



佳醫集團

用心 Dedication | 自主 Discipline | 創新 Innovation | 前瞻 Proactive

Excelsior Medical Co., Ltd.

Investor Conference

2022/4/28

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Chairman
Group President

Tony Fu

“Dedication, Discipline, Innovation, Proactive” are the core values of Excelsior.

“Human Healthcare” is the basis of medical service industry.

Therefore, “Dedication” to our service target is what matters the most.

We focus on public healthcare, using the innovative management model, providing the most suitable product and service to the market.

Meanwhile, achieve our vision of becoming the most valuable total healthcare solution provider among Asia with exceptional investing and operating teams !





The Most Valuable Total Healthcare Solution Provider among Asia with Exceptional Investing and Operating Teams !

Excelsior Medical Co., Ltd. was established in 1988, Excelsior started with the distribution of hemodialysis equipments and supplies. Gradually transformed into integrated medical services channel provider.

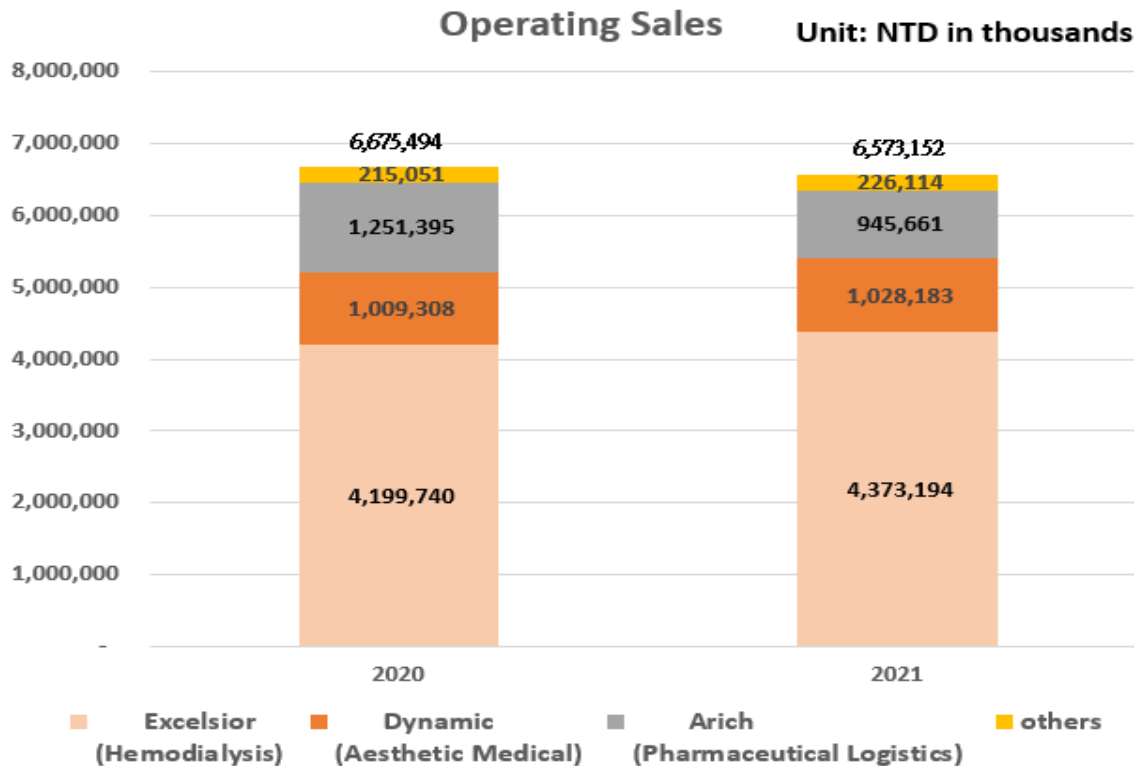
In 2001 “Enfield Medical Co., Ltd.” successfully listed on the OTC. With the success in integration and diversification, Enfield became a listed company in Taiwan Stock Exchange (TSE) in 2007. Enfield was later renamed as **Excelsior in 2009.**

Up to now the Group has three listed companies (**Excelsior : listed at TSE ,stock code 4104. Dynamic and Arich : listed at OTC, stock code 4138 and 4173).**

In the future, Excelsior will continue to **expand its investment and operation in biotechnology and medical industries**, in the Southeast Asia region and countries around the world.

Revenue structure

Excelsior yearly consolidated sales is more than NT \$ 6.5 billion in 2021, the primary revenue comes from Excelsior (Hemodialysis), Dynamic (Aesthetic Medical), Arich (Pharmaceutical Logistics) and others. According to the company's function, the business type can be characterized as a trading business, medical service provider and pharmaceutical logistic.

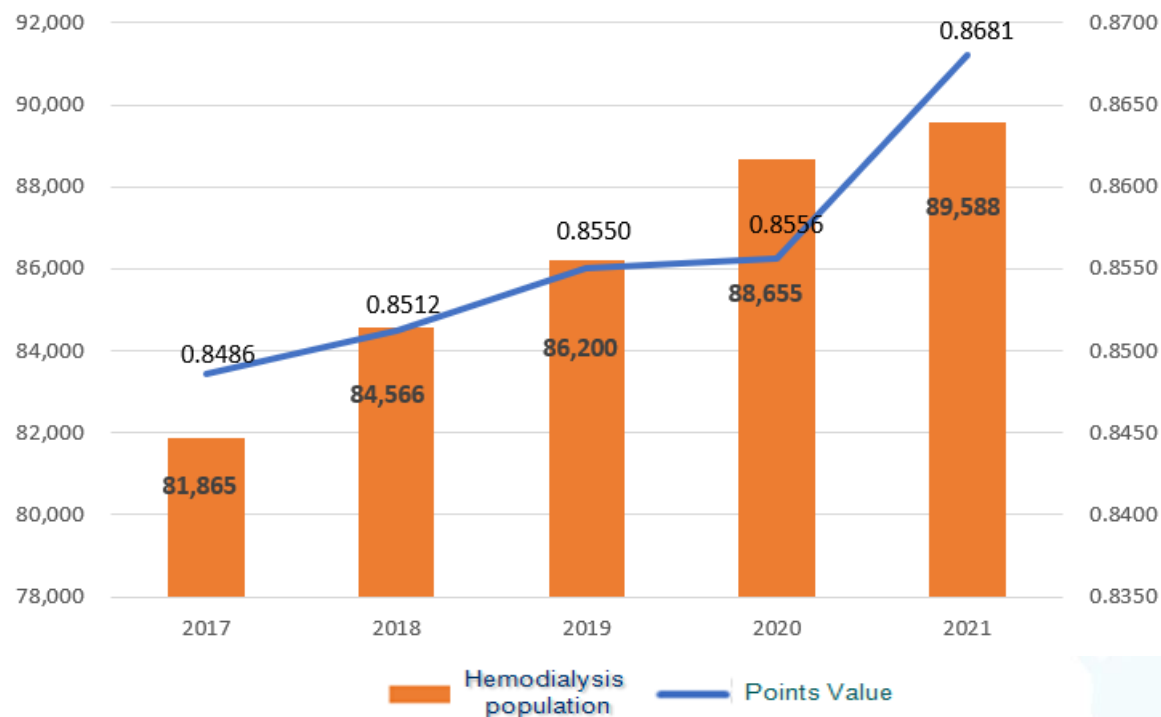


The Business Types



Excelsior(Hemodialysis)

Taiwan benefited from the implementation of the national health insurance system in 1995 and the hemodialysis technology and quality gradually mature, the patient's survival rate has gradually increased. According National Health Insurance Administration , as of the 4nd quarter of 2021, The total number of Taiwan hemodialysis and peritoneal dialysis populations has reached 89,588 people.



