

VICPLAS INTERNATIONAL LTD

The parent company of
Forefront Medical and Vicplas Holdings



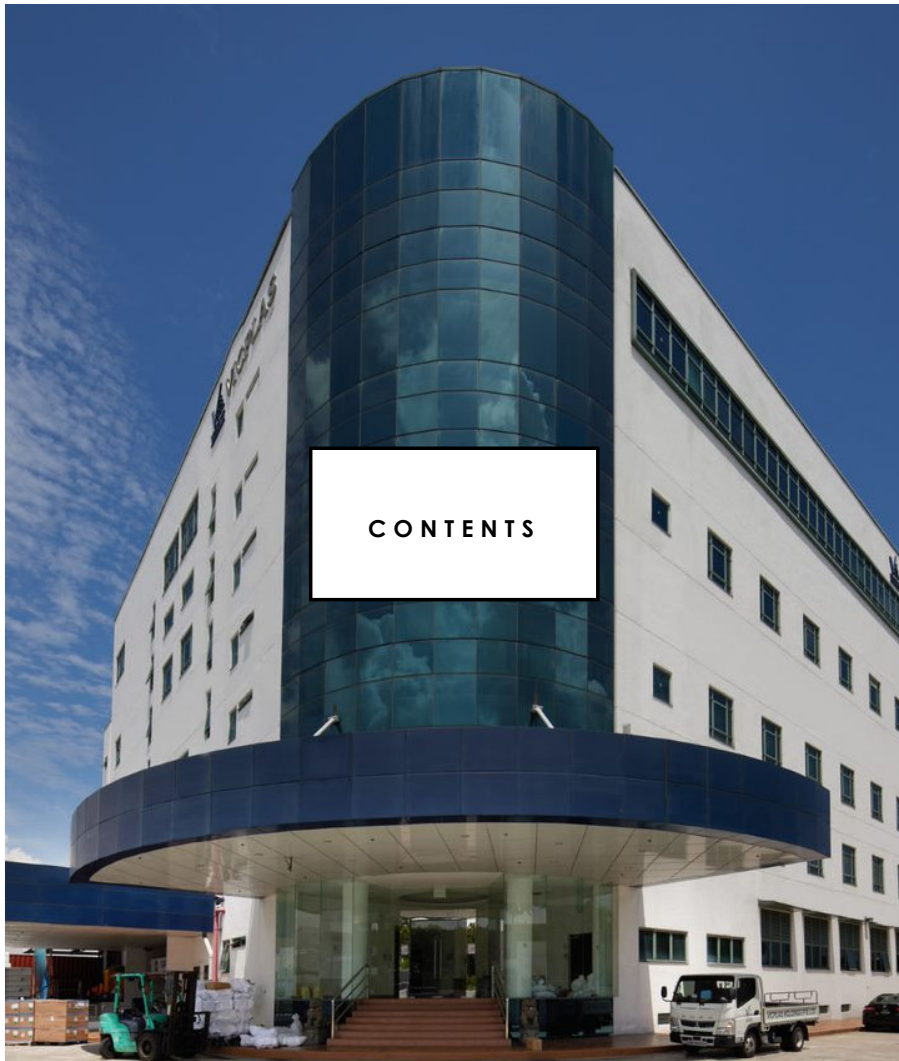
Corporate Presentation
FY2022 Results

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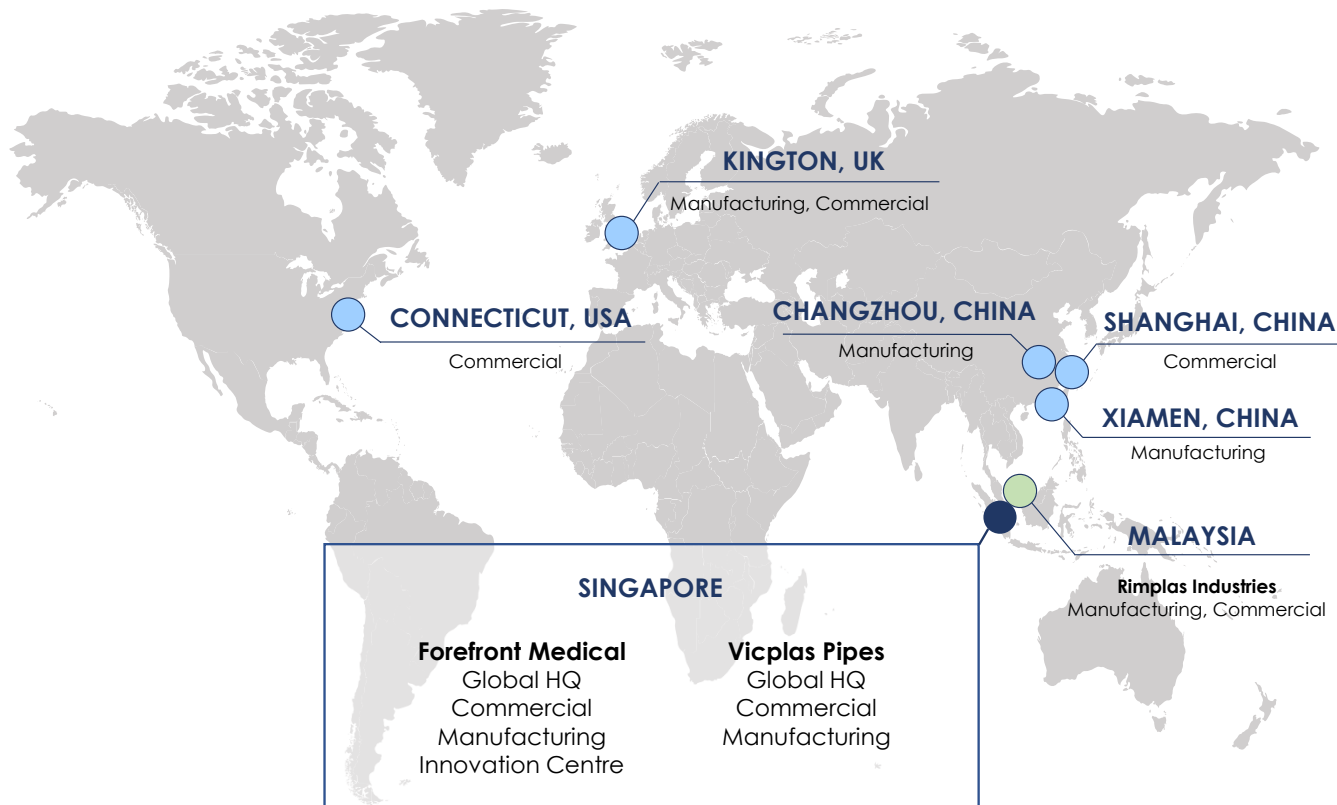
FOREFRONT MEDICAL
VICPLAS HOLDINGS

