



**ASIAN HEALTHCARE SPECIALISTS LIMITED**  
 (Company Registration No. 201727543R)  
 (Incorporated in the Republic of Singapore on 27 September 2017)

**PLACEMENT OF 46,900,000 NEW ORDINARY SHARES IN THE CAPITAL OF ASIAN HEALTHCARE SPECIALISTS LIMITED (THE “PLACEMENT SHARES”) AT S\$0.23 FOR EACH PLACEMENT SHARE, PAYABLE IN FULL ON APPLICATION (THE “PLACEMENT”)**

Prior to making a decision to purchase the Placement Shares, you should carefully consider all the information contained in the Offer Document dated 12 April 2018 issued by Asian Healthcare Specialists Limited (the “Company” and together with its subsidiaries, the “Group”) in respect of the Placement (the “Offer Document”). This Product Highlights Sheet should be read in conjunction with the Offer Document. You will be subject to various risks and uncertainties, including the potential loss of your entire principal amount invested. If you are in doubt as to investing in the Placement Shares, you should consult your legal, financial, tax or other professional adviser(s).

This Product Highlights Sheet<sup>1</sup> is an important document.

- It highlights the key information and risks relating to the Placement contained in the Offer Document. It complements the Offer Document.
- You should not subscribe for the Placement Shares if you do not understand the nature of this investment in our ordinary shares, our business or are not comfortable with the accompanying risks.
- If you wish to purchase the Placement Shares, you will need to make an application in the manner set out in the Offer Document. If you do not have a copy of the Offer Document, please contact us to ask for one.<sup>2</sup>

<b>Company</b>	Asian Healthcare Specialists Limited	<b>Place of incorporation</b>	Singapore
<b>Details of this Placement</b>	46,900,000 Placement Shares	<b>Total amount to be raised in this Placement</b>	Gross proceeds of approximately S\$10.8 million and net proceeds of approximately S\$9.5 million

<sup>1</sup> This Product Highlights Sheet does not constitute, or form any part of any offer for sale or subscription of, or solicitation of any offer to buy or subscribe for, any securities nor shall it or any part of it form the basis of, or be relied on in connection with, any contract or commitment whatsoever. This Product Highlights Sheet shall be read in conjunction with the Offer Document.

The information in this Product Highlights Sheet is based on information found in the Offer Document. Any decision to subscribe for any securities must be made solely on the basis of information contained in the Offer Document. Capitalised terms used in this Product Highlights Sheet, unless otherwise defined, shall bear the meanings as defined in the Offer Document.

<sup>2</sup> The Offer Document, registered by the Singapore Exchange Securities Trading Limited, (the “SGX-ST”) acting as agent on behalf of the Monetary Authority of Singapore on 12 April 2018, may be obtained on request, subject to availability, during office hours from RHT Capital Pte. Ltd. and UOB Kay Hian Private Limited, or accessible at the SGX-ST website: <http://www.sgx.com>.

<b>Placement Price</b>	S\$0.23 for each Placement Share	<b>Listing status of Issuer and the Securities</b>	Acceptance of applications will be conditional upon, <i>inter alia</i> , issue of the Placement Shares and permission being granted by the SGX-ST for the listing and quotation of all our existing issued Shares, the Placement Shares and the Award Shares on Catalist. The Shares are expected to be listed on 20 April 2018.
<b>Issue Manager and Sponsor</b>	RHT Capital Pte. Ltd.	<b>Placement Agent</b>	UOB Kay Hian Private Limited

## OVERVIEW

### WHO ARE WE AND WHAT DO WE DO?

#### Our Group

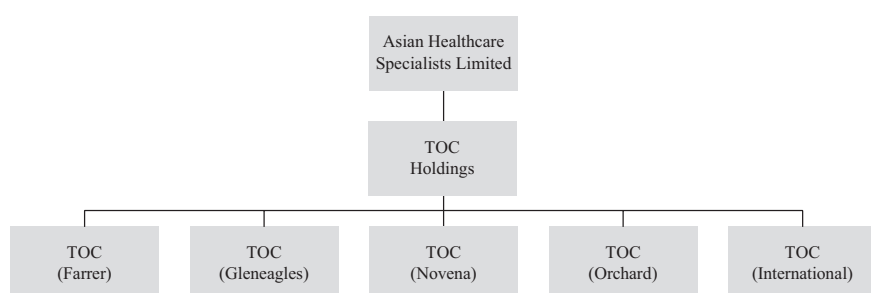
Our Company was incorporated in Singapore on 27 September 2017 under the Companies Act as a private company limited by shares, under the name of “Asian Healthcare Specialists Pte. Ltd.”. On 21 March 2018, our Company was converted into a public company limited by shares and our name was changed to “Asian Healthcare Specialists Limited”.