Hemodialysis brand

Asahi **KASEI** **NIKKISO**

KYOWA KIRIN **JMS**

MEDIVATORS **SUNDR**
A Cantel Medical Company

FASFLO

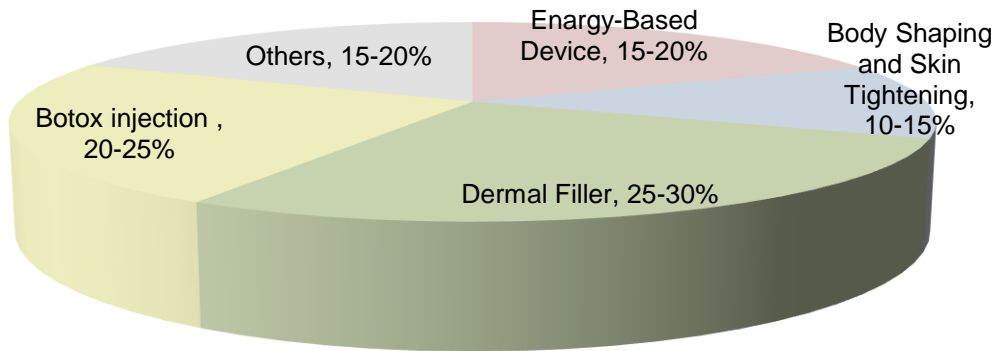
S
CHI SHENG

BRAUN
SHARING EXPERTISE

Dynamic(Aesthetic Medical)

According to the Asian-Pacific Market Study issued by Medical Insight, Inc. in Mar. 2022, total Asian sales of all aesthetic products and equipment reached US\$2.7 billion in 2020 and are expected to increase by 16.4% per year through 2025. Furthermore, aesthetic medical market can be divided into 4 sections: **Energy-Based Device**, **Body Shaping and Skin Tightening**, **Dermal Filler** and **Neurotoxin**, and DMT's distributed products cover all of the sections.

Percentage of sales in Asian

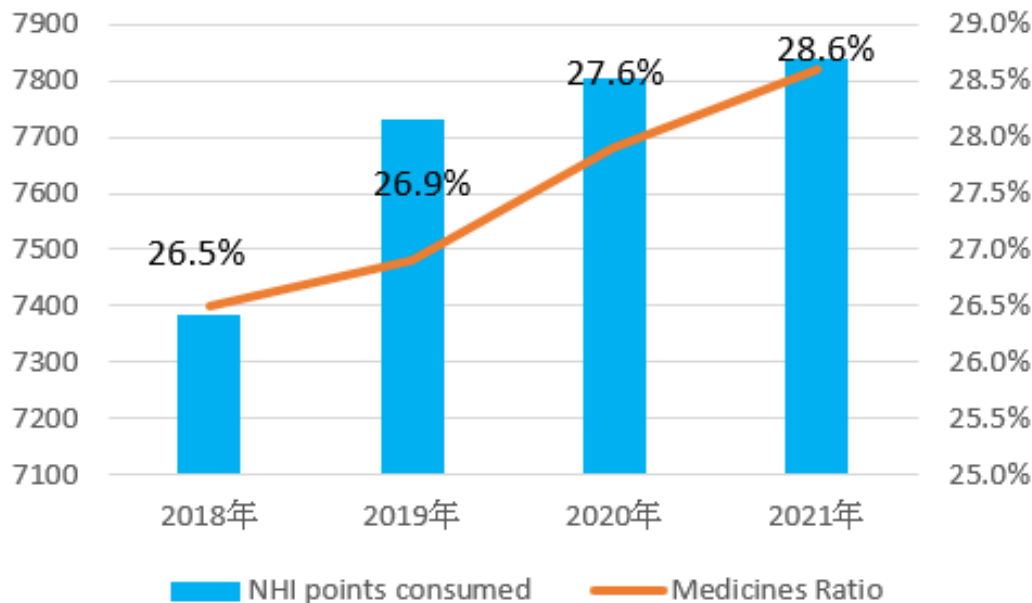


Product Portfolio

- ulthera (超声声波拉皮)
- SQMSION
- LPG
- SYNERON CANDELA
- DR CYJ
- COCOON MEDICAL
- FAITH
- Medytox
- VIVEVE
- Fotona (choose perfection)
- REGEN Biotech, Inc.

Arich (Pharmaceutical Logistics)

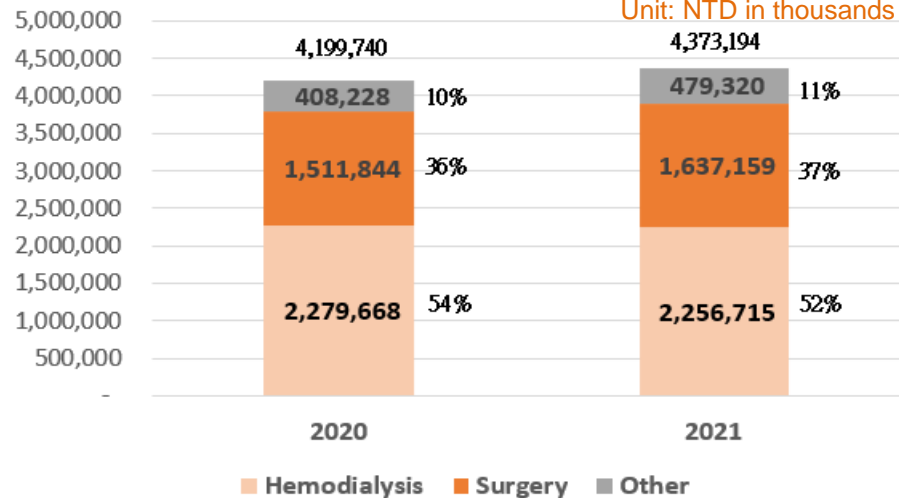
Medicines cover cost approximately 1/4 of National Health Insurance expenditures. In Taiwan, although demand for medication is growing, but the prices approved/reimbursed by NHI are declining. Consequently the multinational pharmaceutical companies keep on outsourcing, for the sake of cost down, the distribution/logistic service more and more.



Excelsior(Hemodialysis)

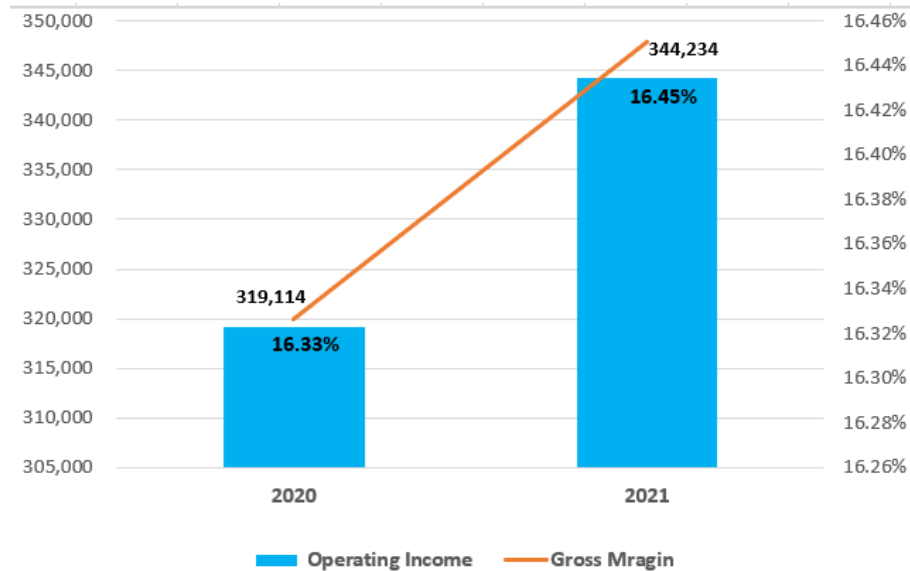
Revenue Ratio

Unit: NTD in thousands



Excelsior's operating income was NT \$ 344,234 thousands in 2021 and NT \$ 319,114 thousands in 2020; the growth rate was 7.9%. The greater profit in 2021 than which of 2020 is increased because of the increase in sales of high-margin products and the depreciation in the import exchange rate.