COMPANY OVERVIEW

VICPLAS INTERNATIONAL LTD



GLOBAL PRESENCE



Business Segments

Medical devices segment

Forefront Medical designs, develops and manufactures sterile and non-sterile medical devices

Pipes & pipe fittings segment

Vicplas Holdings ("Vicplas Pipes") manufactures and distributes piping systems for diverse industries

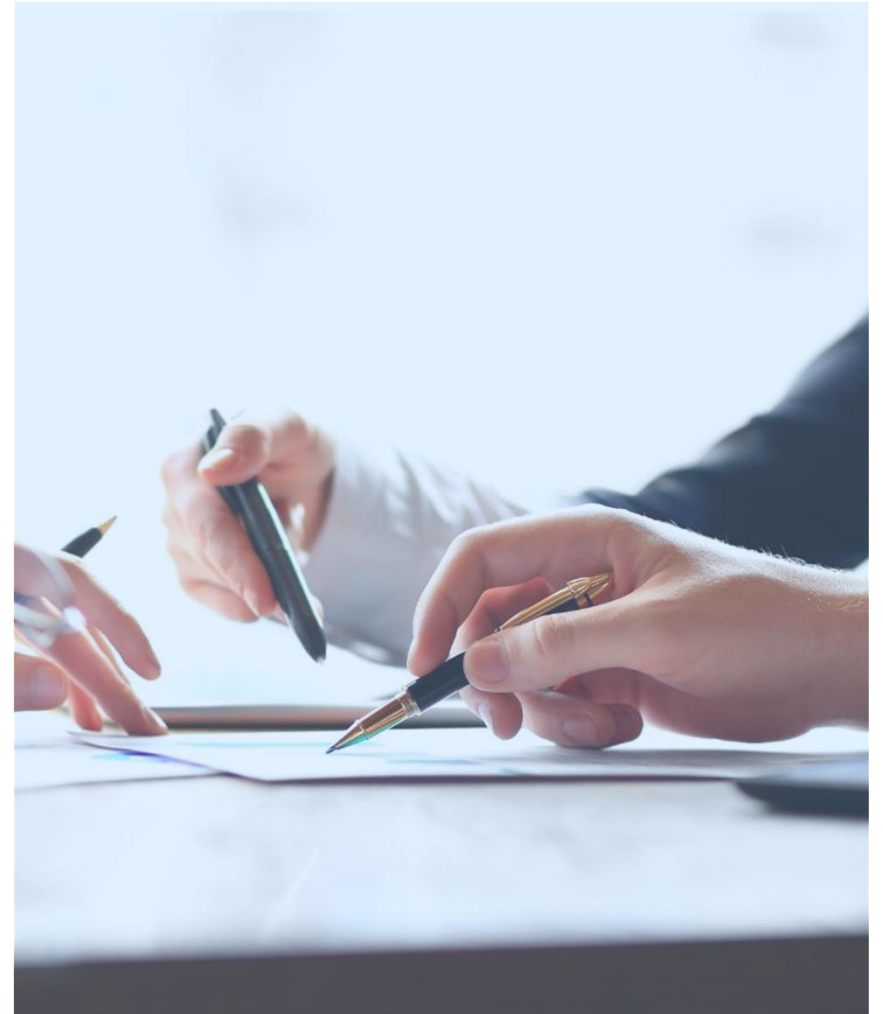
Total employees : 1,000+ worldwide

Accreditations

The subsidiaries in the pipes and pipe fittings segment have ISO9001:2015 quality certifications. Vicplas Holdings Pte Ltd additionally is ISO5001:2018, ISO14001:2015 and ISO45001:2018 certified. The subsidiaries in the medical devices segment have EN ISO13485:2016 quality certifications and with the exception of Xentiq (Pte.) Ltd., are registered under the United States Food and Drug Administration (FDA) as a "contract manufacturer for medical devices" and Accreditation certificate of foreign medical device manufacturer from Japan Ministry of Health, Labour and Welfare. Forefront Medical Investments Pte. Ltd. additionally has a Class A, B, C, D Medical Device manufacturer license registered under Health Science Authority (HAS) Singapore and Forefront Medical Technology (Jiangsu) Co., Ltd additionally has a Class II Medical Device Manufacturing License in China.

FINANCIAL INFORMATION

VICPLAS INTERNATIONAL LTD



FY2022 FINANCIAL OVERVIEW

Group revenue grew by 14.8% and net profit after tax fell by 15.0% compared to FY2021, affected by rising supply chain costs and other disruptions caused by the Covid-19 pandemic.

Adjusted EBITDA reduced by only 1.5% to S\$18.3M compared to FY2021. The Group is continuing to invest intensively, in particular to increase the global manufacturing footprint for the medical devices segment.

Medical devices segment continues positive growth momentum with segmental revenue growing by 15.5% although segmental results fell by 15.3% compared to FY2021.

Pipes and pipe fitting segmental revenue improved by 13.1% in FY2022 and segmental results improved by 42.0% as compared to FY2021.

Group

S\$'000	FY2022	FY2021	% Change
Revenue	130,808	113,945	14.8
Profit before Tax	11,006	12,304	-10.5
Net Profit after Tax	8,839	10,403	-15.0
Net Profit Margin	6.8%	9.1%	-2.3
Adjusted EBITDA¹	18,299	18,585	-1.5

Segment

S\$'000		FY2022	FY2021	% Change
Medical Devices	Revenue	92,601	80,166	15.5
	Segmental Results²	10,229	12,073	-15.3
Pipes & Pipe Fittings	Revenue	38,207	33,779	13.1
	Segmental Results²	4,503	3,172	42.0

¹ Adjusted EBITDA refers to earnings before interest, tax, depreciation and amortization; and excludes unrealised foreign exchange.

