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# Rowsley Ltd

*To become a leading healthcare player in Southeast Asia*

Media Briefing  
18 December 2017



# Transaction: Acquisition of Sasteria and issuance of warrants by Rowsley

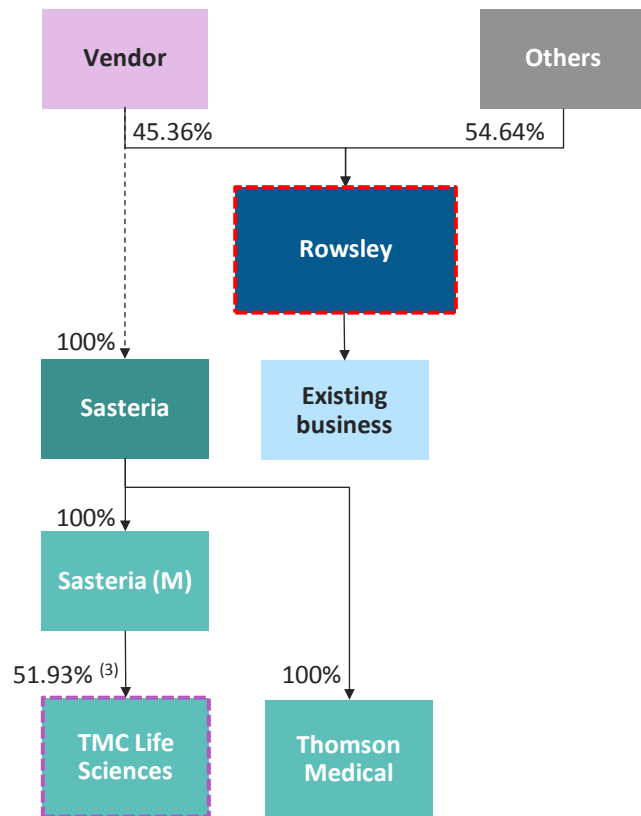
Item		Overview
Acquiror		Rowsley Ltd (“Rowsley” or “Company”)
Vendor		Mr Lim Eng Hock
Acquisition by Rowsley	Proposed Share Acquisition	The consideration of S\$1,600,000,000 for Sasteria (“Target Group”), which will be satisfied through 21,333,333,334 new Rowsley shares at the issue price of S\$0.075 per share
	Proposed Warrant Acquisition	Rowsley to acquire 597,319,140 warrants in TMC Life Sciences Berhad, to be paid in cash <sup>(1)</sup>
Warrants to all Rowsley Shareholders	Bonus Warrants	<ul style="list-style-type: none"> <li>2 Bonus Warrants<sup>(2)</sup> with an exercise price of S\$0.09 for each existing share</li> <li>Total proceeds of up to S\$853m assuming all 9,476,834,822 Bonus Warrants are exercised</li> </ul>
	Piggyback Warrants	<ul style="list-style-type: none"> <li>1 Piggyback Warrant<sup>(3)</sup> with an exercise price of S\$0.12 for every 1 Bonus Warrant which is exercised</li> <li>Total proceeds of up to S\$1,137m assuming all 9,476,834,822 Piggyback Warrants are exercised</li> </ul>
Conditions to closing and expected timeline		Subject to a simple majority approval of independent shareholders present and voting at the EGM expected to be held in 1Q 2018
Can the Vendor vote?		No. Only minority shareholders can vote
Change of name of the Company		Proposed change of name of the Company from “Rowsley Ltd.” to “Thomson Medical Group Limited” <sup>(4)</sup>
Financial adviser		Credit Suisse (Singapore) Limited
Independent financial adviser		Provenance Capital Pte. Ltd.
Valuer		BDO Advisory Pte. Ltd.

Source: SGX announcement.

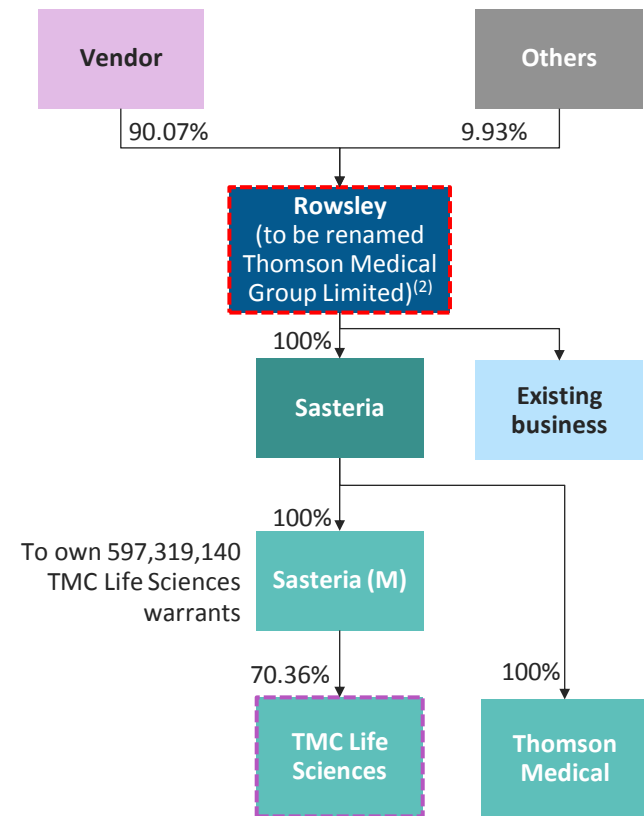
- (1) The price of the Sale Warrants shall be based on a sum equivalent to the volume weighted average price of TMC Life Sciences Bhd Warrants done on Bursa Malaysia for the 1-month immediately preceding the date falling 4 market days prior to the date of the EGM, multiplied by the number of Sale Warrants.
- (2) Exercisable during the period commencing from the date of its issue up to the market day immediately preceding the first anniversary of its date of issue.
- (3) Exercisable from its date of issue up to the market day immediately preceding the fourth anniversary of the date of issue of the Bonus Warrants. For the avoidance of doubt, not the fourth anniversary of the date of issue of the Piggyback Warrant.
- (4) The proposed name change is subject to approval of Rowsley’s shareholders. An application was made to ACRA on 8 December 2017 for the reservation of the name, and the name has been reserved with ACRA until 12 Apr 2018.