Unit: NTD in thousands



In 2021, Excelsior's hemodialysis products accounted for 52% of its operating revenue, the surgical products accounted for 37%, the other products (blood bags, ostomy, preventive healthcare and home appliances) accounted for 11%.

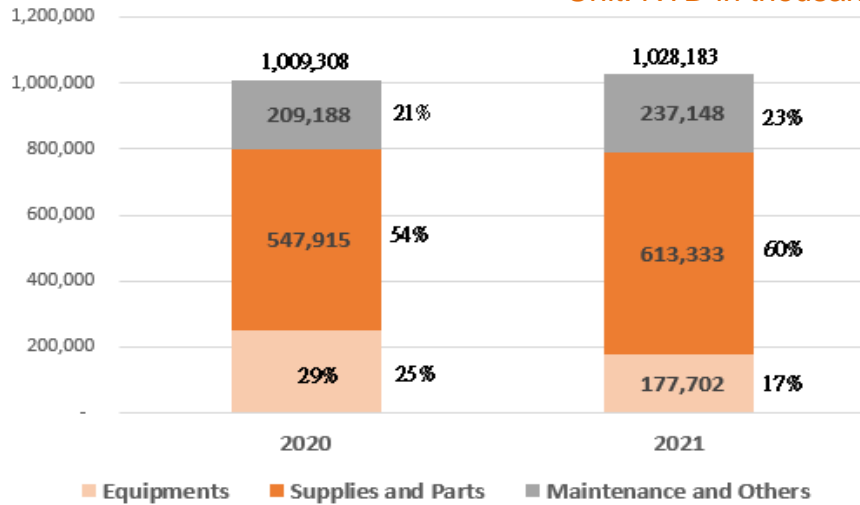
The greater revenues of 2021 than which of 2020 is due to the increase in sales of surgical products and home appliances.

In 2021 the sales of hemodialysis products decreased by 1%, meanwhile the sales of surgical products increased by 8.3%. The overall operating revenue increased by 4.1%.

Dynamic(Aesthetic Medical)

Revenue Ratio

Unit: NTD in thousands

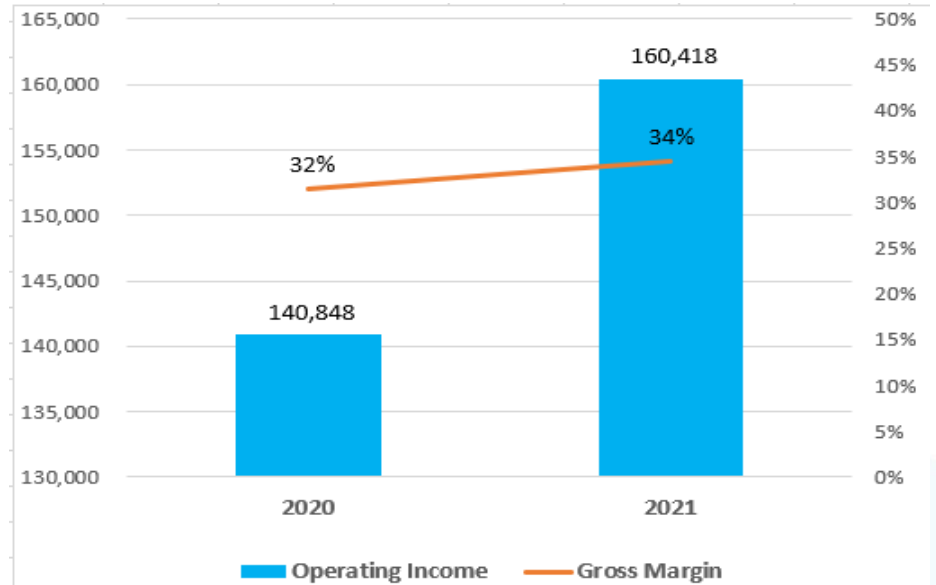


In 2021, equipments accounted for 17% of the revenue, supplies and parts accounted for 60%, maintenance and others accounted for 23%. The greater revenues of 2021 than which of 2020 is due to the increase in sales of lifestyle beauty products and treatment services.

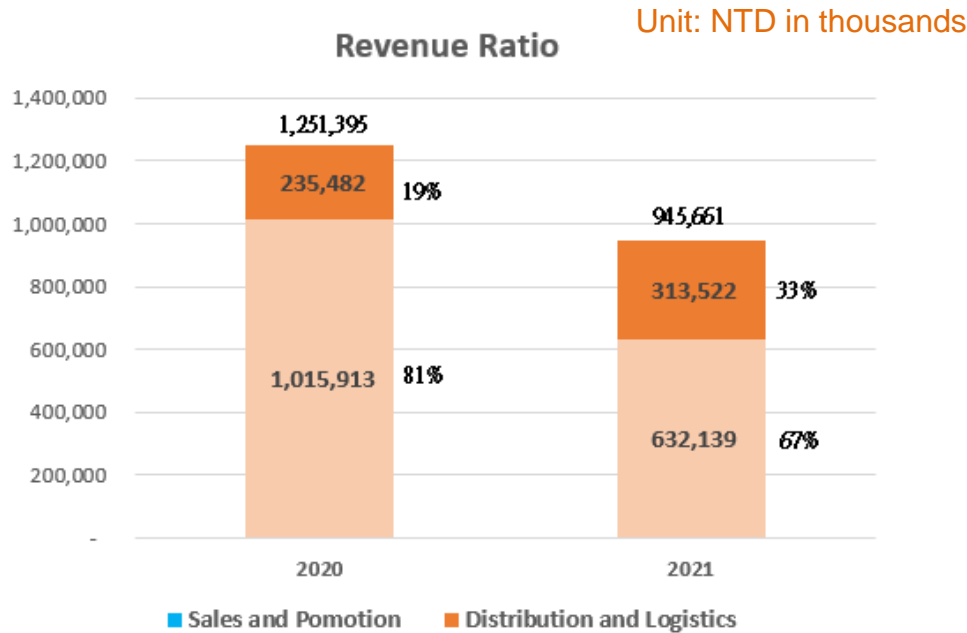
In 2021 the sales of equipments decreased by 29.5%, meanwhile the sales of supplies and parts increased by 11.9% and maintenance and others increased by 13.4%. The overall operating revenue increased by 1.9%.

Dynamic's operating income were NT \$ 160,418 thousands in 2021 and NT \$ 140,848 thousands in 2020; the growth rate was 13.9%. Operating income increased compared with the prior year is due to the growth of lifestyle beauty products and treatment services, optimizing the portfolio of products.