² The segmental results of the medical devices segment and pipes and pipe fittings segment are before corporate, interest and tax expenses as set out in Note 4 of the Condensed Interim Financial Statements.

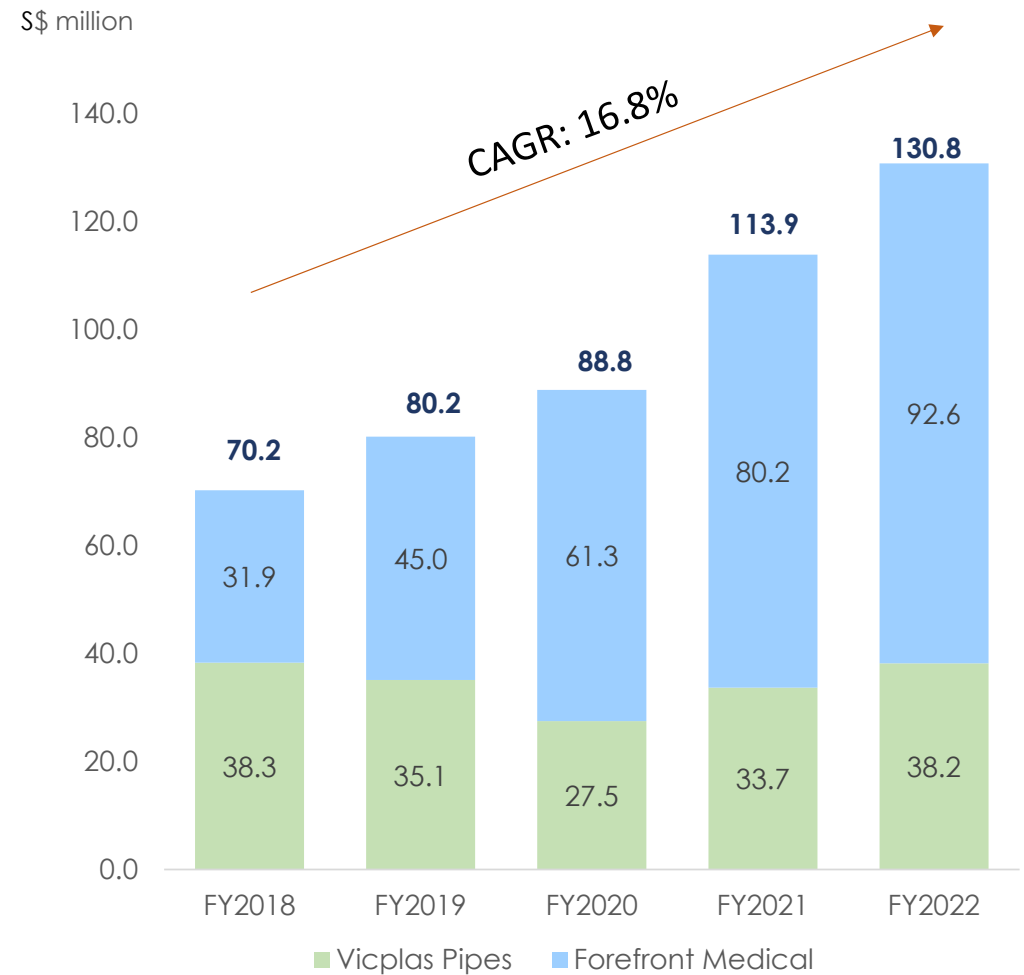
REVENUE GROWTH

Over the past five financial years, we achieved steady revenue growth with a CAGR of 16.8%. Growth is expected to continue, but the rate of growth can be expected to moderate with a higher base.

Forefront Medical's contribution to Group revenue continues to grow as the Group steadily transforms into a medical device-focused group.

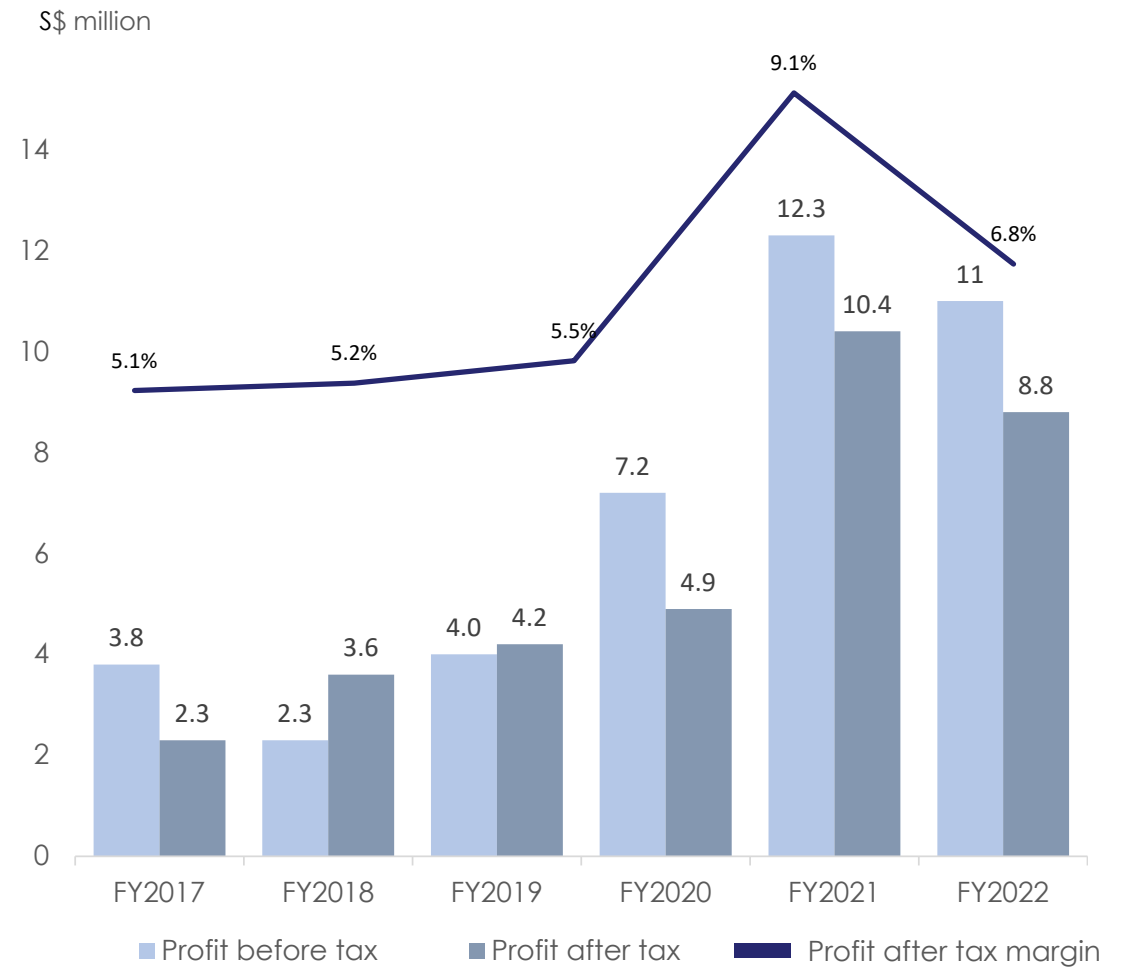
Vicplas Pipes, an industry leader in the mature pipes and pipe fittings segment, is seeing a recovery alongside the construction industry in Singapore. With a manufacturing presence in Singapore, it is well positioned to support customers as the domestic construction industry continues its growth momentum.

