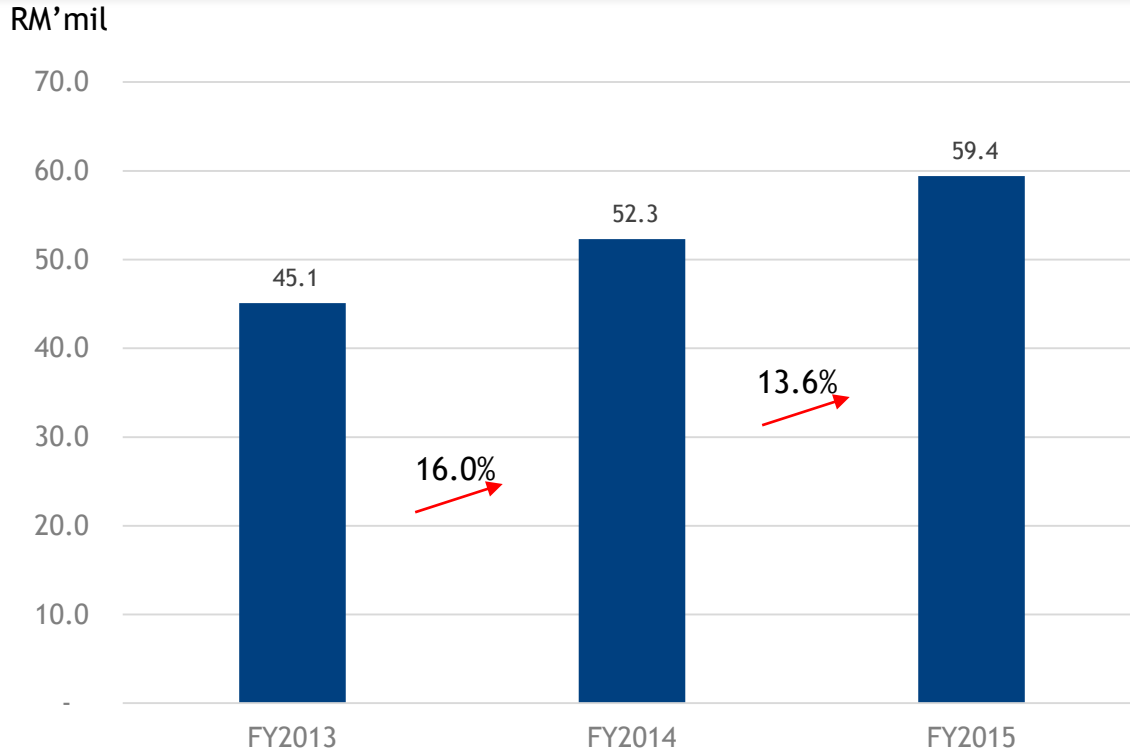
- Revenue from Malaysia increased by 3.5% from S\$20.2 million in FY2014 to S\$20.9 million in FY2015

ISEC Eye

- Revenue from ISEC Eye in FY2015 was S\$5.0 million, an increase of 4.2% from S\$4.8 million in FY2014

Group revenue increased by 5.1% from S\$25.4 million in FY2014 to S\$26.7 million in FY2015, mainly due to increased number of patient visits in our clinics