Unit: NTD in thousands



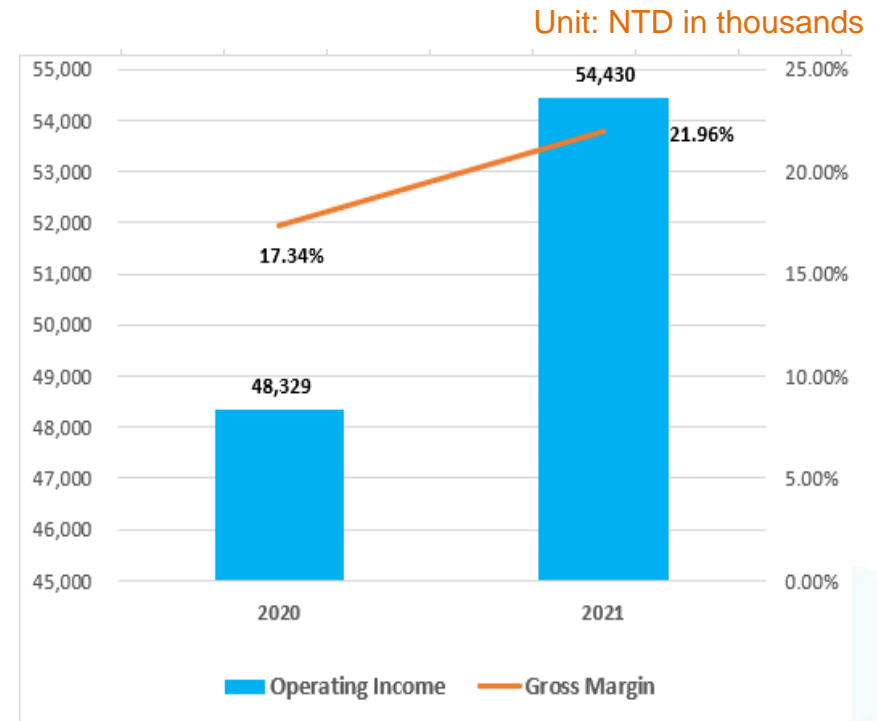
Arich (Pharmaceutical Logistics)



In 2021, sales and promotion revenue accounted for 67% of ARICH's operating revenue; distribution and logistics revenue accounted for 33% of ARICH's operating revenue.

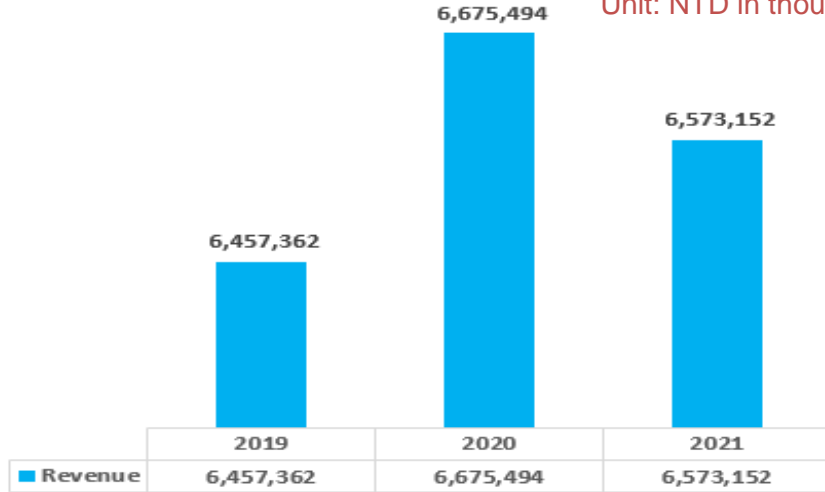
Affected by COVID-19, ARICH's operating revenue in 2021 was lower than 2020.

ARICH's operating income was NT\$ 54,430 thousands in 2021 and NT\$ 48,329 thousands in 2020; the growth rate was 12.6%. Mainly due to the decrease in sales and promotion revenue and the impact of the COVID-19 in 2021, but the increase in distribution and logistics revenue, resulting in the increase in gross profit.

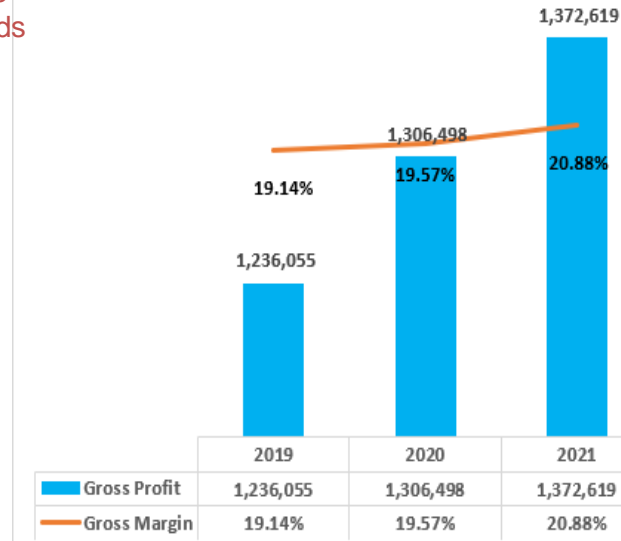


Financial Overview

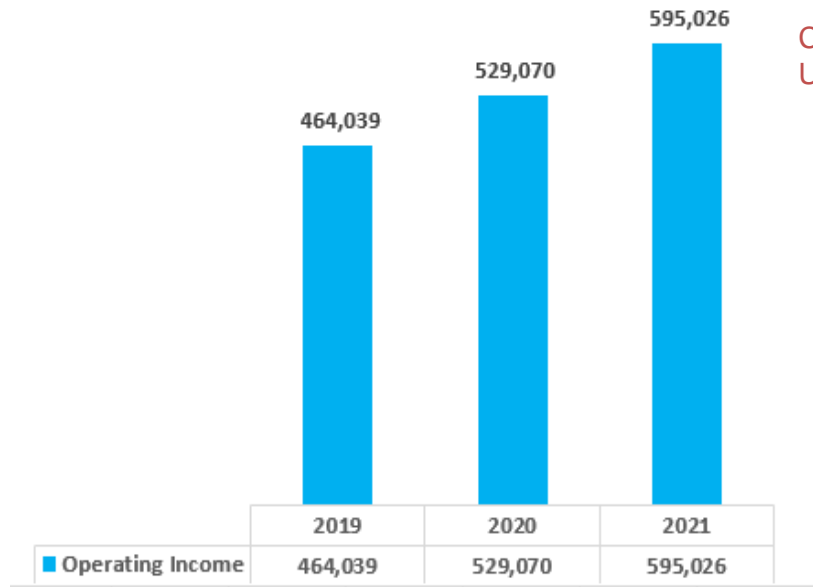
Consolidated revenue
Unit: NTD in thousands



