

IPO FACT SHEET

Singapore Paincare Holdings

ISSUE STATISTICS

Offer Size: 24.246m new shares
 Public Tranche: -
 Placement Tranche: 24.246m shares
 Price: S\$0.22
 NAV per share (post IPO): S\$0.0986
 Historical PE: 14.01x (FY19)
 Market Cap (post-IPO): S\$35.56m
 Open: 13 Jul 20
 Close: 21 Jul 20, 12.00 noon
 Trading: 23 Jul 20, 9.00 am (on "ready" basis)
 Lead Manager: Novus Corporate Finance

	S\$m	yoy % chg
Revenue		
FY19	3.9	-3.1
1H20	5.1	+159.0
Net profit		
FY19	1.3	-9.4
1H20	1.1	+85.4

BACKGROUND

- Singapore Paincare Holdings is a medical services group engaged in: a) pain care services, and b) primary care and other services. For pain care services, the company focuses on the treatment of patients suffering from chronic pain and includes services such as minimally invasive procedures, cancer pain treatment, specialised injections, pharmacotherapy and cognitive behavioural therapy. For primary care and other services, the company provides general medical consultations, management of chronic and acute conditions, and dermatology services. In all, the group operates two specialist clinics and four medical clinics through its subsidiaries, and one additional medical clinic and two health screening facilities through its associates.

BUSINESS STRATEGY AND FUTURE PLANS

- Expand range of pain care services to become a one-stop centre for pain care treatment. Provide a wider spectrum of pain treatments such as acupuncture, as well as rehabilitation, exercise and training programmes.
- Expand business operations locally and regionally, either organically or inorganically through franchising, JVs, acquisitions or strategic alliances.
- Grow patient base for pain care services to include more corporate clients.

COMPETITIVE STRENGTHS

- Team of qualified, experienced and committed medical practitioners. Executive directors, Dr Bernard Lee and Dr Jeffrey Loh, collectively have more than 35 years of experience in the medical industry while medical practitioners have between 12 and 28 years of experience in the medical industry as well.
- Focused on providing alternative non-surgical treatment solutions for chronic pain patients, thereby bridging the gap between using open surgery which may entail higher risks and longer recovery periods, and conservative physical therapies which may not be as immediately effective, to treat pain.
- Regular training, stringent management and clinical standards to uphold patient care and satisfaction.

KEY RISKS

- Pain care treatment yet to be widely recognised as an established medical specialty in Singapore.
- Dependent on Executive Directors, Dr Bernard Lee and Dr Jeffrey Loh, responsible for operating and managing specialist and medical clinics.
- Lack of operating history as an integrated medical services group.
- Dependent on private hospitals to conduct minimally invasive procedures.
- Group operations subjected to effects of health pandemics, such as the evolving COVID-19 situation, which may affect foreign patient load.
- Risk of medical and legal claims, regulatory actions and professional liabilities arising from the provision of healthcare services.

DIVIDEND POLICY

- No fixed dividend policy. Directors intend to recommend and distribute at least 70.0% of net profit after tax attributable to owners of the company (excluding the share of results of associates) for FY20, FY21 and FY22.

USE OF PROCEEDS

	(\$m)	As a percentage of gross proceeds from the Placement (%)
Expand range of pain care services	1.100	20.62
Expand business operations locally and regionally	1.400	26.25
Working capital	1.041	19.52
Listing expenses	1.793	33.61
Gross proceeds from the Placement	5.334	100.0

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