Our Group was founded in 2013 by our founding medical specialists namely, Dr Chin Pak Lin, Dr Su Hsien Ching David and Dr Tan Chyn Hong, who have a vision to create a one-stop specialist clinic consisting of senior and experienced orthopaedic medical specialists who are specialists in their respective orthopaedic subspecialties.

In 2015, Dr Yue Wai Mun joined our Group thereby adding the spine subspecialty to our Group’s scope of specialised services. Going forward, Dr Yue Wai Mun, as the Chief Medical Officer, would also provide oversight over all medical-related issues of our Group.

Dr Mohammad Mashfiqul Arafin Siddiqui joined our Group in 2017 thereby strengthening our Group’s expertise in treating patients with spine-related conditions.

The structure of our Group is summarised below:



#### Our Business

We provide a wide spectrum of general and subspecialised orthopaedic, trauma and sports services (both surgical and non-surgical) such as knee/hip replacements, sports medicine/surgery, spine surgery, foot/ankle surgery and minimally invasive orthopaedic procedures. We believe that the combined expertise of our medical specialists ensures our patients receive better care as we are able to tap on the knowledge of each medical specialists’ experience in various subspecialties.

Our Group currently has five (5) medical specialists operating at four (4) clinics under “The Orthopaedic Centre” brand at convenient and accessible locations across Singapore, where we attend to both local and international patients.

#### Further Information

Please refer to:

- the section entitled “General Information on our Group – History” on page 82 of the Offer Document for more information on our history.
- the section entitled “General Information on our Group – Business Overview” on pages 82 to 83 of the Offer Document for more information on our background and business.
- the section entitled “General Information on our Group – Services” on pages 84 to 92 of the Offer Document for more information on our services.

Our Clinics

Clinic	Location
TOC (Farrer)	Farrer Park Medical Centre, Connexion
TOC (Gleneagles)	Gleneagles Medical Centre
TOC (Novena)	Mount Elizabeth Novena Specialist Centre
TOC (Orchard)	Mount Elizabeth Medical Centre

Our Medical Specialists

Medical Specialist	Subspecialty	Years of Clinical Experience
Dr Chin Pak Lin	Hip and knee	20
Dr Yue Wai Mun	Spine	26
Dr Su Hsien Ching David	Foot and ankle	19
Dr Tan Chyn Hong	Shoulder, knee and elbow	20
Dr Mohammad Mashfiqul Arafin Siddiqui	Spine	15

Surgical

We provide surgical services to treat a wide range of orthopaedic conditions and adopt advanced techniques such as minimally invasive surgery and keyhole surgery which reduces complications and encourages fast recovery. We also employ the use of advanced technology such as robots which enables us to perform our surgeries with precision.

Non-Surgical

We also provide a wide range of non-surgical services, ranging from general consultations to diagnostic and therapeutic orthopaedic procedures. Our medical specialists also provide, *inter alia*, second opinions and being on-call in the hospitals associated with our clinics.

**WHO ARE OUR DIRECTORS AND KEY EXECUTIVES?**

**DIRECTORS**

**Dr Chin Pak Lin (Executive Chairman and Chief Executive Officer)** – He was one of the founding members of The Orthopaedic Centre and has been a medical specialist with our Group since 2013. He has 20 years of clinical experience and is a subspecialist in hip and knee surgery.

**Dr Yue Wai Mun (Executive Director and Chief Medical Officer)** – He has more than 25 years of clinical experience and is a subspecialist in spine and scoliosis surgery. Prior to joining our Group, Dr Yue was a Senior Consultant in the Spine Service of the Department of Orthopaedic Surgery, Singapore General Hospital.

**Mr Leow Chung Chong Yam Soon (Lead Independent Director)** – He has more than 20 years of experience in the accounting industry and is presently a partner in Ecovis Assurance LLP as well as a director of Ecovis Advisory Pte. Ltd. and Spring & Associates PAC. He is currently an independent director of Fragrance Group Limited and No Signboard Holdings Ltd..

**Mr Siek Wei Ting, Ryan (Independent Director)** – He has more than 20 years of experience in the accounting industry and is presently an executive director and the chief financial officer of China Minzhong Food Corporation Pte. Ltd. (formerly listed on the Main Board of the SGX-ST).

**Mr Vikram Nair (Independent Director)** – He is currently a partner at Rajah & Tann Singapore LLP with more than 13 years of experience as a practising lawyer specialising in international arbitration and commercial and corporate litigation. He is also a Member of Parliament for the Sembawang Group Representation Constituency.