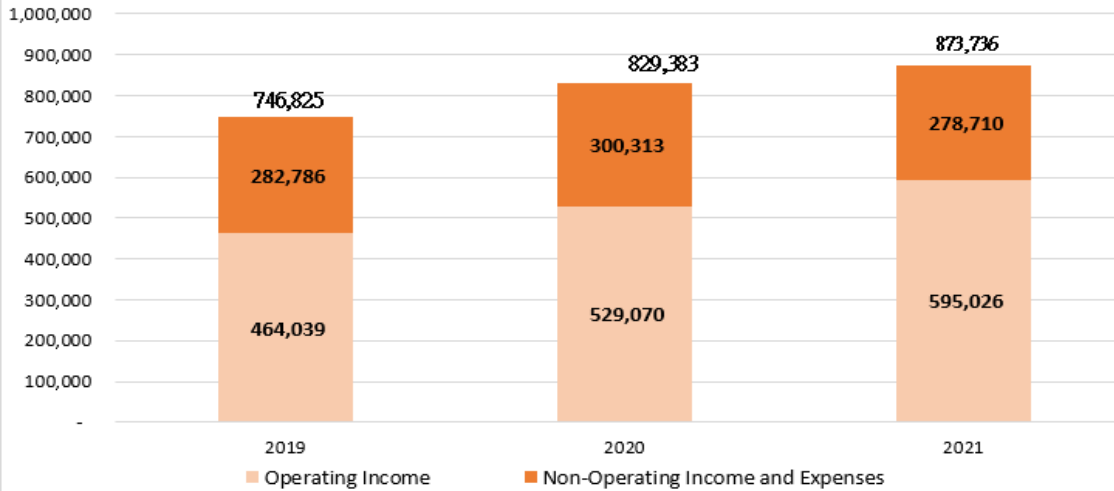
Consolidated gross profit
Unit: NTD in thousands



Consolidated operating income
Unit: NTD in thousands

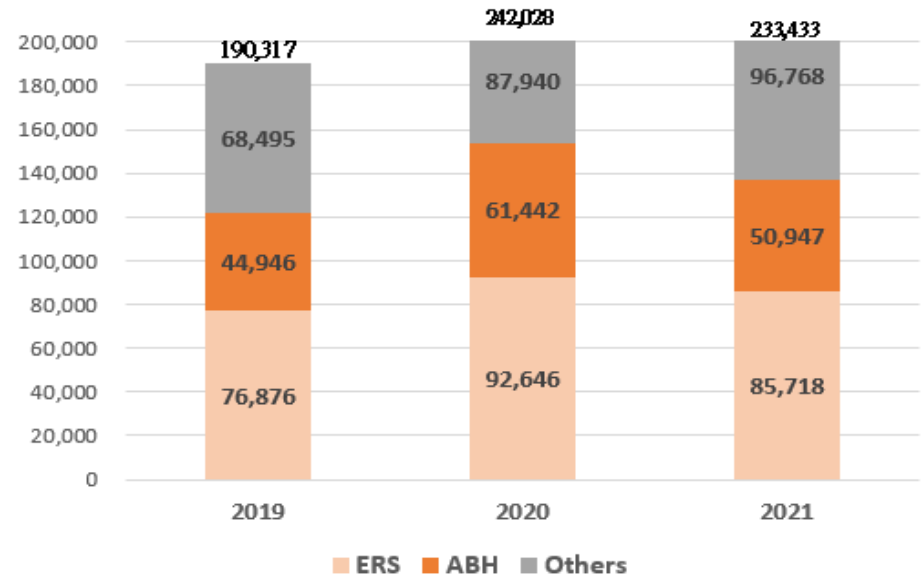


Profit before Tax



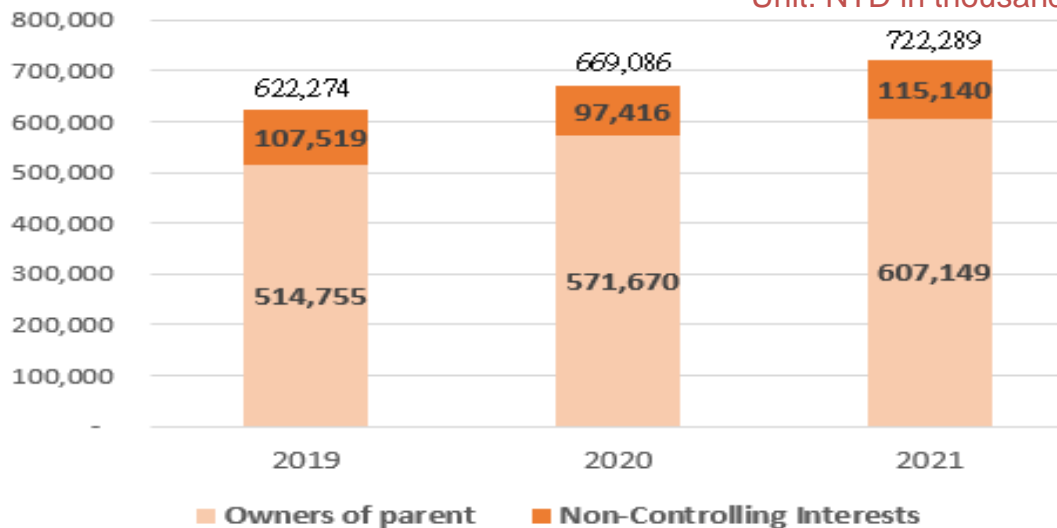
Unit: NTD in thousands

Investment Income

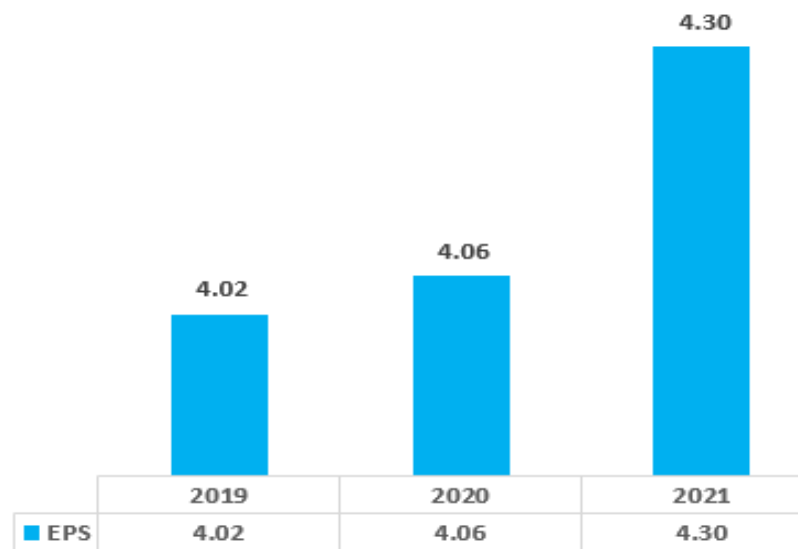


Profit after Tax

Unit: NTD in thousands



Unit : NTD in Dollars



Hemodialysis channel – Excelsior Renal Service Co., Limited & Jiate Excelsior Co., Ltd

