



ISEC HEALTHCARE LTD.
Company Registration Number: 201400185H
(Incorporated in the Republic of Singapore)

SUBSCRIPTION OF SHARES IN I MEDICAL & AESTHETICS PTE. LTD.

1. INTRODUCTION

The Board of Directors (the “**Board**”) of ISEC Healthcare Ltd. (the “**Company**” and collectively with its subsidiaries, the “**Group**”) wishes to announce that its wholly-owned subsidiary, JL Medical (Bukit Batok) Pte. Ltd. (“**JLMBB**”), has on 20 August 2018 completed a subscription of 250,000 ordinary shares (“**Subscription**”) in I Medical & Aesthetics Pte. Ltd. (“**I Medical & Aesthetics**”) and entered into a shareholders agreement (“**SHA**”) with 3 third parties, namely Dr David Loh Kwok Thye (“**Dr David**”), Dr Lee Wee Chieh (“**Dr Lee**”) and Dr Yang Cindy (“**Dr Cindy**”) (collectively, the “**Existing IMA Shareholders**”) to, *inter alia*, govern the arrangements relating to the management, operations and affairs of I Medical & Aesthetics and to regulate their rights and obligations as shareholders of I Medical & Aesthetics.

2. I MEDICAL & AESTHETICS

2.1 Business of I Medical & Aesthetics

I Medical & Aesthetics is a private limited company incorporated under the laws of the Republic of Singapore, with its principal business being the provision of general medical services, including the provision of general medical consultations and aesthetics services in Singapore. I Medical & Aesthetics currently operates one clinic, which has been in operation since January 2018.

2.2 Subscription

As at the date of this announcement, the share capital of I Medical & Aesthetics is S\$1,000,000.00, comprising 1,000,000 ordinary shares in I Medical & Aesthetics (“**Shares**”) and each of Dr David, Dr Lee, Dr Cindy and JLMBB holds 250,000 Shares which were subscribed for at an issue price of S\$1.00 per Share. Following the completion of the Subscription, I Medical & Aesthetics is an indirect 25% owned associated company of the Company.

The aggregate amount of investment by the Group in I Medical & Aesthetics of S\$250,000 in respect of the Subscription was paid in cash on the completion of the Subscription. The issue price of S\$1.00 per Share and the amount of investment in I Medical & Aesthetics were determined on a willing buyer willing seller basis, having regard to *inter alia*, the projected start-up costs and

working capital requirements of I Medical & Aesthetics. Based on the unaudited management accounts, I Medical & Aesthetics has a net liability value of S\$284,369 as at 30 June 2018.

The Subscription was funded from the net proceeds of the initial public offering (“IPO”) of the Company. Following the completion of the Subscription, the status on the use of the IPO net proceeds is as follows:

	Amount allocated S\$'000	Amount allocated pursuant to reallocation of unutilised listing expenses S\$'000	Amount utilised S\$'000	Balance S\$'000
Business expansion in the Asia Pacific region (including Malaysia and Singapore)	13,800	300	(12,829) ⁽¹⁾	1,271
General working capital	2,500	-	(2,500) ⁽²⁾	-
Total	16,300	300	(15,329)	1,271

- (1) Utilised for the acquisition of Southern Specialist Eye Centre Sdn. Bhd. (“SSEC”) and JLM Companies (comprising JL Medical (Bukit Batok) Pte. Ltd., JL Medical (Sembawang) Pte. Ltd., JL Medical (Woodlands) Pte. Ltd. and JL Medical (Yew Tee) Pte. Ltd.), joint venture into ISEC Myanmar Co., Ltd. (“ISEC Myanmar”) and subscription of shares in I Medical & Aesthetics:

	Acquisition of SSEC S\$'000	Acquisition of the JLM Companies S\$'000	Joint venture into ISEC Myanmar S\$'000	Subscription of shares in I Medical & Aesthetics S\$'000	Total S\$'000
Cash consideration	5,204	6,971	-	250	12,425
Administrative expenses	122	268	14	-	404
Total	5,326	7,239	14	250	12,829

- (2) Utilised for general working capital:

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

3. DETAILS OF THE EXISTING IMA SHAREHOLDERS

3.1 Dr David

Dr David is a registered medical practitioner and licensed to provide general medical care services and aesthetics services in Singapore.

3.2 Dr Lee

Dr Lee is a registered medical practitioner and licensed to provide general medical care services in Singapore. Dr Lee is the brother of Dr Lee Yeng Fen, spouse of Dr Lee Hung Ming, the Executive Vice Chairman of the Company.

3.3 Dr Cindy

Dr Cindy is a registered medical practitioner and licensed to provide general medical care services and aesthetics services in Singapore.

4. RATIONALE FOR THE SUBSCRIPTION

The investment in I Medical & Aesthetics offers the Group new business opportunities in the field of general medical consultations and aesthetics services in Singapore. In addition to diversifying the revenue stream, the investment also offers the possibility of synergistic partnerships and cross-selling with the Group's existing business of specialist medical eye care services.

5. FINANCIAL EFFECT

The Subscription is not expected to have any material impact on the consolidated net tangible assets and earnings per share of the Group for the current financial year ending 31 December 2018.

6. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Other than through their interests in the shares of the Company and as set out above, none of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Subscription or I Medical & Aesthetics.

By Order of the Board of Directors

Dr Wong Jun Shyan
Executive Director and Chief Executive Officer
20 August 2018

This announcement has been prepared by the Company and its contents have been reviewed by the PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor") for compliance with the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalyst. The Sponsor has not verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGXST assume no responsibility for the contents of this announcement including the accuracy, completeness or 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).