Revenue - Malaysia



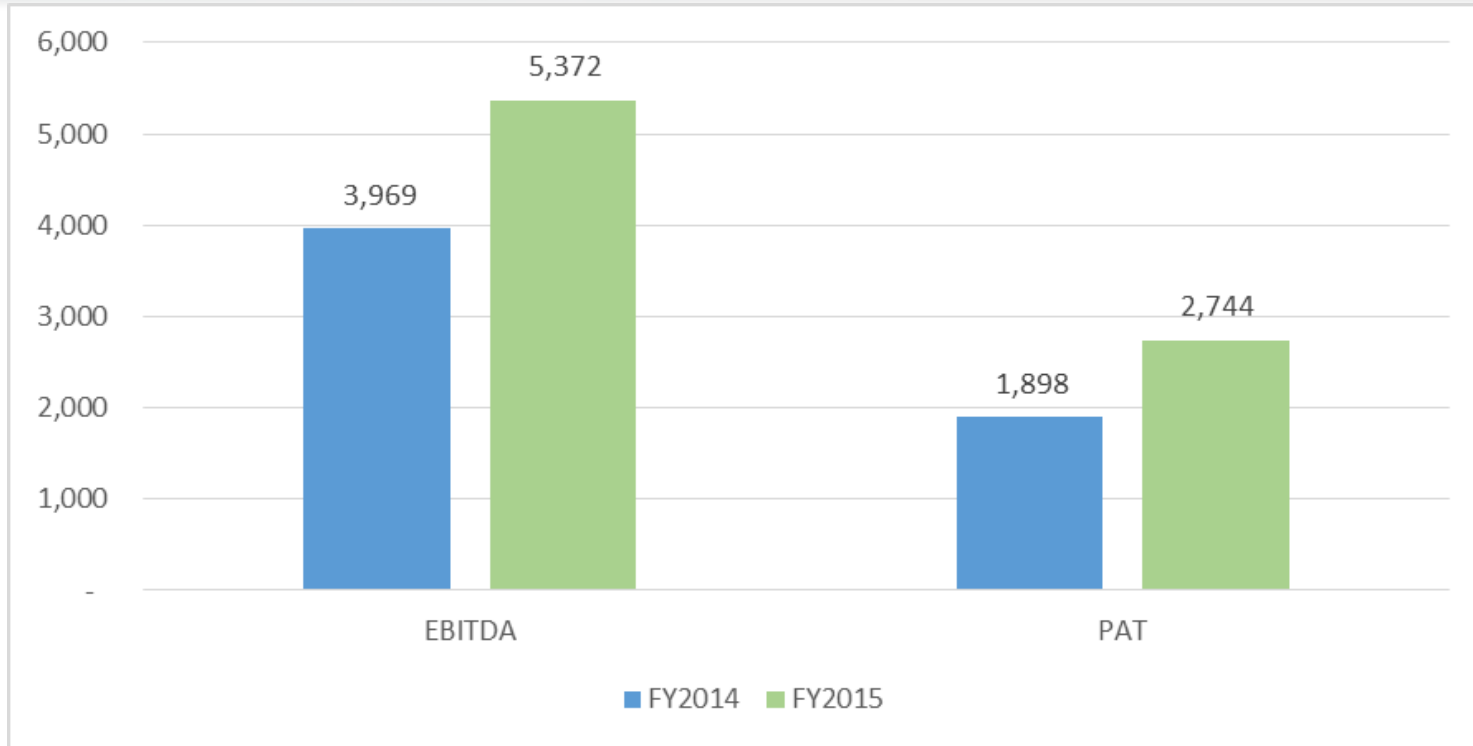
- Revenue from Malaysia operations increased from RM52.3 million in FY2014 to RM59.4 million in FY2015, up 13.6% mainly due to increased number of patients visits

However, the higher revenue contribution from Malaysian operations to the Group was only S\$20.9 million in FY2015 from S\$20.3 million in FY2014 up by approximately 3.0% when reported in Singapore Dollar due to weaker Ringgit Malaysia