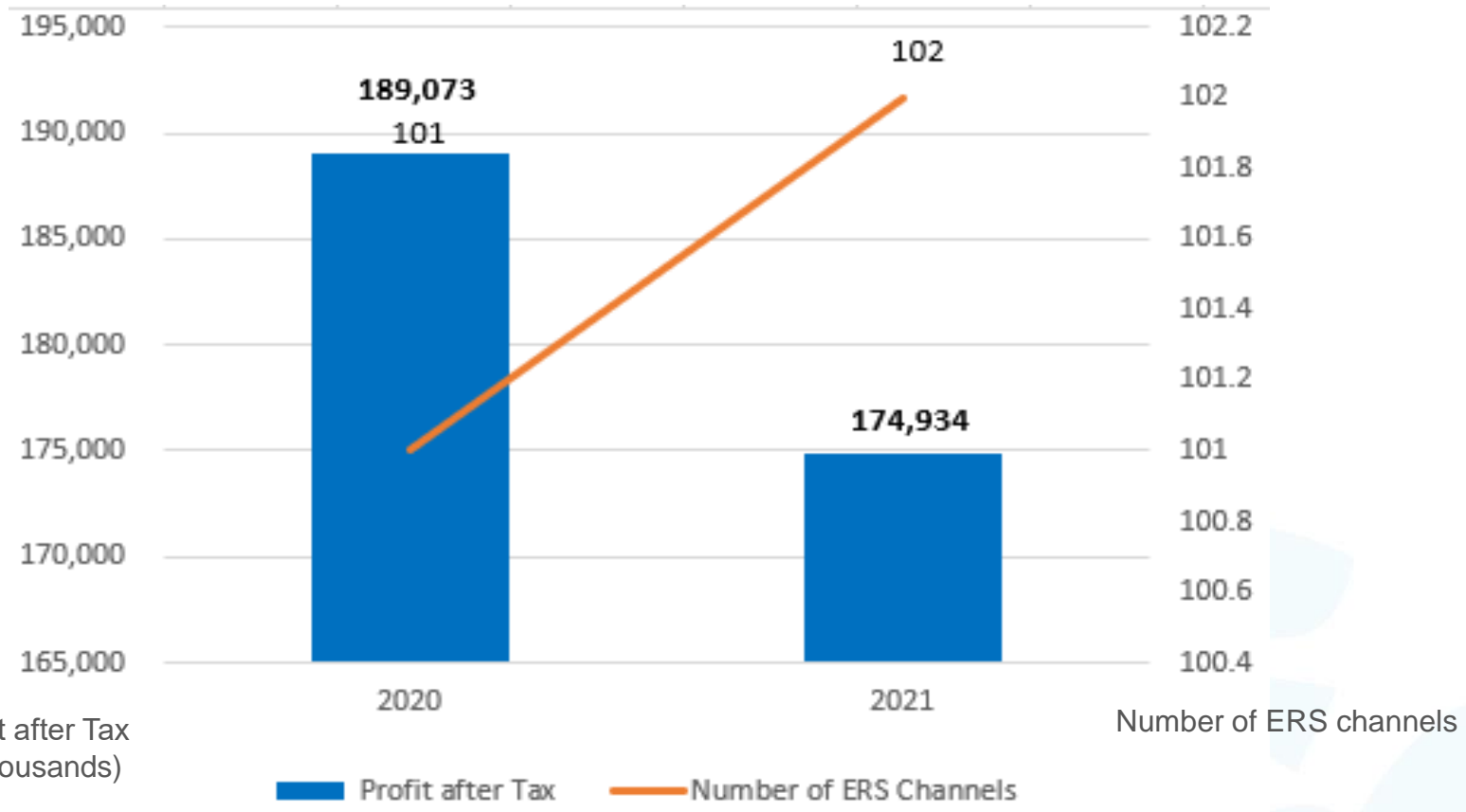


【 Hemodialysis channel Introduction 】

Excelsior has entered into a joint venture with Fresenius which is the world's largest manufacturer of dialysis products, and has established long-term cooperative relationship with more than 100 Hemodialysis Centers, also ERS is the largest professional medical services provider. Excelsior's professional hemodialysis team counsels dialysis Centers management, provides dialysis equipment and consumables with the highest quality, professional training, and medical advisory team to help medical staff to provide the best care to patients with quality care and nutrition services.



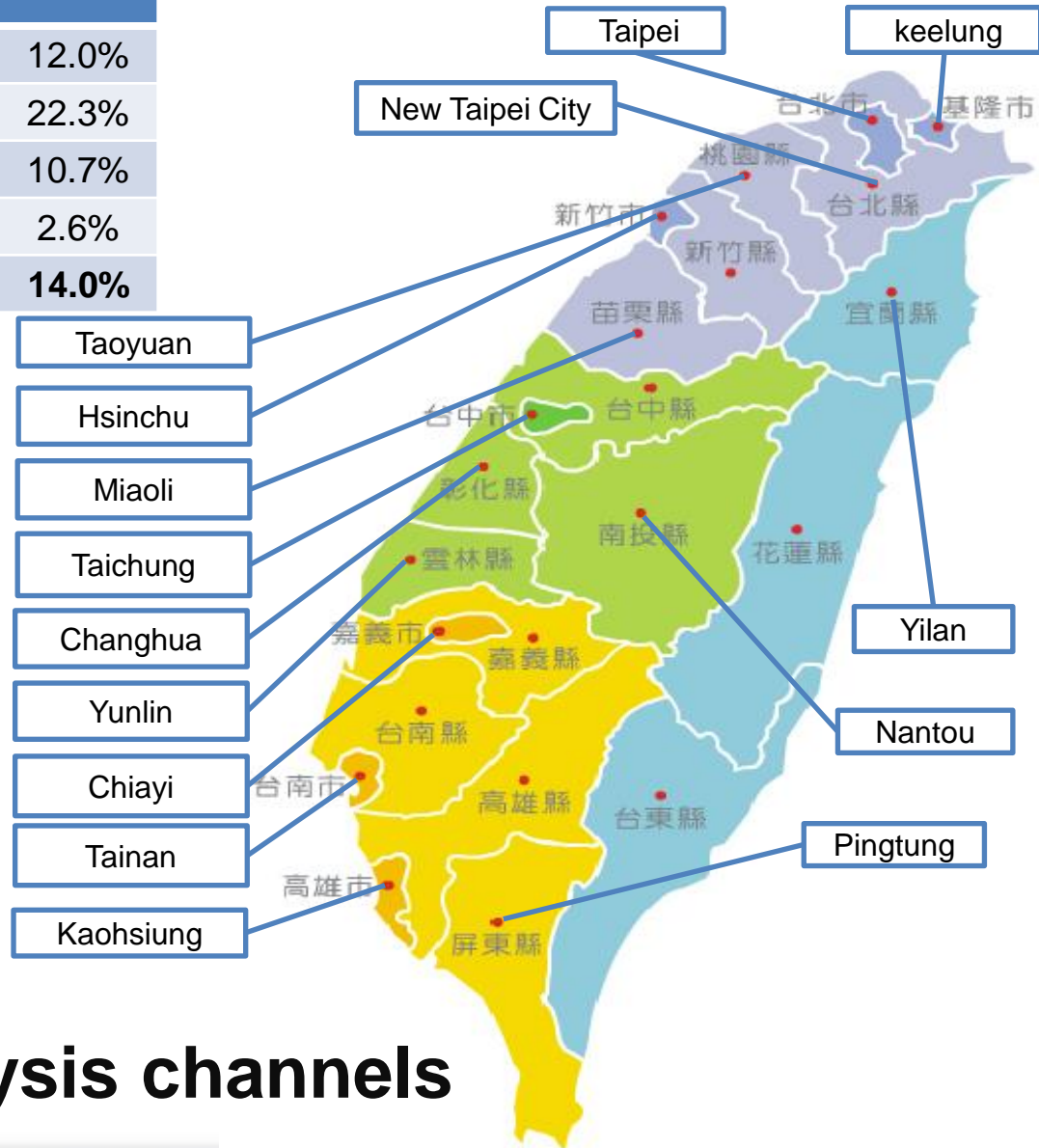
Hemodialysis channel – Excelsior Renal Service Co., Limited & Jiate Excelsior Co., Ltd



ERS's Profit after Tax
(NTD in thousands)

Number of ERS channels

Area	Total channels	ERS channels	%
North	291	35	12.0%
Central	202	45	22.3%
South	196	21	10.7%
other	38	1	2.6%
Total	727	102	14.0%



Hemodialysis channels

Long-Term Care Channels– Asia Best Healthcare Co., Ltd.