Vicplas Pipes provides a stable foundation while Forefront Medical pursues accelerated growth in the growing medical devices segment.



PROFIT GROWTH

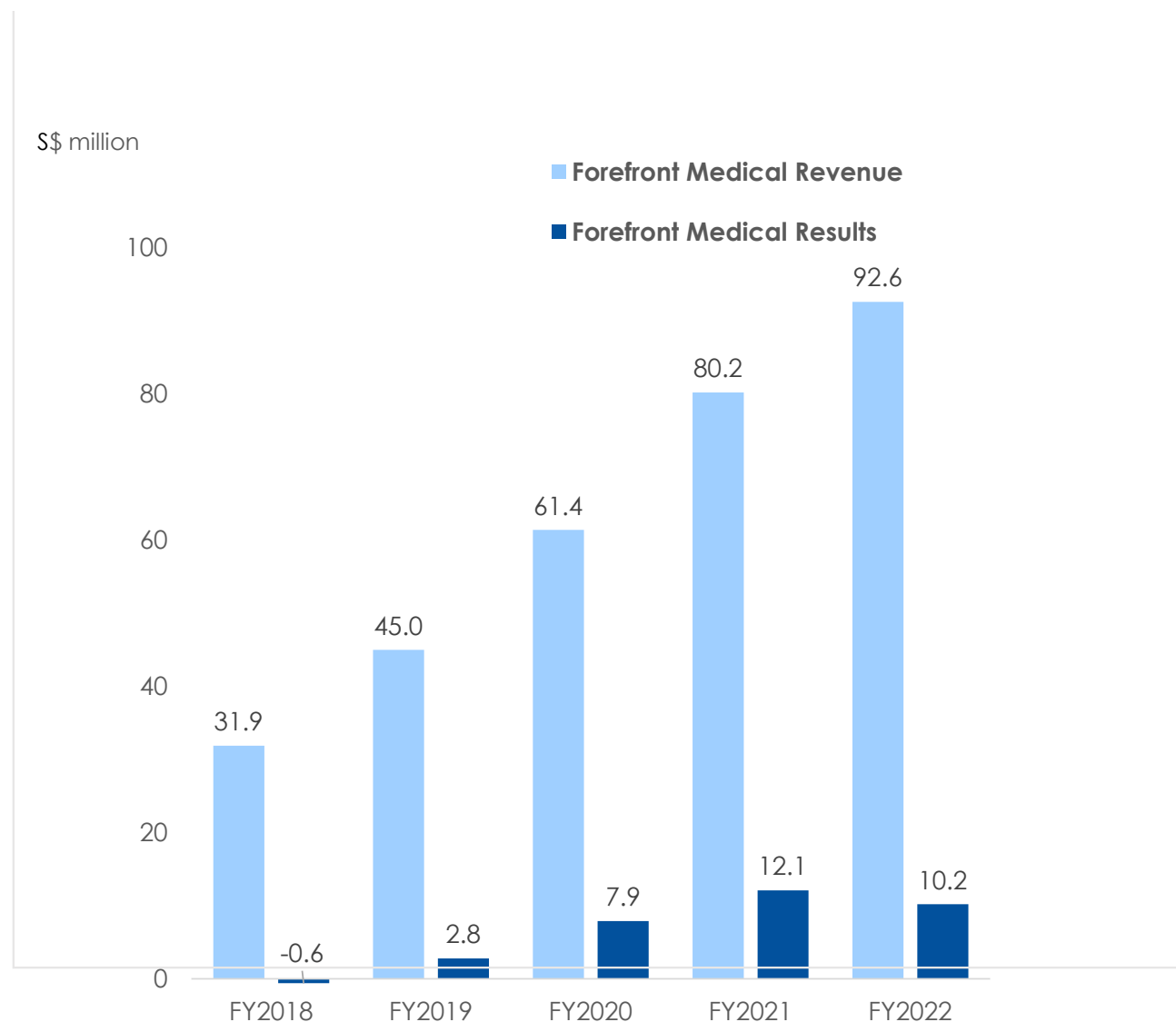
For FY2022, our net margin has been affected by increased raw material and energy costs, higher headcount and repairs & maintenance costs to support the higher revenue, higher tax expense, as well as the non-recurrence of Covid-19 related government subsidies.



SEGMENTAL RESULTS – FOREFRONT MEDICAL

Forefront Medical continues its growth momentum of recent years with increased orders from its customers.

Posted a strong segmental result* which was impacted by rising supply chain costs and other disruptions caused by the Covid-19 pandemic, as well as higher costs associated with business expansion through increasing manufacturing plant capacity, and onboarding additional technical and business development resources.