# Transaction structure overview

## Pre-acquisition as at 15 December 2017



## Post-acquisition<sup>(1)</sup>



- Listed on the SGX
- Listed on the Bursa Malaysia

Note:

- (1) Immediately after the Proposed Acquisition and assuming that no Warrants and/or TMC Life Sciences Bhd Warrants are exercised and no TMC Life Sciences Bhd shares are issued pursuant to the exercise of options granted under the TMC Life Sciences Bhd Employee Stock option Scheme.
- (2) The proposed name change is subject to approval of Rowsley's shareholders. An application was made to ACRA on 8 December 2017 for the reservation of the name, and the name has been reserved with ACRA until 12 Apr 2018.
- (3) Additional 18.43% owned by Vendor through Incanto Investment Ltd and Best Blend Sdn Bhd

# Transaction rationale

**A**

## **Opportunity to acquire two established healthcare assets in Singapore and Malaysia**

- Thomson Medical is the leading private healthcare services provider for women and children
- Tropicana Medical Centre is a multi-disciplinary tertiary care hospital with a comprehensive range of specialties

**B**

## **Participate in an expanding healthcare business**

- Macroeconomic and demographic trends are expected to drive growth in healthcare spending in the SEA region
- Thomson Medical and TMCLS have multiple levers for growth and are well-positioned in their respective markets
- Synergistic opportunities given the development of Thomson Iskandar Medical Hub is located in Rowsley's Vantage Bay Healthcare City development

**C**

## **Raise the profile of Rowsley, increase the Company's market capitalisation, and generate investor interest with a sizeable hospital and healthcare platform**

- Post-transaction, Rowsley is expected to be one of the largest SGX-listed hospital players in Singapore
- Enhances the corporate profile of the Company and build up its institutional investor base

**D**

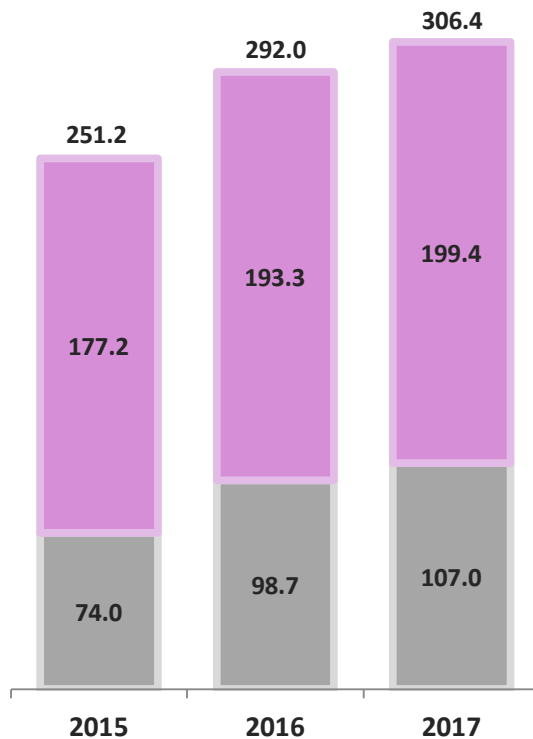
## **Proceeds from warrants will strengthen balance sheet, fund expansion plans and future working capital**

- Warrants provide investors with an opportunity to participate in future upside in the business
- Proceeds from the exercise of the Warrants can be used for working capital and expansion plans, including any strategic acquisitions of further healthcare assets

# Opportunity for Rowsley to transform into a healthcare player

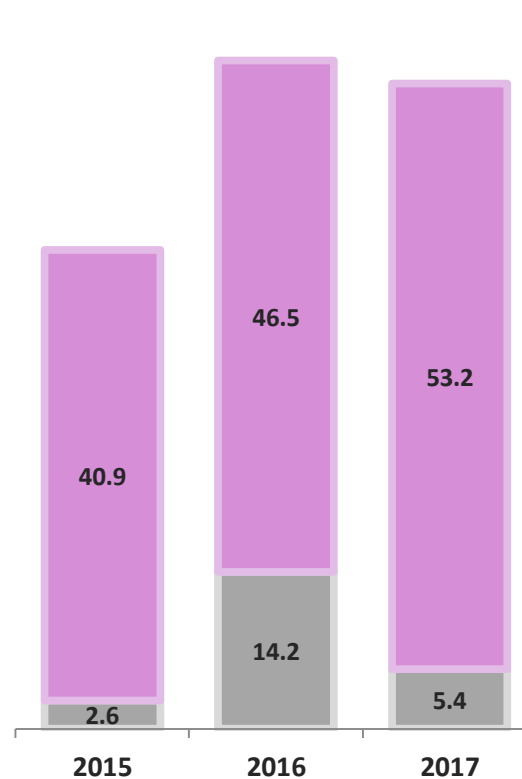
## Revenue<sup>(1)(2)</sup>

(in S\$m)



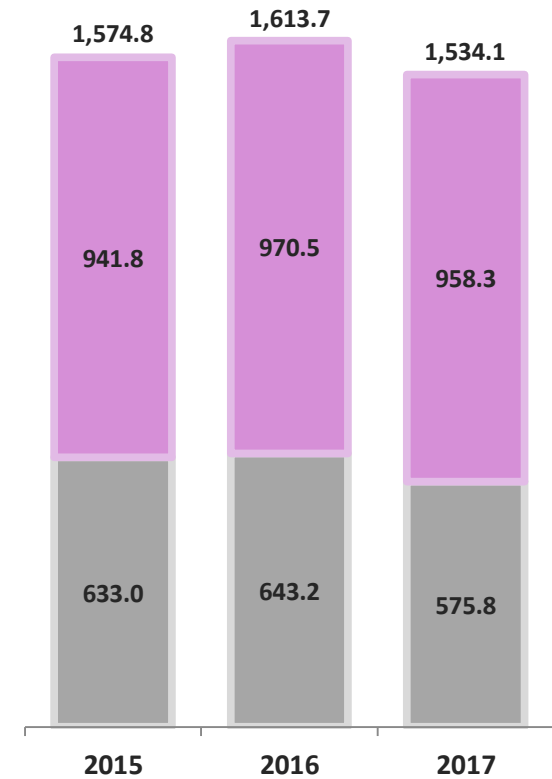
## Adjusted EBITDA<sup>(1)(2)(3)</sup>

(in S\$m)



## Total Assets<sup>(1)(2)</sup>

(in S\$m)



Rowsley's existing business

Sasteria and its subsidiaries

**Acquisition of Sasteria provides Rowsley with a significant exposure to the healthcare sector**

Source: Company filings, SGX announcement.

