



ISEC HEALTHCARE LTD.

Company Registration Number: 201400185H
(Incorporated in Singapore on 2 January 2014)

UPDATE ON THE ACQUISITION OF 100% EQUITY INTEREST IN SOUTHERN SPECIALIST EYE CENTRE SDN. BHD. ("SSEC") (THE "ACQUISITION")
- VARIATION TO THE SPA AND EMPLOYMENT CONTRACTS

*Capitalised terms used herein shall, unless otherwise defined, have the meanings ascribed to them in the Company's announcements made on 19 October 2015, 11 November 2015, 8 December 2015 and 29 January 2016 (collectively, the "**Announcements**") in respect of the Acquisition.*

1. INTRODUCTION

We refer to the Announcement made on 19 October 2015 where it was disclosed that each of Dr Yeo, Dr Wong, Dr Liu (the "**CS Recipients**") shall create in favour of ISECSB (the "**Purchaser**") or the Purchaser's nominee, a charge over 100% of their respective Consideration Shares Proportion, as continuing security for the performance of each CS Recipient's obligation to indemnify the Purchaser for breach of his undertaking to remain in SSEC's employment for a term of not less than 5 years from the Completion Date (the "**Share Charges**").

Pursuant to the completion of the Acquisition on 8 December 2015, SSEC and each of the CS Recipients had on the same day entered into employment contracts ("**Employment Agreements**"). The parties to the agreements had agreed that (i) the undertaking in relation to each of the CS Recipient's minimum employment term of five (5) years with SSEC, and (ii) the security against the indemnities given by each CS Recipient in relation thereto, shall be created in favour of SSEC (instead of the Purchaser). In connection thereto, the parties had on 29 February 2016 entered into (i) a letter agreement for the variation of the SPA; and (ii) letters of variation to the Employment Agreements (collectively, the "**Variation Letters**"), further details of which are set out in Section 2 below.

2. VARIATION LETTERS

Pursuant to the Variation Letters, the parties to the agreements have agreed to the following key amendments to the SPA and the Employment Agreements, and all amendments are effective as from, as applicable, the date of the SPA or the date of the Employment Agreements.

- (i) There is no longer an undertaking given to ISECSB (as a purchaser of shares in SSEC) by each CS Recipient to remain in SSEC's employment for a term of not less than 5 years from completion under the SPA. In consequence, the indemnity provided by each CS Recipient in this regard no longer applies and the share charges in favour of ISECSB granted as security against such indemnities will be discharged.
- (ii) It is a term of the Employment Agreements that each CS Recipient remains in the employment of SSEC for not less than 5 years. There will now be share charges over each CS Recipients' Consideration Shares (subject to a 20% release every year during the 5 year period) in favour of SSEC granted as security against the indemnities in relation to this undertaking.

The financial effects as illustrated in Section 8 of the Announcement made on 19 October 2015 remain unchanged pursuant to the Variation Letters, based on the continuing application of the “acquisition method” accounting rule for a business combination.

By Order of the Board

Dr Wong Jun Shyan
Executive Director and Chief Executive Officer
29 February 2016

*ISEC Healthcare Ltd. (the "**Company**") was listed on Catalist of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") on 28 October 2014. The initial public offering of the Company (the "**IPO**") was sponsored by PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**" or "**PPCF**").*

This announcement has been prepared by the Company and its contents have been reviewed by the Sponsor for compliance with the SGX-ST Listing Manual Section B: Rules of Catalist. 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 SGX-ST 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.

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