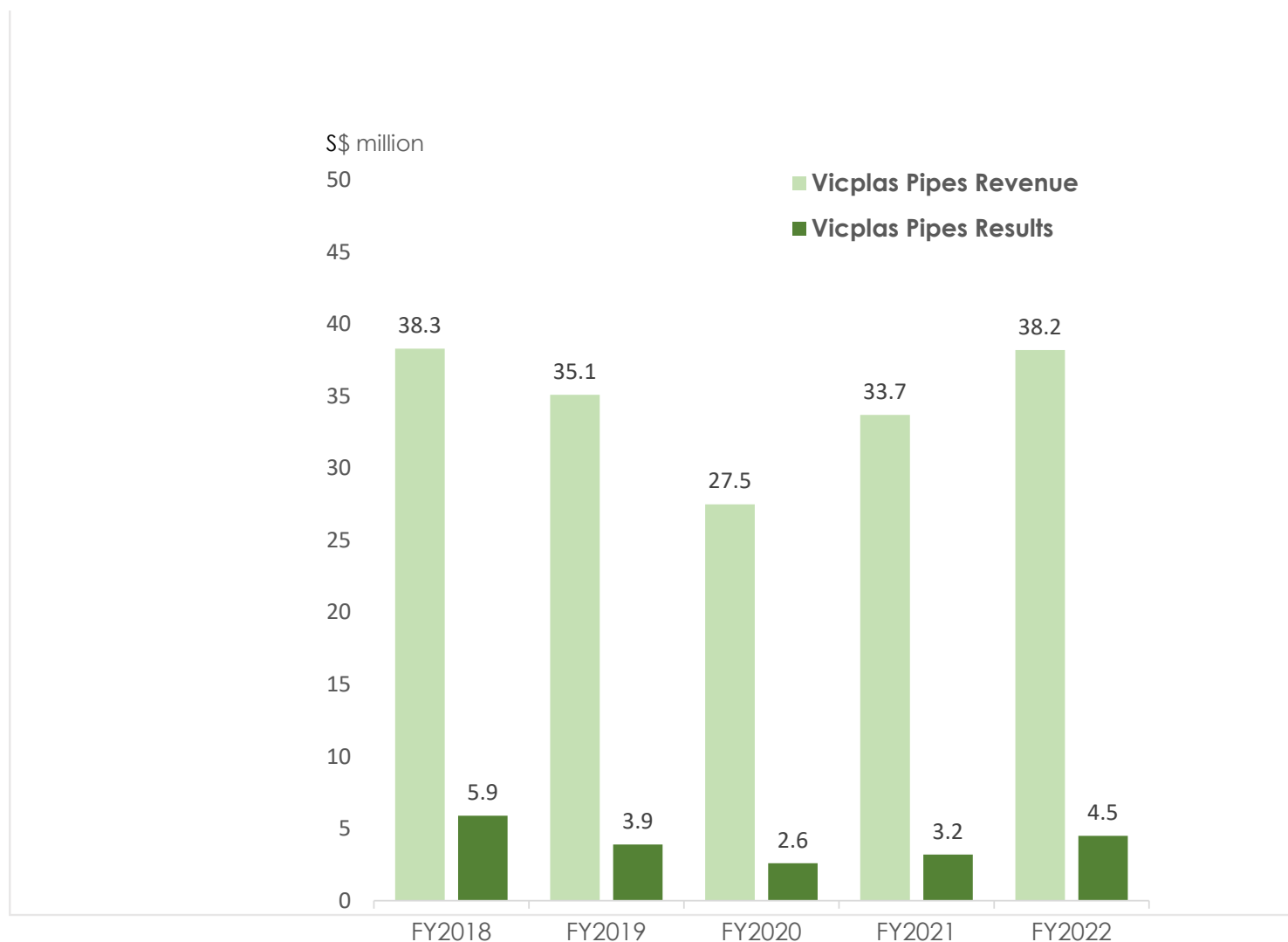


*The segmental results of the medical devices segment and pipes and pipe fittings segment are before corporate, interest and tax expenses as set out in Note 4 of the Condensed Interim Financial Statements.

SEGMENTAL RESULTS – VICPLAS PIPES

Vicplas Pipes' FY2022 revenue improved alongside the recovery of the construction industry in Singapore.

Segmental result* for FY2022 showed a marked improvement, despite higher material and overheads cost



*The segmental results of the medical devices segment and pipes and pipe fittings segment are before corporate, interest and tax expenses as set out in Note 4 of the Condensed Interim Financial Statements.

MEDICAL DEVICES

Walter Tarca
President

FOREFRONT
MEDICAL

WWW.FOREFRONTMEDICAL.COM

OUR VISION

To be a leading global medical device manufacturing partner with solutions that are preferred by product owners

- 100% focused on manufacturing quality devices for the medical device industry
- Global customer base in five continents
- More than 900 employees
- Committed to providing our customers and their patients with innovative and cost-effective medical devices to enable continuous improvements in healthcare





Singapore – Corporate HQ



Changzhou, China



Xiamen, China



GLOBAL PRESENCE

Manufacturing Sites

- Singapore – Corporate HQ (7,410m²)
- Xiamen, China (7,000m²)
- Changzhou, China (7,024m² + 7,000m² extension)
- Kington, UK (2,600m²)