(1) Based on Rowsley unaudited consolidated last twelve months financials for the financial period ended 30 September 2015, 2016, 2017.

(2) Based on Sasteria consolidated audited full year financial statement for the financial period ended 31 August 2015, 2016, 2017.

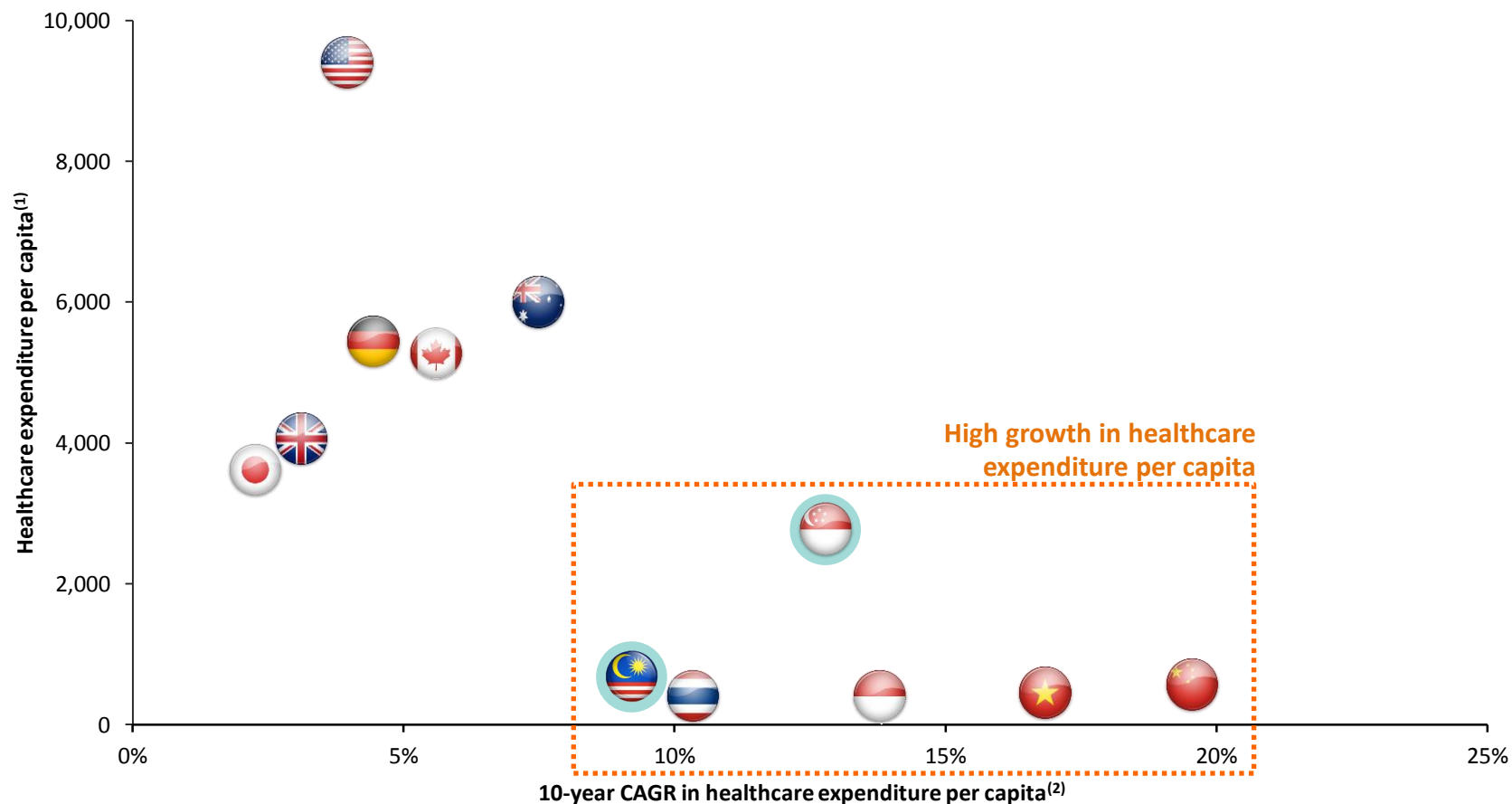
(3) Based on Rowsley adjusted EBITDA and Sasteria EBITDA. EBITDA is a non-GAAP measure and refers to earnings before interest, tax, depreciation and amortization. Adjusted EBITDA = Reported EBITDA adjusting for fair value changes in purchase consideration payable, gain on remeasurement of previously held equity interest in an associate which became a subsidiary, impairment loss on investment in an associate, impairment loss on investment in available-for-sale financial assets, impairment loss on goodwill on subsidiaries, impairment loss on property, plant and equipment, impairment loss on investment property and development property.





# Allows Rowsley to participate in an expanding healthcare sector

## Healthcare expenditure per capita



Through the Proposed Acquisition, the Company would gain access to a platform allowing it to participate in the growth of the healthcare sector

Source: World Health Organization.