Please refer to the section entitled “Directors, Executive Officers and Employees – Directors” on pages 121 to 125 and “Directors, Executive Officers and Employees – Executive Officers” on pages and pages 126 to 128 respectively of the Offer Document for more information on our directors and executive officers.

**EXECUTIVE OFFICERS**

**Dr Su Hsien Ching David (Medical Specialist)** – He has 19 years of clinical experience and is a co-founder of our Group. He subspecialises in foot and ankle surgery and was previously a Consultant Orthopaedic Surgeon and the Director of the Foot and Ankle Service in the Department of Orthopaedic Surgery, Singapore General Hospital.

**Dr Tan Chyn Hong (Medical Specialist)** – He has 20 years of clinical experience and is a co-founder of our Group. He subspecialises in shoulder, knee and elbow surgery and has previously held various positions in National University Hospital, including a Consultant and the Head of the Division of Sports Medicine and Consultant in the Division of Shoulder and Elbow Injury.

**Mr Travis Seet (Chief Financial Officer)** – He has more than 14 years of experience in audit, accounting and finance and is responsible for the overall financial management, reporting and internal control matters for our Group.

**Ms Violet Kwek (Operations Manager)** – She is responsible for the overall operations of our Group and is a trained nurse who occasionally assists our medical specialists for complex surgery. She was previously a senior staff nurse at the Singapore General Hospital from 2006 to 2014.

**WHO IS OUR CONTROLLING SHAREHOLDER?**

Our Controlling Shareholder is AHS Investments Holdings Pte. Ltd., and each of Dr Chin Pak Lin, Dr Yue Wai Mun, Dr Su Hsien Ching David and Dr Tan Chyn Hong holds 25.0% of the shares of AHS Investments Holdings Pte. Ltd..

Prior to the Placement, AHS Investments Holdings Pte. Ltd. holds 97.0% of our Company’s total issued share capital. AHS Investments Holdings Pte. Ltd. is expected to hold approximately 81.3% of our Company’s total issued share capital after the Placement and is expected to remain a Controlling Shareholder.

Please refer to the section entitled “Shareholders – Ownership Structure” on pages 55 to 56 of the Offer Document for more information on our Controlling Shareholder.

**HOW WAS OUR HISTORICAL FINANCIAL PERFORMANCE AND WHAT IS OUR CURRENT FINANCIAL POSITION?**

**Selected items from the Combined Statements of Comprehensive Income**

	← Audited →		
	FY2015	FY2016	FY2017
	S\$('000)	S\$('000)	S\$('000)
Revenue	6,952	10,847	11,016
Profit before tax	519	2,177	469
Profit for the year, representing total comprehensive income for the year, attributable to owners of the Company	481	2,018	438

<b>Pre-Placement EPS (cents)<sup>(1)</sup></b>	<b>0.20</b>	<b>0.83</b>	<b>0.18</b>
<b>Post-Placement EPS (cents)<sup>(2)</sup></b>	<b>0.17</b>	<b>0.70</b>	<b>0.15</b>

**Notes:**

- (1) The pre-Placement EPS for the Period under Review have been derived based on our profit for the year attributable to owners of the Company divided by our pre-Placement share capital of 243,100,000 Shares.
- (2) The post-Placement EPS for the Period under Review have been derived based on the profit for the year attributable to owners of the Company divided by our post-Placement share capital of 290,000,000 Shares.

Prior to our Group’s Restructuring Exercise, purchased and contracted services included fees to each of Dr Chin Pak Lin, Dr Yue Wai Mun, Dr Su Hsien Ching David and Dr Tan Chyn Hong for their provision of consultancy services and surgeries under the Consultancy Services Agreements and fees to ancillary service providers. In connection with our Group’s Restructuring Exercise, the Consultancy Services Agreements were terminated with effect from 30 September 2017 and replaced by the Employment Agreements with effect from 2 October 2017.

Please refer to the section entitled “Offer Document Summary – Our Financial Performance” on pages 27 to 29, “Selected Financial Information” on pages 64 to 69 and “Management’s Discussion and Analysis of Financial Position and Results of Operations” on pages 70 to 81 of the Offer Document for more information on our financial position and financial performance.

The adjusted profit for the year attributable to owners of the Company below is an illustration to show what the net profit of the Company would have been had the Employment Agreements and Service Agreements been in place since 1 October 2014 in lieu of the Consultancy Services Agreements.

