

ISEC HEALTHCARE LTD.
(Company Registration No. 201400185H)
(Incorporated in Singapore on 2 January 2014)

**INCORPORATION OF A JOINT VENTURE COMPANY
– ISEC (KUCHING) SDN. BHD.**

The Board of Directors (the “**Directors**”) of ISEC Healthcare Ltd. (the “**Company**”, or collectively with its subsidiaries, “**the Group**”) wishes to announce that on 15 July 2020, ISEC Sdn. Bhd. (“**ISEC Malaysia**”), a wholly owned subsidiary of the Company, has entered into a joint venture agreement (the “**JV Agreement**”) with an independent third party, Dr Chua Chung Nen (“**Dr Chua**”) to incorporate a joint venture company under the proposed name of “ISEC (Kuching) Sdn. Bhd.” (the “**JVC**”) to establish, operate and administer an ophthalmology centre of excellence in the city of Kuching, State of Sarawak in Malaysia. Dr Chua is a registered medical practitioner, and is licenced to practice Ophthalmology in the State of Sarawak.

The JVC will carry on the business of operating and administering an ophthalmology centre of excellence, providing medical consultations and services, which is subjected to all requisite approvals, licenses and permits under the Malaysia’s Private Healthcare and Facilities Act 1998, including for the establishment, maintenance and operation of the ophthalmology centre.

The initial issued share capital of the JVC shall be RM10,000 (equivalent to S\$3,257¹ based on the exchange rate of RM3.07:S\$1) comprising 10,000 ordinary shares, of which RM10,000 comprising 10,000 ordinary shares shall be issued as fully paid-up upon incorporation of the JVC, whilst the remaining RM1,990,000 comprising 1,990,000 ordinary shares shall be issued as unpaid shares which are to be paid-up by the respective shareholders at such times as the directors of the JVC may call upon. The table below reflects the paid-up share capital during incorporation and after the call to pay up the balance as follows:

Name of party	No. of ordinary shares to be issued as paid upon incorporation	Amount to be paid into JVC upon incorporation	Total to be paid-up for the initial ordinary shares (after calls by directors of JVC)	% of ordinary shares in the JVC
ISEC Malaysia	5,100	RM5,100	RM1,014,900	51%
Dr Chua	4,900	RM4,900	RM975,100	49%
Total	10,000	RM10,000	RM1,990,000	100%

Under a moratorium clause in the JV Agreement, subject to conditions² as set out in the JV Agreement, in which the shareholders shall not sell, dispose of, transfer or allot to any person (who is not a party to the JV Agreement) for a period of two (2) years from the date of execution of the JV Agreement except that ISEC Malaysia may at any time, sell and/or transfer all or any of its shares in the JVC to its related

¹ Unless otherwise indicated, the RM amounts in this announcement have been translated into S\$ amounts based on an exchange rate (middle rate) of S\$1 : RM3.07 as published on Bank Negara Malaysia’s website as at 5 p.m. on 15 July 2020.

² Dr Chua shall be permitted at any time during the term of this JV Agreement to transfer the shares held by him to a medical doctor or medical doctor(s) or any company(ies) controlled by such medical doctor(s) subject to Dr Chua having first obtained ISEC’s written consent to such transfer.

corporation (as defined in the Companies Act, 2016 of Malaysia), on condition that such transfer is subject to ISEC Malaysia's guarantee given to the other shareholders, guaranteeing the performance of its transferee related corporation's (as defined in the Companies Act, 2016 of Malaysia) performance of ISEC Malaysia's obligations under the JV Agreement.

The investment in the JVC will be funded by internal resources and is not expected to have any material impact on the consolidated net tangible assets per share or earnings per share of the Group for the current financial year ending 31 December 2020. Following the Company's investment in the JVC, the JVC will become an indirect subsidiary of the Company.

None of the Directors or controlling shareholders of the Company or their respective associates has any interest, direct or indirect, in the incorporation of the JVC (other than through their interests in the shares of the Company).

By Order of the Board

Dr. Lee Hung Ming
Executive Vice Chairman
15 July 2020

*This announcement has been prepared by the Company and its contents have been reviewed by PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**") in accordance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalist.*

This announcement has not been examined or approved by the SGX-ST. The SGX-ST assumes no responsibility for the contents of this announcement including the correctness of any of the information, statements or opinions made or reports contained in this announcement.

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).