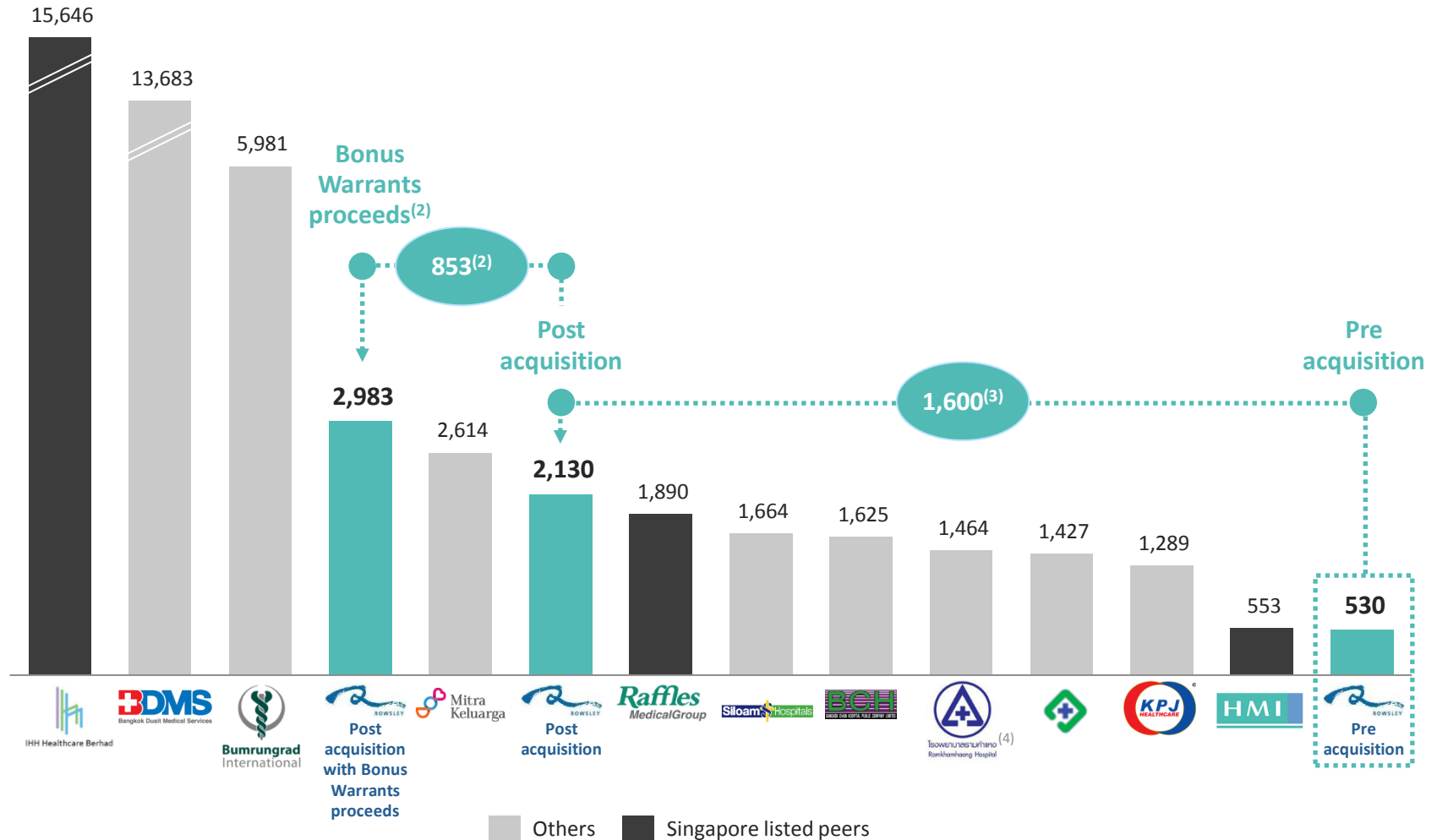
Note: Data as of 30 June 2016.

(1) Per capita total expenditure on health expressed at average exchange rate for that year in US\$ in 2014.

(2) 10-year compounded annual growth rate in healthcare expenditure per capita (at average exchange rate in US\$) from 2004 to 2014.

# Post-transaction, Rowsley is expected to be one of the largest listed hospital players in Singapore

Market capitalisation of select hospital players in Southeast Asia (in S\$m)<sup>(1)</sup>



Source: Bloomberg as at 15 December 2017.

Note: For illustration purposes only. Actual Rowsley's post-acquisition market capitalisation may differ.

(1) Market capitalisation calculated based on a sum equivalent to the volume weighted average price of the shares on 15 December 2017, multiplied by the shares outstanding.

(2) Assume all 9,476,834,822 Bonus Warrants are exercised at the Bonus Warrants' exercise price of S\$0.09.

(3) Assume Rowsley's post-acquisition market capitalisation to increase by Share Purchase Considerations of S\$1,600m.

(4) Market capitalisation calculated based on a sum equivalent to the volume weighted average price of the shares on 8 December 2017, multiplied by the shares outstanding.