	← Unaudited →		
	FY2015 S\$('000)	FY2016 S\$('000)	FY2017 S\$('000)
Adjusted profit for the year attributable to owners of the Company <sup>(1)</sup>	2,788	4,513	4,461
<b>Pre-Placement Adjusted EPS (cents)<sup>(2)</sup></b>	<b>1.15</b>	<b>1.86</b>	<b>1.84</b>
<b>Post-Placement Adjusted EPS (cents)<sup>(3)</sup></b>	<b>0.96</b>	<b>1.56</b>	<b>1.54</b>

**Notes:**

- (1) The adjusted profit for the year attributable to owners of the Company was computed based on the following assumptions: (i) adjustment to reverse out the effect of the Consultancy Services Agreements amounting to approximately S\$4.4 million, S\$5.1 million and S\$6.9 million for FY2015, FY2016 and FY2017, respectively; (ii) adjustment to include the salaries of each of Dr Chin Pak Lin, Dr Yue Wai Mun, Dr Su Hsien Ching David and Dr Tan Chyn Hong under the Employment Agreements amounting to an aggregate of S\$1.5 million, S\$2.0 million and S\$2.0 million for FY2015, FY2016 and FY2017, respectively; (iii) adjustment to include the aggregate salary for Dr Chin Pak Lin and Dr Yue Wai Mun under their Service Agreements amounting to S\$42,500 and S\$37,500, respectively; and (iv) adjustment to include tax expense of S\$0.5 million, S\$0.5 million and S\$0.8 million, assuming the tax rate of 17.0% was applied on the net adjusted amounts as set out in (i), (ii) and (iii) above.
- (2) The pre-Placement Adjusted EPS for the Period under Review have been derived based on the adjusted profit for the year attributable to owners of the Company divided by our pre-Placement share capital of 243,100,000 Shares.
- (3) The post-Placement Adjusted EPS for the Period under Review have been derived based on the adjusted profit for the year attributable to owners of the Company divided by our post-Placement share capital of 290,000,000 Shares.

**Selected items from the Combined Statements of Financial Position**

	← Audited →			Unaudited Pro Forma
	As at 30 September 2015 S\$('000)	As at 30 September 2016 S\$('000)	As at 30 September 2017 S\$('000)	As at 30 September 2017 S\$('000)
Non-current assets	275	147	63	63
Current assets	3,292	3,851	3,743	2,943
Non-current liabilities	5	11	11	11
Current liabilities	3,131	2,573	1,943	1,943
Total equity	431	1,414	1,852	1,052
<b>NAV per Share (cents)<sup>(1)</sup></b>	<b>0.18</b>	<b>0.58</b>	<b>0.76</b>	<b>0.43</b>

**Note:**

- (1) The NAV per Share has been derived using our total equity divided by our pre-Placement share capital of 243,100,000 Shares.

**Selected items of our Combined Statements of Cash Flows**

	← Audited →		
	FY2015	FY2016	FY2017
	S\$('000)	S\$('000)	S\$('000)
Net cash generated from operating activities	1,566	994	1,156
Net cash used in investing activity	(272)	(2)	(26)
Net cash used in financing activities	(1,199)	(645)	(186)
<b>Net increase in cash and cash equivalents</b>	<b>95</b>	<b>347</b>	<b>944</b>
Cash and cash equivalents at the beginning of the financial year	756	851	1,198
<b>Cash and cash equivalents at the end of the financial year</b>	<b>851</b>	<b>1,198</b>	<b>2,142</b>

The most significant factors contributing to our financial performance in FY2017 as compared to FY2016 were as follows:

- Revenue remained fairly stable as our Group operated all four (4) clinics for the second successive year, registering an increase of S\$169,000 or 1.6%, from S\$10,847,000 in FY2016 to S\$11,016,000 in FY2017.
- Profit before tax decreased by S\$1,708,000, or 78.5% from S\$2,177,000 in FY2016 to S\$469,000 in FY2017, due mainly to the increase in consultancy service fees of \$1,841,000.
- In FY2017, we recorded net cash generated from operating activities amount to S\$1,156,000, comprising operating cash inflows before changes in working capital of S\$579,000, net working capital inflow of S\$640,000, and income tax paid of S\$63,000. The increase of working capital is mainly attributed to increase in trade and other payables of S\$95,000 and the decrease in trade and other receivables of S\$545,000.
- As at 30 September 2017, equity of S\$1,852,000 comprise issued and fully paid share capital of S\$2,431,000 and retained earnings of S\$1,852,000, net of merger reserve of S\$2,431,000. Merger reserve arose from the Restructuring Exercise under common control and represents the difference between the consideration paid and the issued share capital of our subsidiaries.