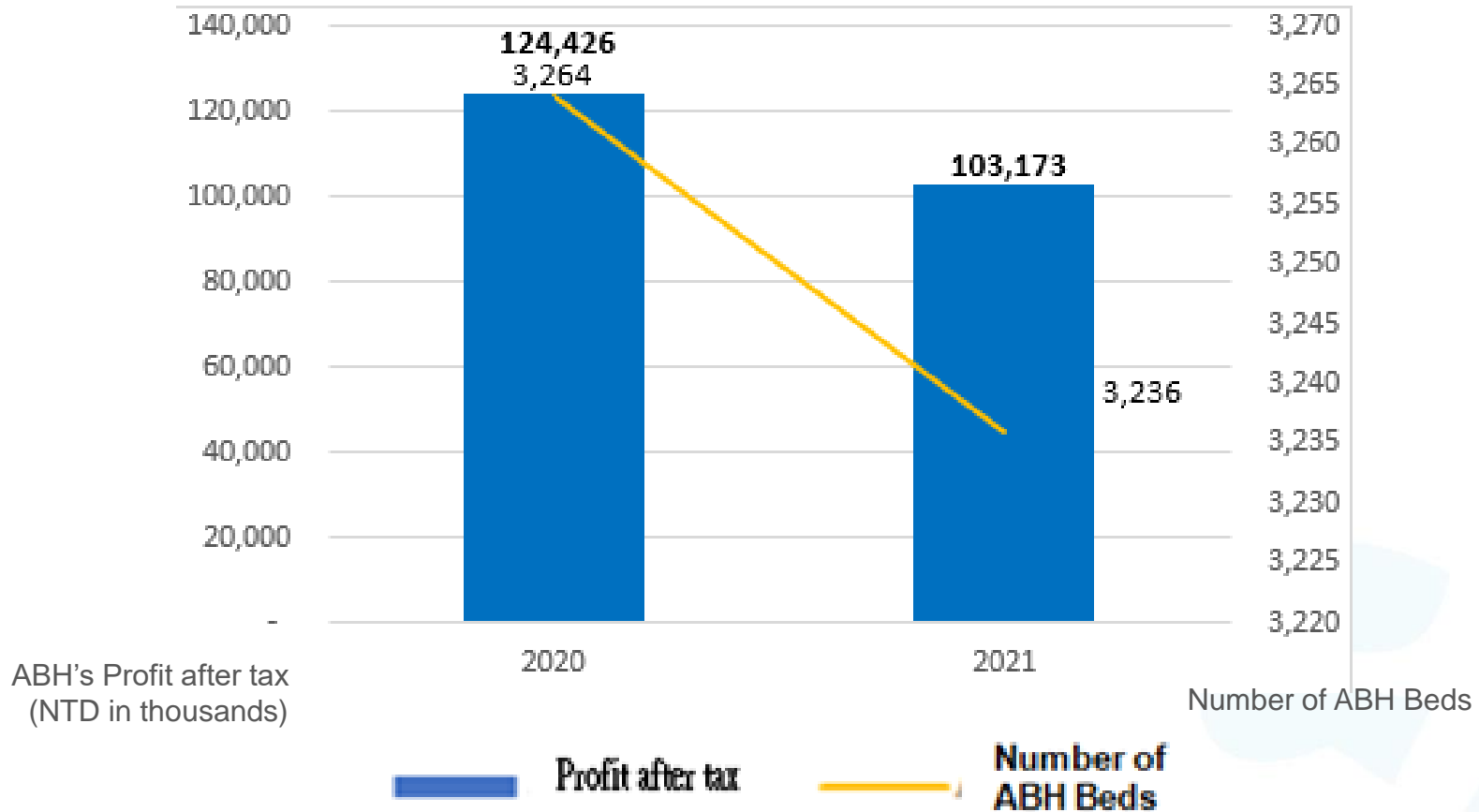
Xizhi Nursing Home



【 Long-Term Care Channels Introduction 】

Excelsior combines the experiences and advantages in the medical industry, with innovative concepts to build higher service standards of long-term care channels. We provide Long Term Care Facility Services and also provided Home-Based Care with professional medical care. Moreover, along with the implementation of the Ten-Year Long-term Care Program, we are now actively setting up a legal entity for long-term care. Together with daycare centers and medical clinics, we provide fine care for residents' health. Not only to enhance grading of care service for different levels, but we are also providing a care pattern that combines medical service with daily care. Furthermore, Excelsior Group have established a strengthening system with regional hospitals and medical centers to protect the residents of emergency medical requirements.

Long-Term Care Channels– Asia Best Healthcare Co., Ltd.



Hospital/long-term care	Beds
Hospital	504
Long-term care	2,732
Total	3,236

Long-term care channels

Xizhi



Ping-zhen



Taichung



Kaohsiung



keelung

Taoyuan

Taipei

New Taipei City

Taichung

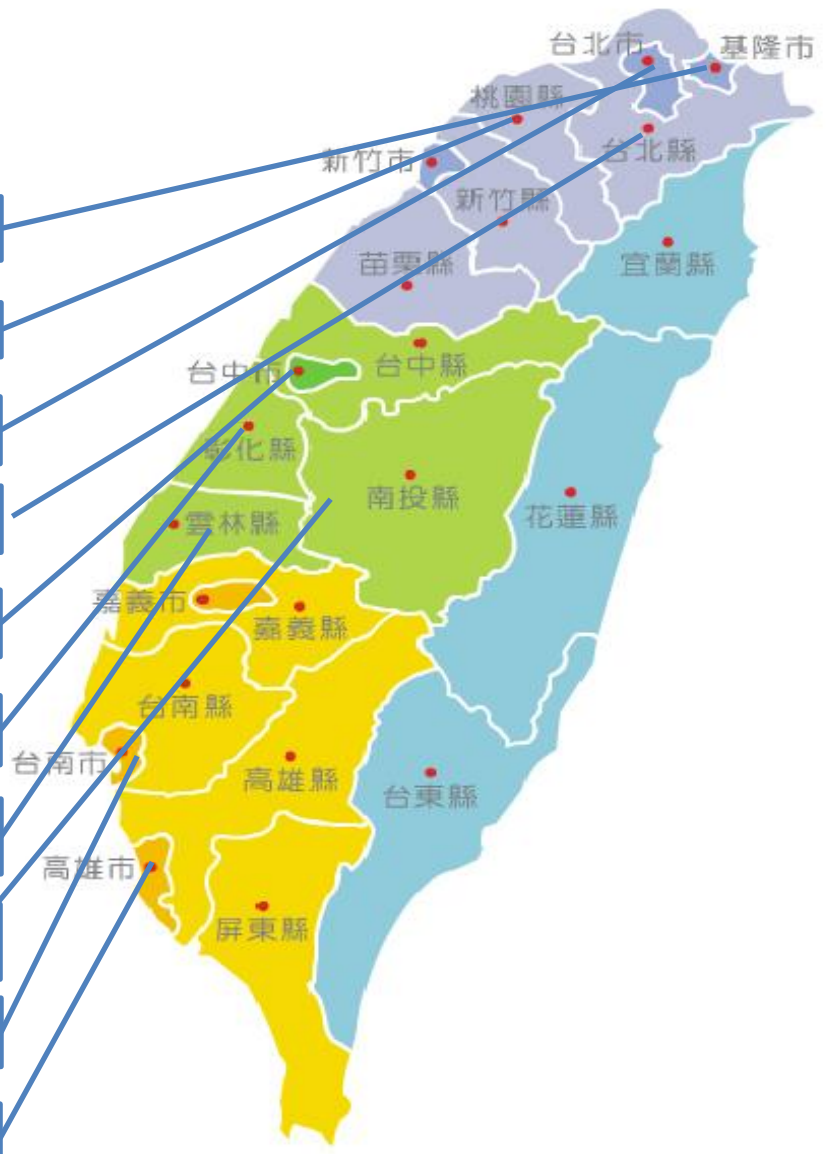
Changhua

Yunlin

Nantou

Tainan

Kaohsiung



Excelsior(Hemodialysis)

Short-Term Plan

To expand the channel of hemodialysis , the Company will acquire the 49% shares of NC and CMS, In addition, we will actively pursue agency for other medical products needed by other medical fields to develop diversified products.