# Proceeds from warrants provide funding for future growth

Proceeds from  
Bonus Warrants  
Up to S\$852.9m<sup>(1)</sup>



Proceeds from  
Piggyback Warrants  
Up to S\$1,137.2m<sup>(2)</sup>



Strategic acquisition of further healthcare assets



Development of Thomson Iskandar Medical Hub



Development of Vantage Bay Healthcare City



Working capital

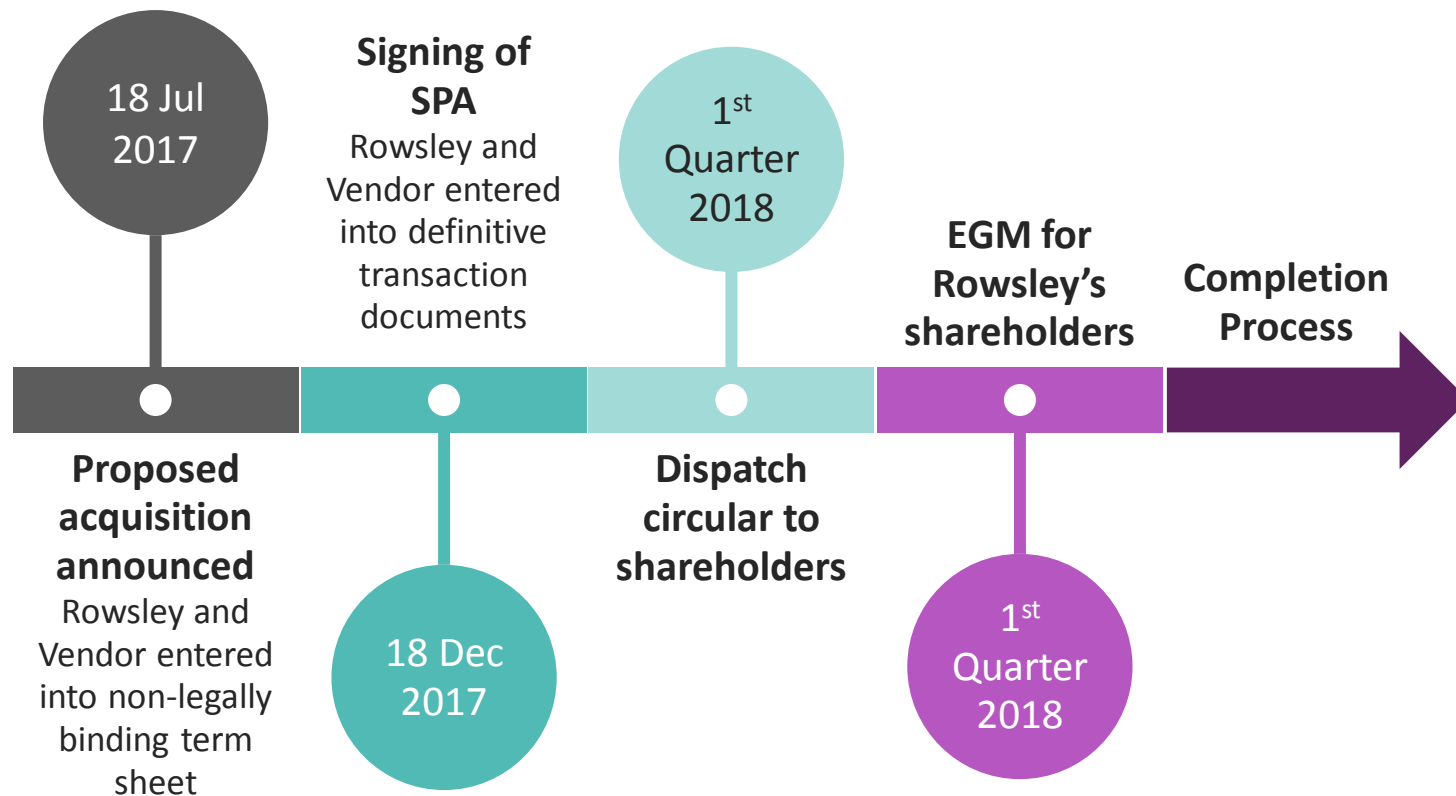
Source: SGX announcement.

(1) Up to 9,476,834,822 Bonus Warrants with an exercise price of S\$0.09.

(2) Up to 9,476,834,822 Piggyback Warrants with an exercise price of S\$0.12.



# Indicative transaction timeline



Note: These are indicative timelines. Actual dates will be announced in due course.



## Details of the Target Group

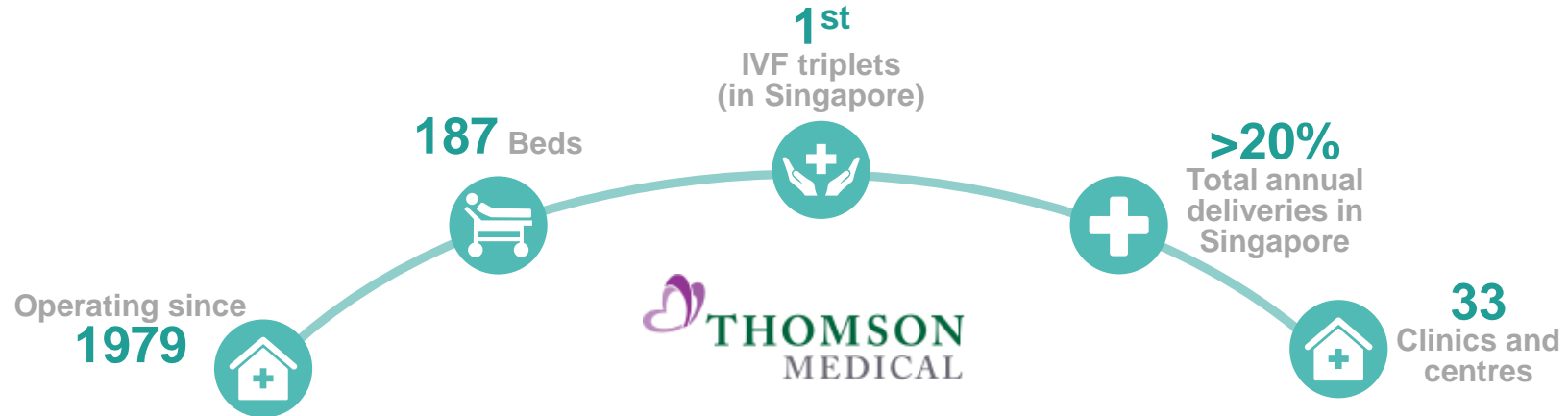


">38 years of experience in women and children's health"



">23 years of operating track record"