**The above factors are not the only factors contributing to our financial performance in FY2014, FY2015 and FY2017. Please refer to the other factors set out in the section entitled “Management’s Discussion and Analysis of Financial Position and Results of Operations” of the Offer Document.**

**INVESTMENT HIGHLIGHTS**

**WHAT ARE OUR BUSINESS STRATEGIES AND FUTURE PLANS?**

We believe that we are able to compete effectively due to the following competitive strengths:

- **A team of highly qualified and experienced medical specialists who provide a comprehensive range of orthopaedic, sports and trauma services:** Our team of full-time medical specialists have proven track records in the orthopaedic industry each with 15 to 26 years of clinical experience between them focusing primarily on medical cases within their subspecialty. Dr Yue Wai Mun and Dr Mohammad Mashfiqul Arafin Siddiqui are both experienced spine subspecialists. Dr Chin Pak Lin’s subspecialty is in medical issues relating to the knee and hip. Dr Su Hsien Ching David subspecialises in foot and ankle surgery. Dr Tan Chyn Hong is a subspecialist in shoulder, elbow and knee injuries.

Please refer to the section entitled “General Information on our Group – Competitive Strengths” on pages 93 to 95 and “General Information on our Group – Business Strategies and Future Plans” on pages 95 to 96 of the Offer Document for more information on our competitive strengths, and business strategies and future plans, respectively.

- **In-depth subspecialised services, advanced techniques and technology:** We believe that the services we provide in spine (neck and back) as well as foot and ankle-related medical conditions are areas which enable our Group to stand out amongst our competitors. Our medical specialists are all senior surgeons who have performed multiple surgeries during their career and are capable of performing complex surgeries including spine keyhole surgery, spine revision surgery and joint revision surgery, which is typically performed by skilled and experienced surgeons. In addition, our Group also embraces advanced technology such as the ROBODOC system and MAKOpasty which enables our Group to perform surgeries that require a high level of precision. Such procedures cause less damage to the surrounding bones and tissues and facilitate a faster rate of recovery for patients.
- **Well-positioned to capture the growing demand for private orthopaedic services:** Numerous orthopaedic disorders are age-related, and the ageing population and rising income levels in the Southeast Asia region have increased demand for high quality private orthopaedic services. We believe our clinics are well-positioned to meet such demand through our comprehensive range of orthopaedic services in Singapore which caters to patients seeking high quality private orthopaedic services from Singapore as well as the greater Southeast Asia region.
- **Asset-light, strong cash flow business model:** Our business is asset-light as we lease our operating premises and some of our medical equipment. Our facilities, such as our clinic premises, and equipment are shared amongst our team of medical specialists. Other facilities which require substantial capital expenditure such as operating theatres are available for our use on an ad hoc basis. This allows us to make efficient use of the facilities and equipment and keep our capital expenditure low.
- **Business model aligns the interests of our founding medical specialists and employees with our Group and Shareholders:** We believe the expertise and experience of our medical specialists have contributed largely to the success of our Group. Since the inception of our business, we have been able to attract and retain experienced and highly qualified medical specialists such as Dr Yue Wai Mun and Dr Mohammad Mashfiqul Arafin Siddiqui.

Our business strategies and future plans for growth and expansion of our businesses are:

- **Expand our business through acquisitions, joint ventures or strategic alliances to invest in synergistic businesses and management and healthcare professionals:** We may expand our business through acquisitions, joint ventures or strategic alliances with parties who can strengthen our market position, add value to our existing business, as well as enable us to expand into new businesses. Such acquisitions, joint ventures, or strategic alliances, could also bring about greater economies of scale and impetus for future growth. In particular, we intend to incrementally expand our business to complement our existing range of services in relation to the musculoskeletal group. We also intend to recruit and retain highly qualified and talented healthcare and management professionals to better provide for our patients as well as to expand the breadth and depth of subspecialty services we provide such as the hand subspecialty. In addition, we intend to incorporate, partner or acquire ancillary medical services so that we can offer a more holistic approach to patients through a combination of diagnostic and therapeutic care.
- **Grow “The Orthopaedic Centre” and “Asian Healthcare Specialists” brand names:** We intend to continue to build our “The Orthopaedic Centre” brand as an established orthopaedic specialist care service provider, offering a comprehensive range of orthopaedic services with experienced medical specialists who subspecialise in a specific area of orthopaedic care. Through the strengthening of “The Orthopaedic Centre” brand, we believe that our “Asian Healthcare Specialists” brand will be able to use “The Orthopaedic Centre” brand as a platform to further expand our medical services and grow as a Group.
- **Grow our Group’s patient base:** Through our Group’s efforts in expanding our business and talent pool, our Group will also be able to grow our patient base given the comprehensive services we provide.