Mid-Term Planning

- Externally, the Company will integrate medical resources, introduce competitive new products related to medical and health care, seek strategic partners, continue to expand medical channels.
- Internally, we will simplify the organizational structure to reduce various administrative and marketing expense and increase operation performance.

Long-Term Planning

Backward integration of the hemodialysis business through acquisition of a hemodialysis solution factory in Malaysia. After the follow-up inspection of the factory, the customer base will be expanded, and we will proceed to focus on Southeast Asia and follow the government's "The New Southbound Policy".

Dynamic(Aesthetic Medical)



Arich (Pharmaceutical Logistics)

Short-Term Planning

- 1.Sales and Promotion
 - A. Instruction medicine expand the product line to strengthen the coverage market.
 - B. Extend the channel of distribution from pharmacy to hospital.
- 2.Distribution and Logistics
 - A. To stabilize relationship with key customers/pharmaceutical companies.
 - B. Ultra-low temperature cold chain.

Mid-Term Planning

- 1.Sales and Promotion
Actively looking for the opportunity of promotion of new products.
- 2.Distribution and Logistics
 - A. To find business opportunities in medical device logistic market.
 - B. Differentiation strategy, provide tailor-made service to fulfill customers' requirements.

Long-Term Planning

- 1.Sales and Promotion
 - A. To seek strategic partners and to expand the variety of our products.
 - B. To integrate Excelsior group's dialysis and long term care centers and to enter into potential market.
- 2.Distribution and Logistics
 - A. To establish an custom made logistic center according to Principal's request.
 - B. To keep investing in IT and warehousing system.

Appendix

Balance Sheet

Unit: In thousands NTD	2020.12.31	2021.12.31
Assets		
Current Assets:		
Cash and cash equivalents	2,618,464	3,072,264
Receivables	1,445,276	1,617,903
Other receivables	2,494,273	2,857,144
Inventories	851,236	910,243
Other current assets	1,092,551	849,989
Total Current Assets	8,501,800	9,307,543
Non-Current Assets		
Non-current financial assets at fair value through other comprehensive income	735,437	701,541
Investments accounted for using equity method	2,492,993	2,629,538
Property, plant and equipment	534,339	636,488
Investment property, net	1,005,090	1,019,102
Other non-current assets	734,973	810,788
Total Non-Current Assets	5,502,832	5,797,457
Total Assets	14,004,632	15,105,000

Balance Sheet

Unit: In thousands NTD	2020.12.31	2021.12.31
Liabilities		
Current Liabilities		
Short- term borrowings	404,498	479,966
Payables	882,266	947,530
Other payables	2,001,349	2,721,225
Other current liabilities	731,819	806,308
Total Current Liabilities	4,019,932	4,955,029
Non-Current Liabilities		
Other non- current assets	404,996	404,259
Total Non-Current Liabilities	404,996	404,259
Total Liabilities	4,424,928	5,359,288
Equity Attributable to Owners of Parent		
Share capital	1,411,490	1,411,490
Capital surplus	3,276,107	3,276,107
Retained earnings	3,017,380	3,192,892
Other equity	(114,080)	(142,100)
Total Equity Attributable to Owners of Parent	7,590,897	7,738,389
Non- controlling interests	1,988,807	2,007,323
Total Equity	9,579,704	9,745,712
Total Liabilities and Equity	14,004,632	15,105,000

Statement of Comprehensive Income

Unit: In thousands NTD	2020	2021
Operating revenue	6,675,494	6,573,152
Operating costs	5,368,996	5,200,533
Gross Profit	1,306,498	1,372,619
Gross Margin	19.57%	20.88%
Operating expenses	777,428	777,593
Operating Income	529,070	595,026
Non- operating income and expenses	300,313	278,710
Profit before tax	829,383	873,736
Tax expense	160,297	151,447
Net profit after tax	669,086	722,289
Net Profit Attributable to Owners of Parent	571,670	607,149
EPS (Dollars)	4.06	4.30

Statements of Cash Flows

Unit: In thousands NTD	2020	2021
Profit before tax	829,383	873,736
Adjustments	(98,489)	(38,440)
Cash Flows from Operating Activities		
Receivables	112,387	(175,153)
Other receivables	196,476	(363,772)
Inventories	(36,471)	(121,871)
Payables	(177,012)	65,264
Other payables	191,162	719,867
Income taxes paid	(97,485)	(103,054)
Others	(50,518)	88,472
Net Cash Flows from Operating Activities	869,433	945,049

Statements of Cash Flows

Unit: In thousands NTD	2020	2021
Cash Flows from Investing Activities		
Acquisition of financial assets at amortized cost	(620,951)	(680,170)
Proceeds from disposal of financial assets at amortized cost	365,699	764,031
Acquisition of property, plant and equipment	(30,716)	(164,690)
Proceeds from disposal of property, plant and equipment	285	94
Decrease (increase) in refundable deposits	57,638	(76,390)
Acquisition of investment properties	(209,877)	(21,695)
Proceeds from disposal of investment properties	-	609
(Increase) decrease in other financial assets	(101,376)	138,281
Dividends received	127,668	178,652
Others	(3,220)	5,403
Net Cash Flows (used in) from Investing Activities	(414,850)	144,125

Statements of Cash Flows

Unit: In thousands NTD	2020	2021
Cash Flows from Financing Activities		
(Decrease) Increase in short- term borrowings	(808,469)	75,468
Repayments of long- term borrowings	(4,448)	(4,055)
Cash dividends paid	(465,792)	(494,021)
Capital increased by cash	585,000	-
Others	90,425	(171,300)
Net Cash Flows used in Financing Activities	(603,284)	(593,908)
Effect of exchange rate changes on cash and cash equivalents	(61,611)	(41,466)
Net (decrease) increase in cash and cash equivalents	(210,312)	453,800
Cash and Cash Equivalents at beginning of the period	2,828,776	2,618,464
Cash and Cash Equivalents at the end of the period	2,618,464	3,072,264

Growing up with Long-term partners

Excelsior has been operating for 30 years, accumulated core competitiveness with new ideas created, new models to integrate various professional medical fields. Excelsior will keep taking root in the Asia market, the business scope includes Taiwan, Hong Kong, China, Philippines and Malaysia. Through continuously cooperate and integrate with long-term partners, Excelsior expects to become Asia's most valuable Integrated medical healthcare provider.





佳醫集團

亞洲最有價值 健康醫療產業投資經營團隊

www.excelsior.com.tw