Commercial Offices

- Singapore
- Shanghai, China
- Connecticut, USA
- Kington, UK

OPPORTUNITIES

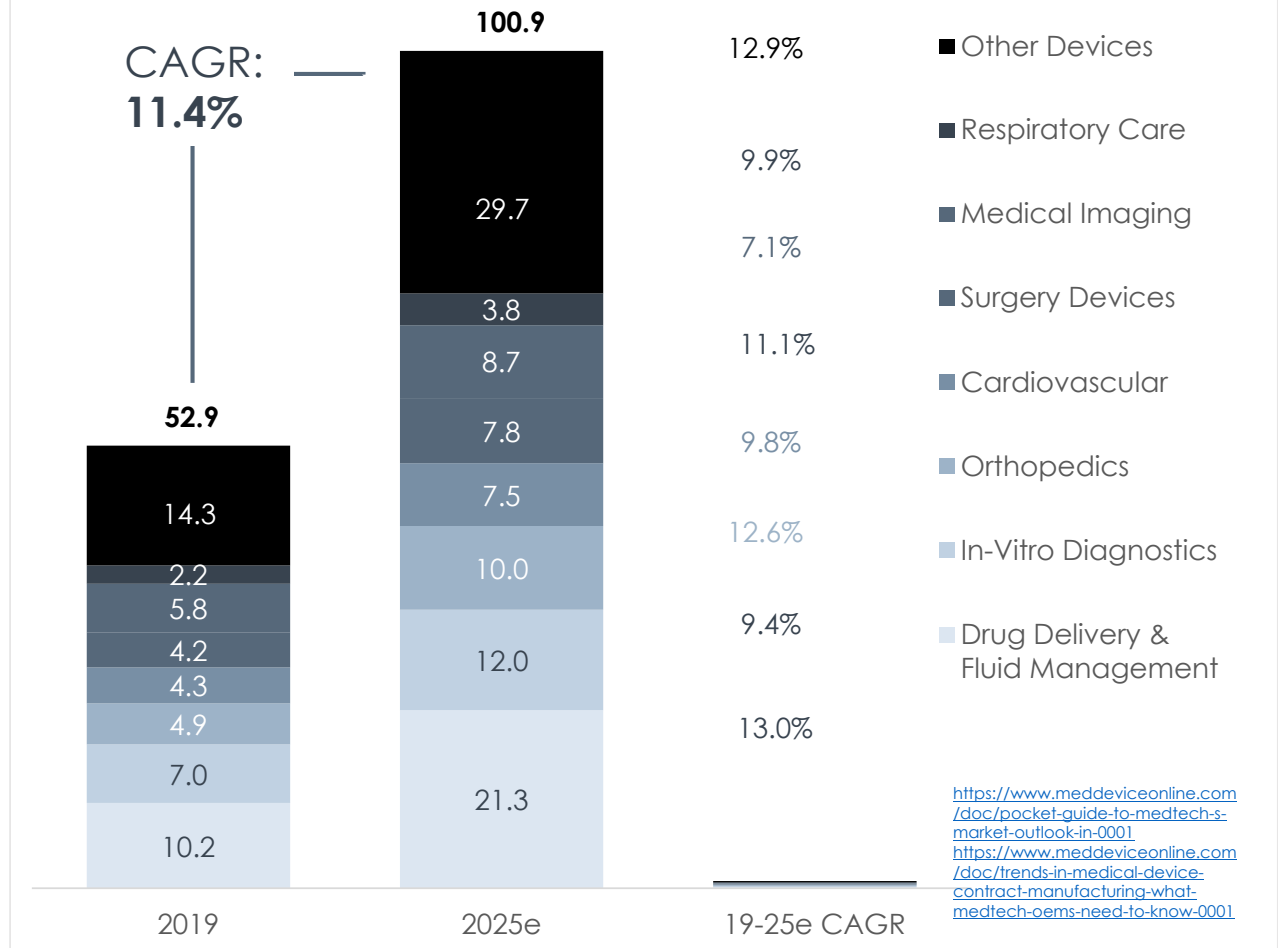
A GROWING INDUSTRY

The MedTech contract manufacturing market is expected to grow by an average of 11.4% year-on-year through 2025.

Key drivers:

- Ageing population
- Increased demand for improved healthcare in developing markets
- Increased willingness by product owners to outsource manufacturing to trusted partners that can fully support product and process innovation

MedTech CDMO Market by Application: 2019-2025e (US\$B)



OUR BUSINESS

OUR MEDICAL DEVICE PORTFOLIO

- Vascular
- Pharmaceutical Bottles
- Surgical Devices
- Respiratory
- Orthodontics
- Airway Management
- PPE Gowns / Nasal Swabs
- Endoscopy
- Drug Delivery
- Diagnostics



EXTENSIVE IN-HOUSE CAPABILITIES

FROM CONCEPT TO MANUFACTURING



PediGuard
for Spinal
Surgery



Feeding PVC
Tube with
Tungsten



Laryngeal
Mask with
LSR Cuff



Reinforced
Extruded
Silicone Tube

Design & Development	<ul style="list-style-type: none"> Product Concept & Realisation Electronics, Software, Metal Parts 	
Rapid Prototyping		
Plastic & LSR Tooling	<ul style="list-style-type: none"> In-house Toolroom & Design Team Insert Mould 	<ul style="list-style-type: none"> Micro Mould 2K Mould Stack Mould
Moulding Capabilities	<ul style="list-style-type: none"> Wide Range of Materials Injection Extrusion 	<ul style="list-style-type: none"> Injection Blow Extrusion Blow
Production	<ul style="list-style-type: none"> Cleanroom Facility Pilot/Trial Run 	<ul style="list-style-type: none"> Low Mix High Volume High Mix Low Volume
Quality	<ul style="list-style-type: none"> ISO 13485 FDA 510K 	<ul style="list-style-type: none"> CE Mark IQ/OQ/PQ
Assembly	<ul style="list-style-type: none"> Manual Assembly High Speed Automation 	
Secondary Processes	<ul style="list-style-type: none"> Hydrophilic Coating RF Tipping & Forming 	<ul style="list-style-type: none"> Pad Printing Bonding & Welding
Packing	<ul style="list-style-type: none"> Rigid Blister Soft Blister 	<ul style="list-style-type: none"> Tyvek Pouch Pallet Optimisation
Sterillization	<ul style="list-style-type: none"> EtO Gamma 	<ul style="list-style-type: none"> Autoclave E-Beam