**WHAT ARE THE KEY TRENDS, UNCERTAINTIES, DEMANDS, COMMITMENTS OR EVENTS WHICH ARE REASONABLY LIKELY TO HAVE A MATERIAL EFFECT ON US?**

Barring unforeseen circumstances, our Directors have observed the following trends:

- Further to the Restructuring Exercise, we expect tax expense to increase as the tax exemption scheme for new start-up companies is no longer available to our Group given that we have reorganised our corporate structure. Additionally, we had previously paid Dr Chin Pak Lin, Dr Yue Wai Mun, Dr Su Hsien Ching David and Dr Tan Chyn Hong under the Consultancy Agreements instead of the Employment Agreements which translated to higher expenses and lower taxable amounts historically;
- As announced by the Minister for Finance in the Singapore Budget 2018, companies will be granted a corporate income tax rate of 40.0% of the tax payable, subject to a cap of S\$15,000. The corporate income tax rate will be extended to year of assessment 2019 at a rate of 20.0% of the tax payable, subject to a cap of S\$10,000;
- MOH intends to formulate fee benchmarks in 2018 to enable the public to make informed decisions based on a recommended range of fees for various medical procedures. We expect the public to be more receptive to considering private healthcare given the increased transparency in the fees to be paid for medical procedures. We expect the fee benchmarks to showcase the competitiveness and reasonableness of our fees which are commensurate with the complexity of every medical case and with the expertise and experience of our medical specialists;
- With the termination of the Consultancy Services Agreements and the commencement of the Employment Agreements, there will be an impact on our FY2018 financial performance as our medical specialists are now remunerated as employees of our Group;
- As with other businesses in Singapore, we expect to face inflationary pressures and a general trend of increase in the cost of providing services, labour costs and rental;
- We intend to expand our business through through acquisitions, joint ventures or strategic alliances as well as to expand our talent pool of medical specialists and management staff. These expansion plans entail additional capital expenditures and depreciation expenses; and
- We expect our financial results and financial position in FY2018 to be affected by the ongoing compliance costs of a public listed company, as well as the expenses recorded in our financial statements in respect of a portion of our listing expenses incurred in connection with the Placement.

**The above are not the only trends, uncertainties, demands, commitments or events that could affect us. Please refer to the other factors set out in the section entitled “General Information on our Group – Trend Information” of the Offer Document.**

Please refer to the section entitled “General Information on our Group – Trend Information” on pages 98 to 99 of the Offer Document for more information on our business and financial prospects.

**WHAT ARE THE KEY RISKS WHICH HAD MATERIALLY AFFECTED OR COULD MATERIALLY AFFECT US AND YOUR INVESTMENT IN OUR SECURITIES?**

We consider the following to be the most important key risks which could materially affect our business, our operations, and ownership of our Shares:

- **We are dependent on our key medical specialists:** Our Group’s specialist orthopaedic, trauma and sports services business is spearheaded by our key medical specialists, Dr Chin Pak Lin, Dr Yue Wai Mun, Dr Su Hsien Ching David and Dr Tan Chyn Hong, who are all surgeons with extensive experience in their respective orthopaedic subspecialties. The loss of the services of any of our key medical specialists may have a material adverse effect on our Group’s business, financial position, results of operations and prospects.

Please refer to the section entitled “Risk Factors” on pages 33 to 47 of the Offer Document for more information on risk factors.

