



MEDIA RELEASE

ALBEDO BUYS STAKE IN TAIWAN MEDICAL GROUP AS SPRINGBOARD TO CHINA

- *Proposed deal gives Albedo a platform into China's buoyant healthcare sector*
- *Albedo will own 51% of established Taiwanese aesthetic medicine group*

Singapore, 11 June 2015 – Albedo Limited, a Singapore-listed steel trading company, said today it has bought a majority stake in a Taiwanese aesthetic medicine group which would serve as a springboard for its expansion into China's fast-growing healthcare market.

Albedo has agreed to buy a 51% stake in China iMyth Company Pte Ltd, a Singapore incorporated company, from China Medical Investments Company Pte Limited (CMIC), a company with interest in health services in Taiwan and China. The remaining 49% of China iMyth is owned by Taiwan's plastic surgeon expert Dr Chung Yih-Chen, who is also its Managing Director.

China iMyth, led by Dr Chung with a group of Taiwanese doctors, operates two health and beauty clinics in Taipei, which focuses on adult stem cell store, aesthetic medicine and plastic surgery, as well as cell anti-aging and high-end medical services. The company jointly operates orthopaedic beauty hospitals in Shanghai and Zhengzhou, and provides medical advisory and technical support in Guangzhou.

Under the terms of the deal signed today, Albedo will pay approximately \$18.9 million to CMIC for the stake in China iMyth. The payment will comprise \$12 million in cash and 550 million shares at an issue price of \$0.0125 a share. The issue price is equivalent to the volume weighted



average price (VWAP) of the shares on 8 June 2015, which is the last market day preceding the date of the agreement. The total consideration, which is subject to completion of a satisfactory due diligence and an independent valuation of not less than \$19 million (subject to a maximum variance of 10%) for a 51% interest in China iMyth, was arrived at arm's length negotiations between Albedo and CMIC.

The owners of CMIC are Malaysian businessman Dato' Dr Choo Yeow Ming, who is also Executive Chairman of Singapore's listed Asia-Pacific Strategic Investments Ltd, Ms Qiang Lin Mei, and Prometheus Partners Holdings Ltd.

Albedo Chief Executive Officer Mr Tai Kok Chuan said: "We have been exploring opportunities to diversify our business in the wake of increased competition and softening demand in our steel trading business.

"We believe that a stake in China iMyth will create value for shareholders and enhance Albedo's long-term viability. China iMyth's vision for the healthcare industry in China is to be a leader in the cellular bio-treatment industry."

China iMyth Chief Executive Officer Dr Chung said: "We see great potential in private healthcare in the mainland as a result of rising affluence. China iMyth will also benefit from the improving trade ties between China and Taiwan and the increasing demand for aesthetic medicine. With Albedo coming in as a significant shareholder, we will be well placed to take advantage of the opportunities in China."

China's State Council announced earlier this year a five-year roadmap from 2015 to 2020 that laid out targets for healthcare officials nationwide



which includes almost doubling the number of its general doctors by 2020, trim its public sector and improve technology to revive a healthcare system plague by queues and poor services especially in rural areas. Consultant firm McKinsey & Co reported that China's fast growing healthcare market has attracted global interest – from medical device firms and drug makers to hospital operators – all looking for a share of the healthcare bill which is expected to reach US\$1 trillion by 2020.

China iMyth's aesthetic medicine and plastic surgery technology business will focus on anti-aging technology and body stem cell storage, amongst others, to tap on the current trend of China's cosmetology industry. The company's high-end medical services will serve customers with health and physical examinations, disease treatment and rehabilitation. China iMyth will also be involved in research and the commercialisation of stem cell technology.

Dr Chung said one of the competitive advantages for China iMyth is that its group of Taiwanese doctors are able to immediately practise freely in China without the need for additional qualifications and China iMyth doctors already practise in Shanghai and Guangzhou.

CMIC Chief Executive Dr Choo said: "Private healthcare services in China are growing at a tremendous pace and need more investments. We are excited with the prospects of tapping the Singapore capital market and offering Albedo shareholders the opportunity to participate in this growth."

Albedo also proposed a placement issue of 840 million non-listed and non-transferable warrants at an issue price of \$0.001 per warrant to four new investors; Messrs Ng Kai Man, Chew Soo Lin, Toh Ee Han and Lau Eng Sang. Each warrant can be used to subscribe in one new share at an exercise



price of \$0.01125, which represents a discount of 10% to the prevailing market price, being the VWAP of S\$0.0125.

Albedo will also issue and additional 100 million free, non-listed and non-transferable warrants introducer warrants to Mdm Oei Siu Hoa, subject to shareholders' approval. Albedo intends to use the net proceeds from the exercise of all the warrants for working capital and funding the future growth and development of the company.

The acquisition, subject to due diligence and regulatory and shareholders' approval, is expected to be completed in December 2015, or such later date to be mutually agreed in writing between the parties.

- The End -

About Albedo Limited:

Albedo Limited was founded by CEO Tai Kok Chuan in 1988. It is engaged in general wholesale trade, manufacturing and processing, and supply and distribution of industrial and engineering raw materials, instruments, semi-finished and finished products to the iron and steel industry in the Asia Pacific region. Albedo was listed on the then SGX-SESDAQ in 2006.

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