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

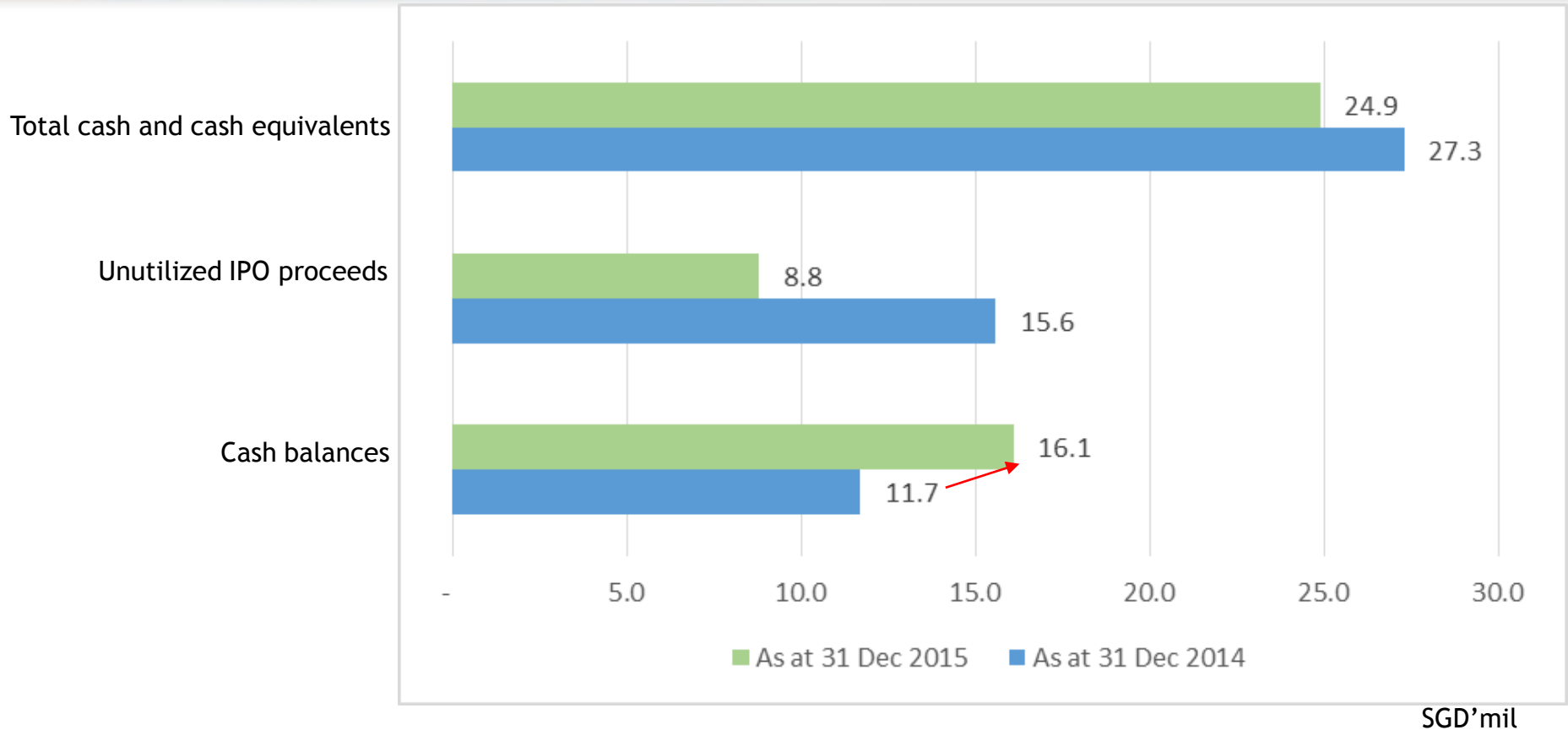


SGD'000



- EBITDA was S\$5.4 million in FY2015 as compared to S\$4.0 million in FY2014 mainly due to higher revenue contribution from Singapore operations. In FY2015, ISEC Eye results was captured for the full 12 months as opposed to only approximately 3 months in FY2014. The contribution from Malaysia operations was also higher in FY2015 due to increased patients visits
- PAT was S\$2.7 million in FY2015 as compared to S\$1.9 million in FY2014 mainly due to the increase in revenue, offset by increased administrative expenses, S\$2.6 million of operating loss and related closure costs for ISEC Singapore and amortisation charge in FY2015

Cash Position



- Total cash and cash equivalents as at 31 December 2015 was S\$24.9 million. No debts.
- Cash balances (exclude unutilized IPO proceeds) increased from S\$11.7 million as at 31 Dec 2014 to S\$16.1 million as at 31 December 2015

Statement of Financial Position



S\$'000	31 December 2015	31 December 2014
Key Assets		
Plant and equipment	3,639	4,285
Intangible assets [^]	25,162	13,219
Trade and other receivables	1,905	2,570
Cash and cash equivalents	24,924	27,267
Key Liabilities		
Trade and other payables	3,392	2,498
Equity		
Shareholders equity	51,925	43,680

[^] - Arose mainly from the acquisition of:

- (i) ISEC Eye Pte. Ltd. (Intangible assets arose from contractual relationship of S\$4.8 million and goodwill of S\$8.0 million); and
- (ii) SSEC (goodwill of S\$12.4 million)

Financial Ratios



Per Share Data (Singapore cents)	FY2015	FY2014
Net Asset Value per share*	10.61	9.53
Earnings per share**	0.60	0.74
Total dividend	0.44#	0.11
Dividend payout^	75.5%	25.6%
Financial Ratios	FY2015	FY2014
Current ratio	7.20	9.37
Return on equity	5.31%	4.48%
Return on assets	4.86%	4.09%

- * Based on number of ordinary shares in issue as at 31 December 2015 or 31 December 2014 (as the case may be)
- ** Based on weighted average number of ordinary shares of the Company in issue during the respective financial periods
- # Included proposed final dividend of 0.22 Singapore cents per ordinary share of the Company (subject to approval by the shareholders at the forthcoming AGM to be convened)
- ^ Based on the Group's profit attributable to owners of the parent. This is in line with the Company's intention to pay an annual dividend of no less than 25% of the Group's profit attributable to owners of the parent



Thank You