- **We are dependent on our skilled healthcare professionals and management personnel:** Our Group's performance depends on our ability to attract and retain other healthcare professionals such as nurses, clinical staff and management personnel to support the services provided by our Group. If our Company is unable to attract or retain the necessary personnel, this may adversely affect the quality of the services provided by our Company as well as our expansion plans. Increased manpower costs to recruit and retain the requisite personnel may also adversely affect our Company's business, financial position, results of operations and prospects.
- **We experience competition from other similar orthopaedic service providers in private and government-owned hospitals and smaller clinics:** The healthcare business is highly competitive and other healthcare providers in the areas we operate in provide services similar to those offered by us. This may have an unanticipated impact on our competitive position and patient volumes. If any of our clinics achieve poor results in respect of quality measures or on patient satisfaction surveys or if our standard charges are higher than our competitors, our patient volumes could decline. We also compete with other government-owned hospitals, private hospitals and medical centres. Our success depends on our ability to compete effectively against our competitors. If we are forced to reduce the price of our services or are unable to attract patients and doctors and other healthcare professionals to our Group, our business, financial position, results of operations and prospects may be materially and adversely affected.
- **Increase in operating costs, namely lease rental rates and risk of relocation, may cause disruption to our business operations:** Our Group leases the premises of our existing clinics. Upon the expiry of the leased tenure, the landlord(s) may increase the rental or refuse to renew the leases on terms and conditions favourable to us. Any increase in rentals would increase our operating costs, thereby affecting our profits. We will also incur additional costs if we have to relocate our clinics.
- **We may not have adequate insurance coverage:** We are exposed to potential liability risks that are inherent to the provision of healthcare services. These liabilities may exceed our available insurance coverage or arise from claims outside the scope of our insurance coverage. We believe we have insured our business operations in line with industry practices in Singapore; however, we cannot assure you that such insurance coverage will be sufficient to cover all potential liabilities and risks that we face. If our arrangements for insurance or indemnification are not sufficient to cover claims, including in the case of claims exceeding policy aggregate limitations or exceeding the resources of the indemnifying party, we may be required to make substantial payments, which may have a material adverse effect on our business, financial position, results of operations and prospects.
- **Challenges faced by the healthcare industry may have an effect on our Group:** Our business, financial position, results of operations and prospects may be affected by the challenges faced by the healthcare industry as a whole, including but not limited to stricter laws and regulations. For example, MOH has in January 2018 appointed a committee to formulate fee benchmarks to provide a recommended range of medical fees to the public to assist them in making informed choices about the type and cost of medical services they would like to consume. Such fee benchmarks will provide potential patients with a reference point to compare our Group's fees against and may cause such potential patients to, *inter alia*, make assumptions on the quality of care we provide or to "shop" for alternative service providers. If our Group is unable to effectively address these challenges, there may be a material adverse effect on our Group's business, financial position, results of operations and prospects.

**The above are not the only risk factors that had a material effect or could have a material effect on our business, financial position, results of operations and/or prospects and ownership of our Shares. Please refer to the section entitled "Risk Factors" of the Offer Document for a discussion on other risk factors and for more information on the above risk factors. Prior to making a decision to subscribe for the Placement Shares, you should consider all the information contained in the Offer Document.**

## WHAT ARE THE RIGHTS ATTACHED TO THE SECURITIES OFFERED?

As of the date of the Offer Document, the total issued and paid-up share capital of our Company is S\$2,431,000 comprising 243,100,000 Shares. Upon the allotment and issue of the Placement Shares, the resultant issued and paid-up share capital of our Company will be S\$13,218,000 comprising 290,000,000 Shares.

We have only one (1) class of shares, being ordinary shares. The Placement Shares will, upon issue and allotment, rank *pari passu* in all respects with the existing issued Shares. Subject to our Constitution, Shareholders will be entitled to all rights attached to their Shares in proportion to their shareholding, such as any cash dividends declared by our Company and any distribution of assets upon liquidation of our Company.

There is no restriction on the transfer of fully paid Shares except where required by law or the Catalist Rules or our Constitution.

Please refer to “Appendix E – Description of our Shares” of the Offer Document, for more information on the Placement Shares offered in the Placement.

## HOW WILL THE PROCEEDS OF THE OFFER BE USED?

The estimated net proceeds to be raised by our Company from the Placement, after deducting the estimated expenses in relation to the Placement of approximately S\$1.3 million, will be approximately S\$9.5 million. We intend to utilise our gross proceeds from the issue of Placement Shares primarily as follows:

Use of proceeds	Amount in aggregate (S\$'000)	Estimated amount allocated for each dollar of the gross proceeds raised from the Placement (%)
Business expansion (including organic expansion and mergers and acquisitions)	8,500	78.8
Working capital	1,017	9.4
Listing expenses	1,270	11.8
<b>Total</b>	<b>10,787</b>	<b>100.0</b>

Please refer to the section entitled “Use of Proceeds and Listing Expenses” on pages 48 to 49 of the Offer Document for more information on our use of proceeds.

## WILL WE BE PAYING DIVIDENDS AFTER THE OFFER?

On 31 January 2018, our Company declared an interim cash dividend of S\$800,000 to our Controlling Shareholder, AHS Investments Holdings Pte. Ltd..

Subject to our Constitution and in accordance with the Companies Act, our Company may declare an annual dividend subject to the approval of our Shareholders in a general meeting but no dividend or distribution shall be declared in excess of the amount recommended by our Directors. Subject to our Constitution and in accordance with the Companies Act, our Directors may also from time to time declare an interim dividend without the approval of our Shareholders. Our Company may pay all dividends out of our profits. The form, frequency and amount of future dividends on our Shares will depend on our actual and projected financial performance, level of our cash and retained earnings, our projected capital expenditure and other investment plans, the terms of the borrowing arrangements (if any), plans for expansion and other factors which our Directors may deem appropriate (the “**Dividend Factors**”).