# Singapore assets: Thomson Medical is the leading private healthcare services provider for women and children



## Hospital



- Delivery suite



- Cardiology

## Specialty clinics

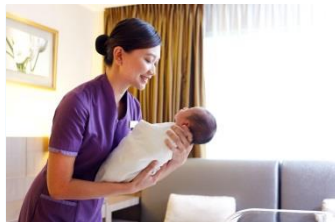


- Wellth clinic



- Thomson Fertility Centre

## Awards



- Delivery



- Single bed ward



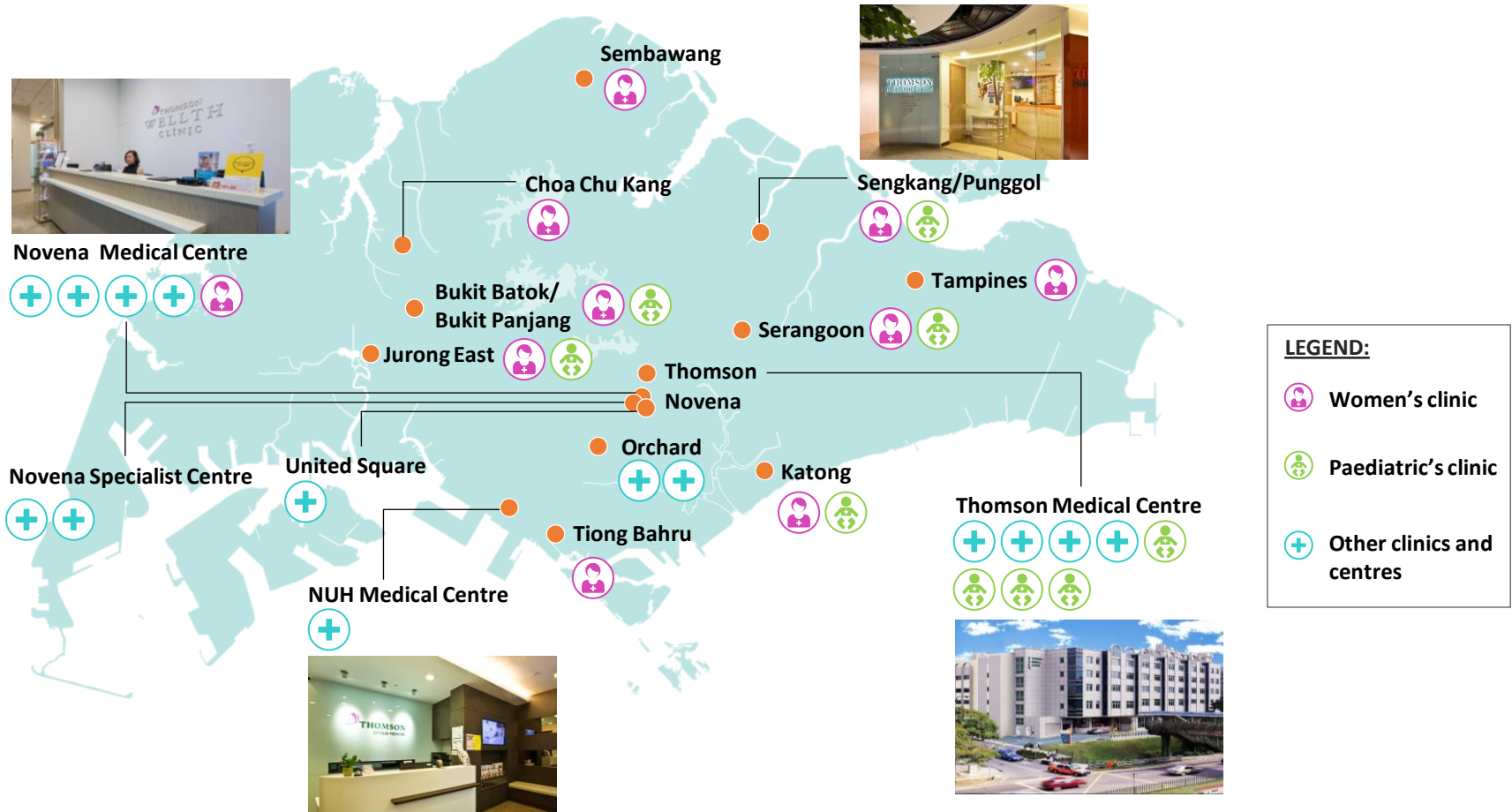
- Pediatric clinic



- Women's clinic



# Singapore assets: Thomson Medical is the leading private healthcare services provider for women and children



Established platform with specialist clinics island wide to serve patients at Thomson Medical Centre, the leading private healthcare services provider for women and children

Source: Company information

Note: Diagram shown above is for illustration purposes only, list of clinics shown is not exhaustive.

# Malaysia assets: TMCLS has a multi-disciplinary tertiary care hospital and is a leading provider of IVF services



## Hospital



- MRI machine



- Suite

## Specialty clinics



- Orthopaedic



- Women & Fertility Centre

## Awards



Global Health and Travel  
Awards 2016 and 2017  
Fertility Service Provider of  
the Year