FY2022 HIGHLIGHTS

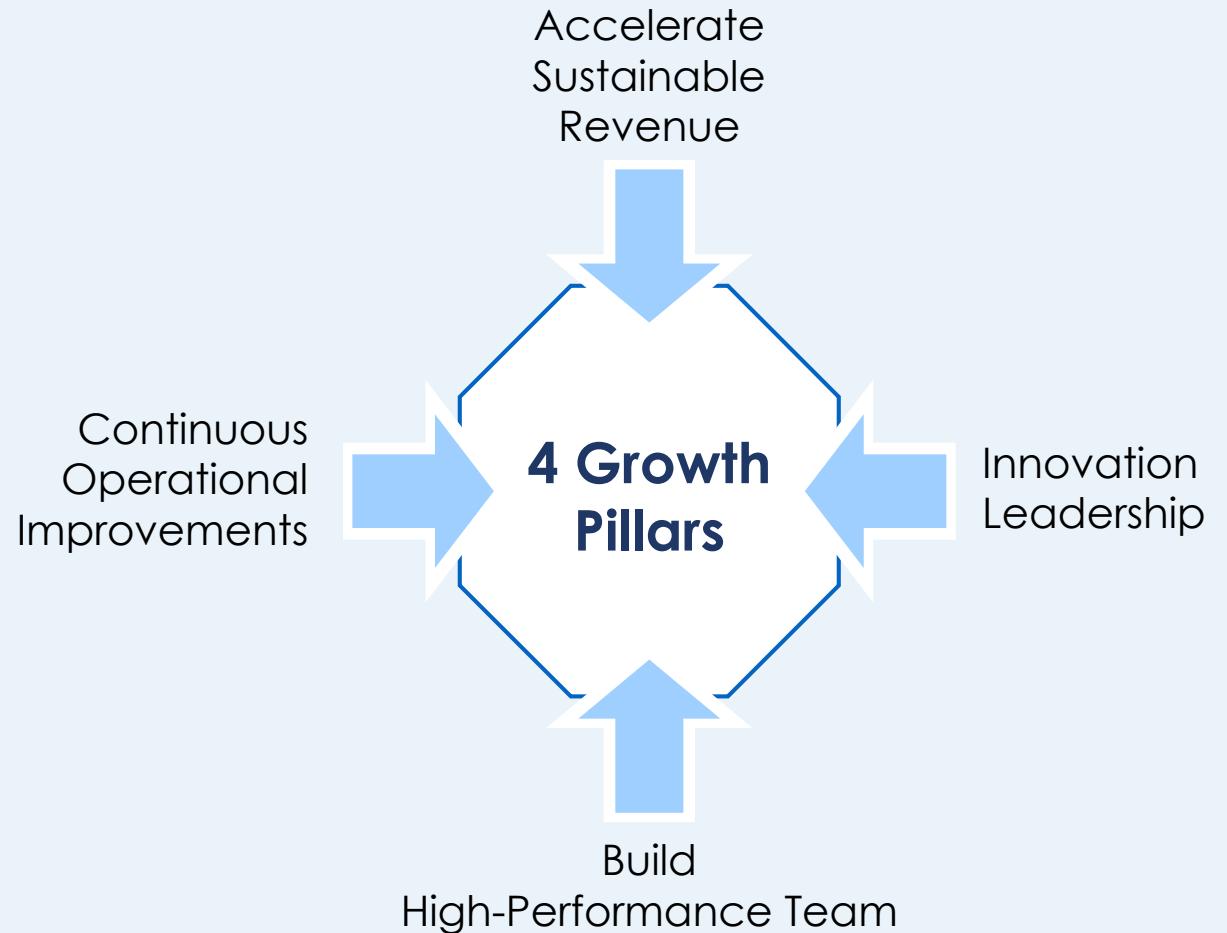
- Continued efforts to build a company that is resourceful, flexible and resilient to build long term partnerships and sustainability for our stakeholders
- The segment improved on performance in FY2022 with a revenue growth increase of 15.5% notwithstanding disruptions and delays arising from the Covid-19 pandemic
- The segmental result of S\$10.2M was affected by rising supply chain costs and other disruptions caused by Covid-19 pandemic, as well as higher business expansion costs due to increased manufacturing capacity and onboarding of additional technical and business development resources to meet current and future demand
- Changzhou plant extension was completed at the end of FY2022 and additional revenues from the extended footprint expected in the first half of FY23
- Newly awarded projects continued to be commercialised and will feed into the revenue stream in the next few years and continued to expand global customer base



ACHIEVING OUR VISION

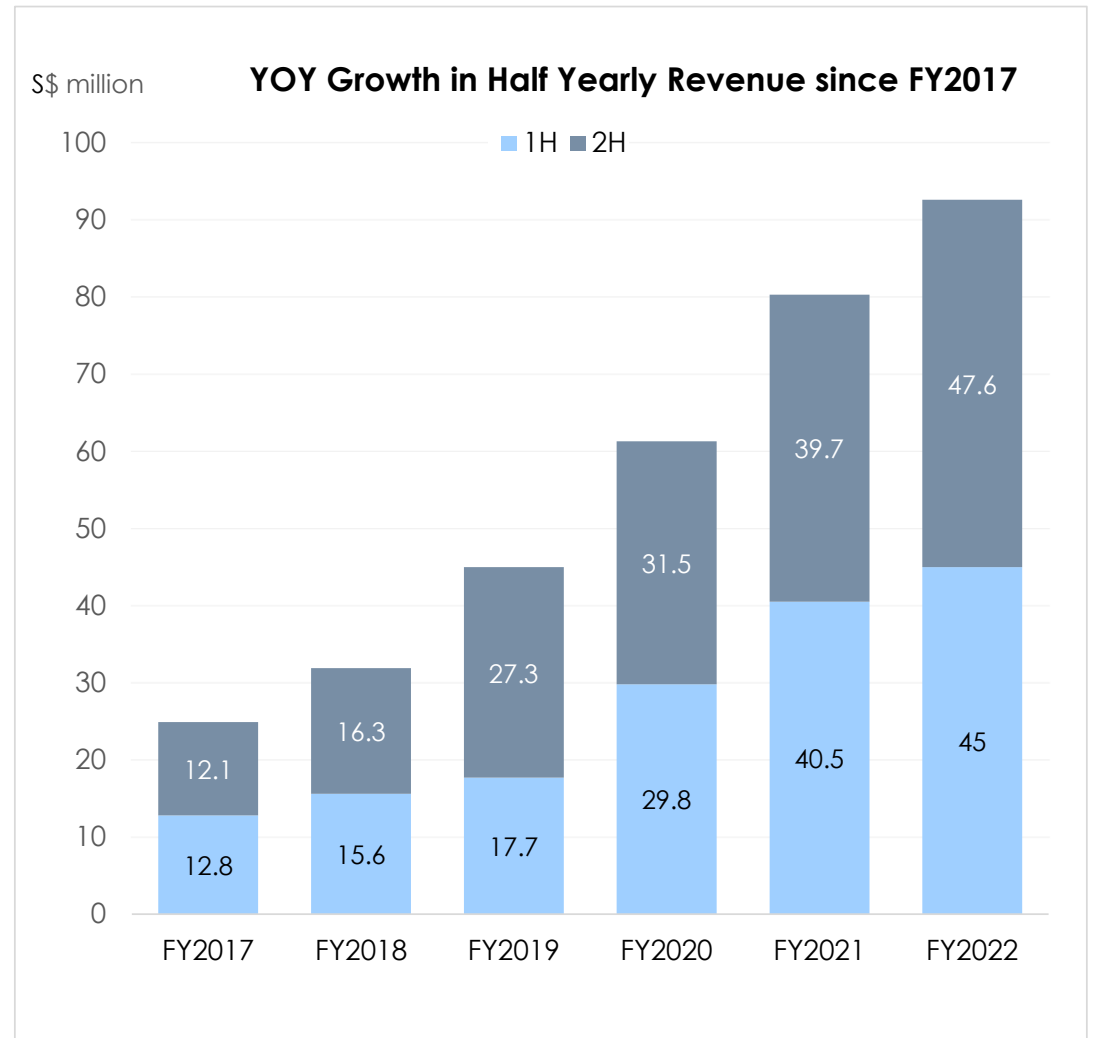
OUR STRATEGIC INTENT

To improve profitability by delivering great solutions for our customers and building sustainable value for all our stakeholders