Subject to the Dividend Factors, we intend to declare an annual dividend of not less than 50.0% of our net profits attributable to shareholders as dividends for FY2018 and FY2019. The final dividend for FY2018 (if any) will take into account the interim dividend of S\$800,000 declared by our Company and approved by our Shareholders on 31 January 2018.

Please refer to the section entitled “Dividend Policy” on pages 50 and 51 of the Offer Document for more information on our dividend policy.

## DEFINITIONS

### Companies within our Group

“Company” or “AHS”	:	Asian Healthcare Specialists Limited
“Group”	:	Our Company and our subsidiaries
“TOC Holdings”	:	TOC Holdings Pte. Ltd.
“TOC (Farrer)”	:	The Orthopaedic Centre (Farrer) Pte. Ltd.
“TOC (Gleneagles)”	:	The Orthopaedic Centre (Gleneagles) Pte. Ltd.
“TOC (International)”	:	The Orthopaedic Centre (International) Pte. Ltd.
“TOC (Novena)”	:	The Orthopaedic Centre (Novena) Pte. Ltd.
“TOC (Orchard)”	:	The Orthopaedic Centre (Orchard) Pte. Ltd.

### General

“Authority”	:	The Monetary Authority of Singapore
“Award Shares”	:	The new Shares which may be allotted and issued from time to time pursuant to the vesting of the Awards under the AHS Performance Share Plan
“Consultancy Services Agreements”	:	The consultancy services agreements entered into by each of TOC (Farrer), TOC (Gleneagles), TOC (Novena) and TOC (Orchard) with wholly-owned entities owned by each of Dr Chin Pak Lin, Dr Yue Wai Mun, Dr Su Hsien Ching David and Dr Tan Chyn Hong
“Controlling Shareholder”	:	As defined in the Catalist Rules:  (a) person who directly or indirectly has an interest of 15.0% or more of the aggregate of the nominal amount of all the voting shares in our Company (unless otherwise determined by the SGX-ST); or  (b) a person who in fact exercises control over our Company
“Employment Agreements”	:	The employment agreements entered into by Dr Chin Pak Lin, Dr Yue Wai Mun, Dr Su Hsien Ching David and Dr Tan Chyn Hong
“EPS”	:	Earnings per Share
“FY”	:	Financial year ended or, as the case may be, ending 30 September
“MOH”	:	The Ministry of Health
“Placement Price”	:	S\$0.23 for each Placement Share
“Latest Practicable Date”	:	16 March 2018, being the latest practicable date for the purposes of lodgement of the Offer Document with the SGX-ST, acting as agent on behalf of the Authority
“Placement”	:	The placement of the Placement Shares by the Placement Agent on behalf of our Company for subscription at the Placement Price, subject to and on the terms and conditions of the Offer Document
“Placement Shares”	:	The 46,900,000 new Shares which are the subject of the Placement
“SGX-ST”	:	The Singapore Exchange Securities Trading Limited
“Share(s)”	:	Ordinary share(s) in the capital of our Company
“Shareholder(s)”	:	Person(s) who are registered as holder(s) of Shares in the register of members of our Company, or where CDP is the registered holder, the term “Shareholders” shall, in relation to such Shares, mean Depositors whose Securities Accounts are credited with Shares

### Names used in the Offer Document

“Siek Wei Ting, Ryan”	:	Siek Wei Ting
“Travis Seet”	:	Seet Kah Wai
“Violet Kwek”	:	Kwek Jin Mei, Violet

**CONTACT INFORMATION****WHO CAN YOU CONTACT IF YOU HAVE ENQUIRIES RELATING TO OUR OFFER?**

<b>The Issuer</b>	:	Asian Healthcare Specialists Limited
Registered Office	:	38 Irrawaddy Road #09-42 Singapore 329563
Telephone No./ Facsimile No.	:	+65 6581 7388 / +65 6581 5388
Website	:	<a href="http://toc.com.sg">http://toc.com.sg</a> and/or <a href="http://www.asianhealthcare.com.sg">http://www.asianhealthcare.com.sg</a> (Information contained in our website(s) do not constitute part of the Offer Document)
<b>Issue Manager and Sponsor</b>	:	RHT Capital Pte. Ltd.
Address	:	9 Raffles Place #29-01 Republic Plaza Tower 1 Singapore 048619
Telephone No.	:	+65 6381 6888
<b>Placement Agent</b>	:	UOB Kay Hian Private Limited
Address	:	8 Anthony Road #01-01 Singapore 229957
Telephone No.	:	+65 6590 6881