- Catheterization lab



- Dialysis Centre



- ENT



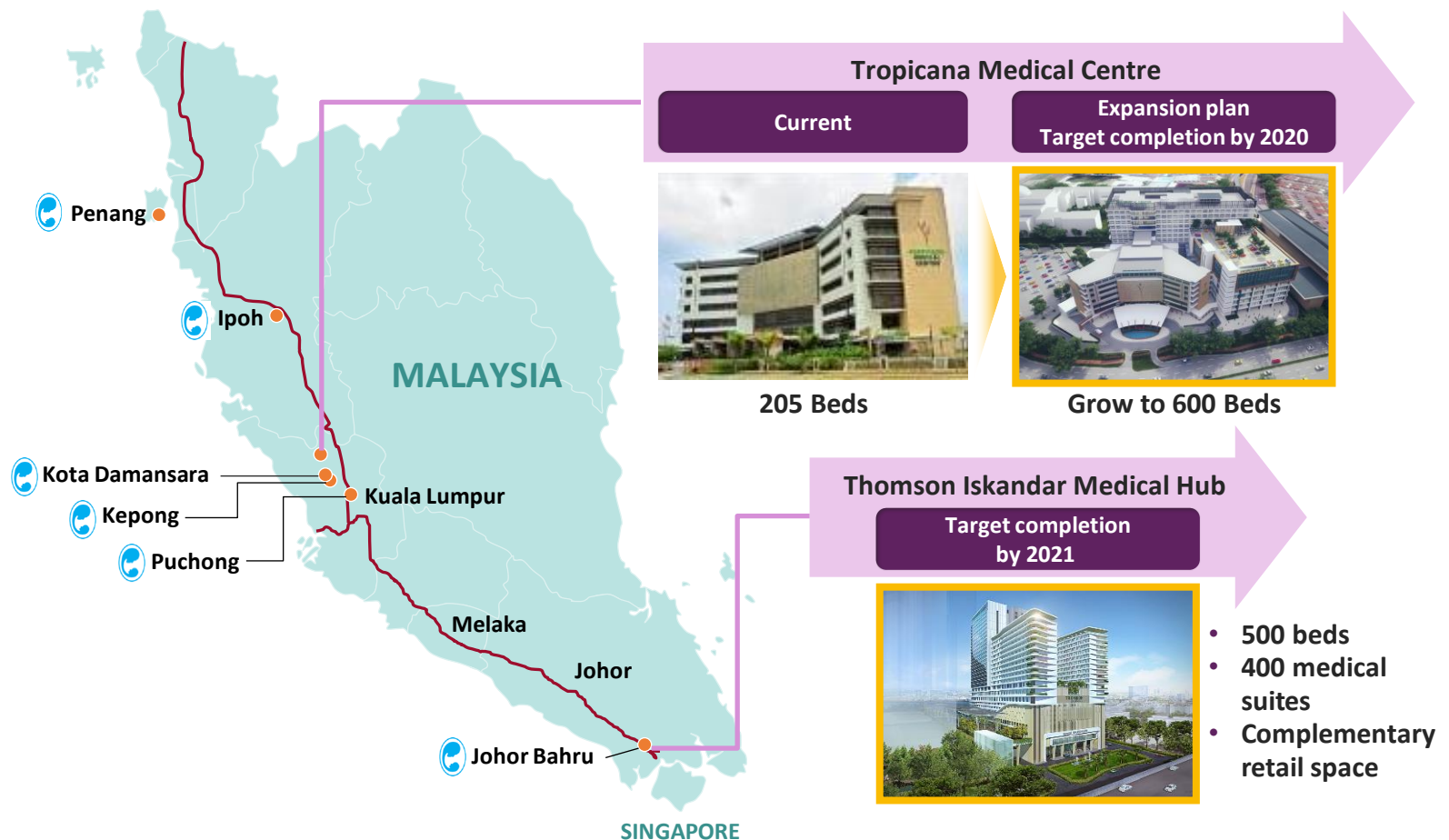
- Specialist Centre



International Fertility Clinic  
of the Year 2016 and 2017



# Malaysia assets: Network of hospital and fertility centres with strong quality accreditations and certifications



TMCLS plans to expand its hospital network through the expansion at Tropicana Medical Centre and construction of Hospital Iskandariah in Thomson Iskandar Medical Hub

# Strong heritage and brand equity as leading providers of healthcare services





# Multiple growth drivers and initiatives underway to capitalise on the increasing demand for healthcare services in the region



Singapore

## Thomson Medical Centre

- Expanded its operations to include new areas of specialties and services to care for women beyond maternity and their families across generations
- Grow beyond its current core obstetrics and gynaecology services into an integrated country-wide healthcare network by expanding its current service offerings and opening more new specialist clinics



Malaysia

## Tropicana Medical Centre

- Plans to make Tropicana Medical Centre at Kota Damansara one of the largest integrated healthcare campuses in the Klang Valley
- Expansion of capacity with 400 additional beds to create a 600-bed tertiary hospital



## Thomson Iskandar Medical Hub

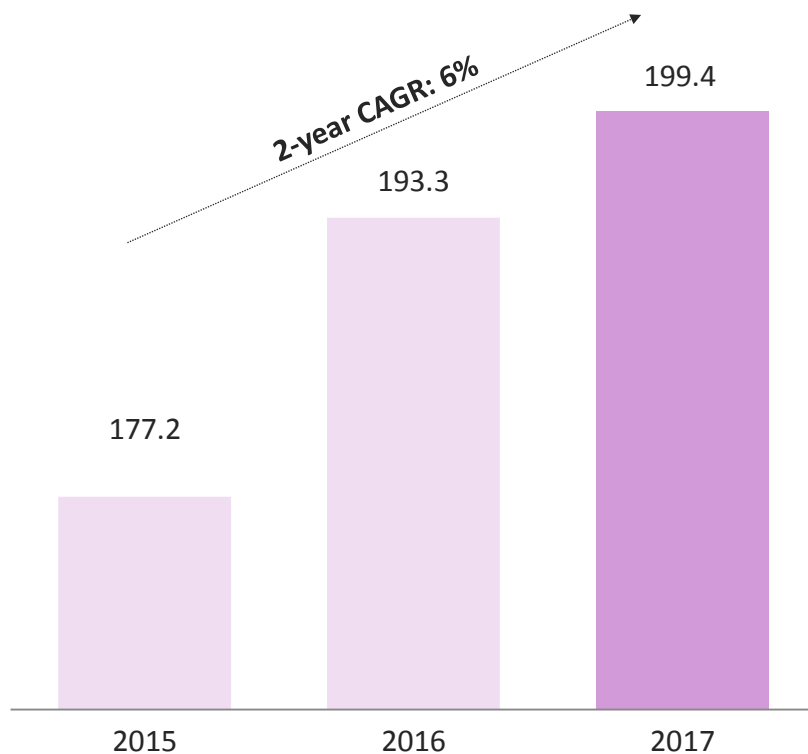
- Thomson Iskandar Medical Hub entails an integrated development that comprises a 500-bed hospital, 400-suite medical tower and complementary retail space
- This will be synergistic with Rowsley's Vantage Bay Healthcare City development, which is located adjacent to Thomson Iskandar Medical Hub
- The hospital will be equipped with state-of-the-art facilities and equipment