FINANCIAL RESULTS

SUSTAINED YEAR-ON-YEAR SALES GROWTH



OUR STRATEGIC PRIORITIES

1. ACCELERATE CAPITAL INVESTMENTS

- Broaden global footprint to satisfy demand and improve flexibility for new customers
 - Changzhou extension completed
 - Juarez, Mexico Plant
- Implement factory I.4 initiatives to drive operational efficiency improvements

2. DRIVE CAPABILITY IMPROVEMENTS & INNOVATION

- Build expanded capabilities in medical extrusions ,in-vitro diagnostics and electro-mechanical devices to strengthen new revenue streams
- Continued investment in collaborative projects with MedTech product owners to expand our capabilities and drive growth

3. BUILD A HIGH-PERFORMANCE TEAM TO DRIVE GROWTH

- Continue to develop and provide opportunities for our highly engaged, tenured team
- Invest in additional MedTech talent pool to drive new revenue streams and manage growth

REVENUE GROWTH MOMENTUM

BUSINESS OUTLOOK

- Continue to be optimistic about long-term growth opportunities in medical device manufacturing globally because of expected market growth and our increasing capability
- Optimism must be tempered by caution in the face of a macro environment of some uncertainty due to current international trading conditions and inflationary pressures
- Positive revenue momentum to continue as segment grows its customer base coupled with planned improvements to product mix, plant efficiency and utilisation
- Forefront continues to invest intensively as it scales up its global footprint to meet both current and future customer demand. Plan to invest in its fifth manufacturing location in Mexico to provide operational diversity, additional space to meet growth expectations and resilience for our customer base.

PIPES & PIPE FITTINGS

Jay Cheng
Group Operations Director

VICPLAS
PIPES

WWW.VICPLAS.COM.SG

A SUSTAINABLE BUSINESS

ABOUT US

Vicplas Pipes is a leading solutions provider in the plastic pipe manufacturing industry. Our uPVC piping systems are found in a majority of residential homes across Singapore. Our market leadership is built on the quality and reliability of our products. They are commonly found in:

- **Plumbing and Electrical Works** across residential, commercial, institutional, industrial and other buildings
- **Civil Engineering Works** ranging from telecommunication and power grid pipelines to infrastructure works

OUR VALUE PROPOSITION TO CUSTOMERS

Solutions Provider



Proactively look for new product development opportunities to fill industry gaps and meet emerging needs

Operational Efficiency



Invest in new technologies and improve existing processes to enhance operational and manufacturing efficiency



Product Reliability

Conduct regular quality checks to ensure that our products meet our stringent quality standards and applicable regulatory requirements



Green Initiatives

Contribute to a cleaner and greener future by developing environmentally friendly products

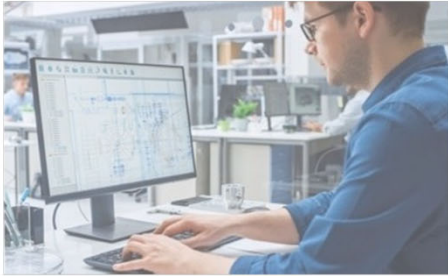


Research & Development

Constantly explore new possibilities in the design and manufacture of our products

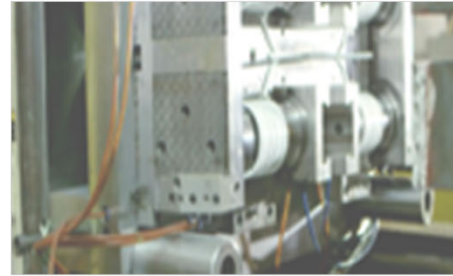


OUR CORE CAPABILITIES



Product Design

Develop practical, cost-efficient solutions that evolve with the changing needs of our customers.



Processing Techniques

Proficient across a range of polymer processing techniques and are able to offer injection, extrusion, thermal forming and fabrication processes.



Tool Fabrication

Equipped with in-house mould design and fabrication capabilities.



Materials Know-how

Extensive working knowledge of polymeric materials such as engineering plastics, specialty elastomers, composites and more.

Vicplas Pipes' products are all certified by international testing bodies to meet the industry standards of product quality.



PRODUCT APPLICATIONS



BUILDINGS

- Residential homes
- Commercial buildings
- Institutional buildings
- Industrial / Others



HYDRO-AGRICULTURE

- Plastic pipes
- Plastic channels



CIVIL ENGINEERING

- Telecommunication pipelines
- Power grid pipelines
- Infrastructure works

FY2022 HIGHLIGHTS

- FY2022 revenue increased by 13.1% alongside recovery of Singapore's construction industry from disruptions caused by Covid-19 pandemic
- Segmental result for FY2022 improved by 42.0% from FY2021 despite higher material and overheads costs
- While the segment expects higher revenue from the brightened outlook, it continues to face increasing competition and cost pressures



BUSINESS OUTLOOK

OPPORTUNITIES AMIDST CHALLENGING ENVIRONMENT

- Well positioned to support customers with its local manufacturing presence as Singapore's construction industry continues its growth momentum
- SGBC Green Check Marks certification paves the way for opportunities for piping systems adopted in green buildings

PRUDENT AND FOCUSED GROWTH

- Continue to operate prudently and drive operational efficiencies through continuous improvement
- Focused on pipeline of civil engineering projects relating to the building of new townships in Singapore as more public housing units are expected to be released over the next few years



THANK
YOU

Vicplas International Ltd

Reg No: 199805362R

www.vicplas.com