# Sasteria and its subsidiaries: Robust financial performance

## Revenue

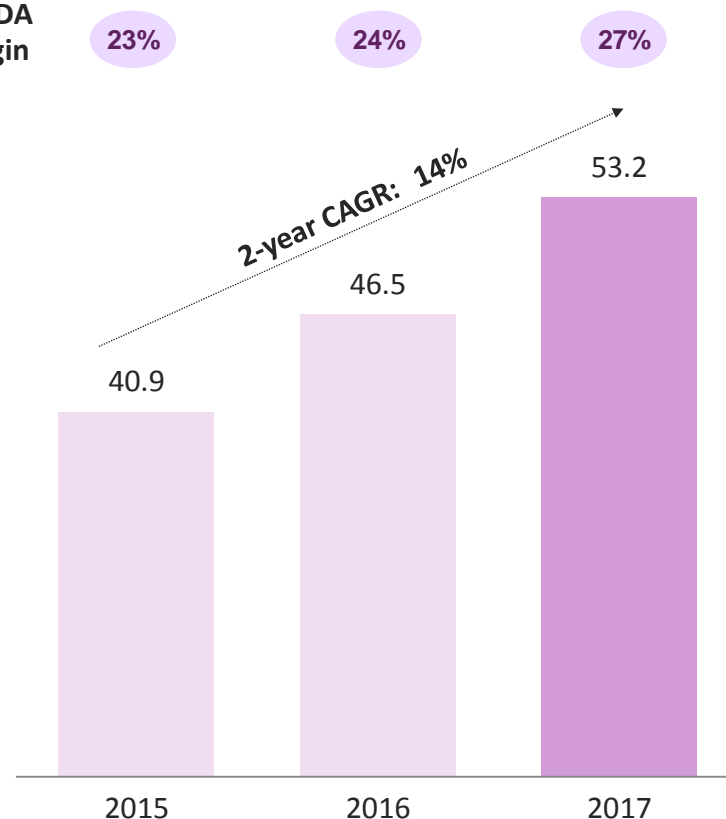
(in S\$m)



## EBITDA

(in S\$m)

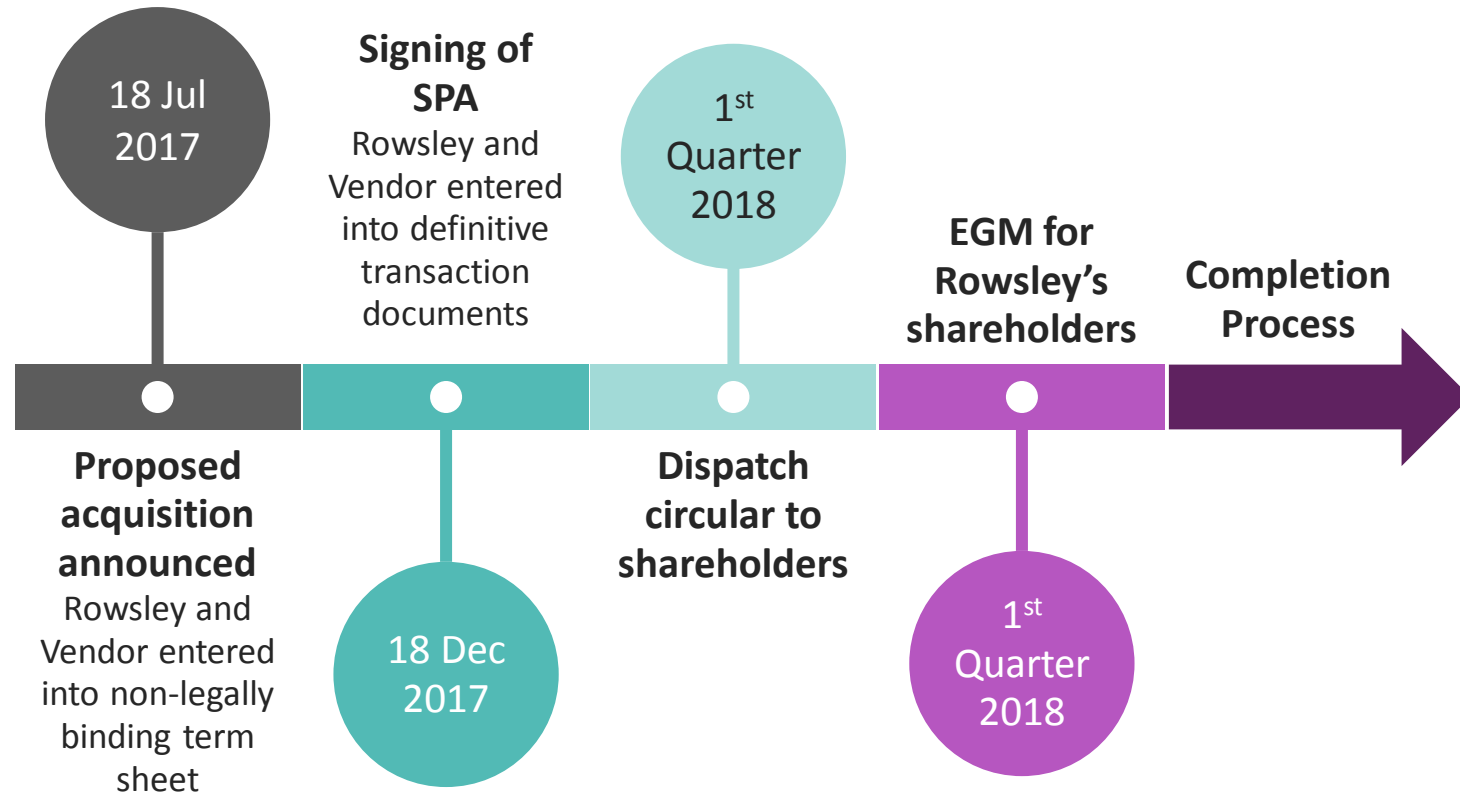
EBITDA  
margin  
(%)



Source: SGX announcement.

Note: Based on audited consolidated financial statements of the Sasteria and its subsidiaries for FY31/08/2015, FY31/08/2016 and FY31/08/2017.

# Indicative transaction timeline



Note: These are indicative timelines. Actual dates will be announced in due course.

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End of Presentation  
Thank You

