



佳醫集團

用心 Dedication | 自主 Discipline | 創新 Innovation | 前瞻 Proactive

Excelsior Medical Co., Ltd.

Investor Conference

2022/9/27

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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.

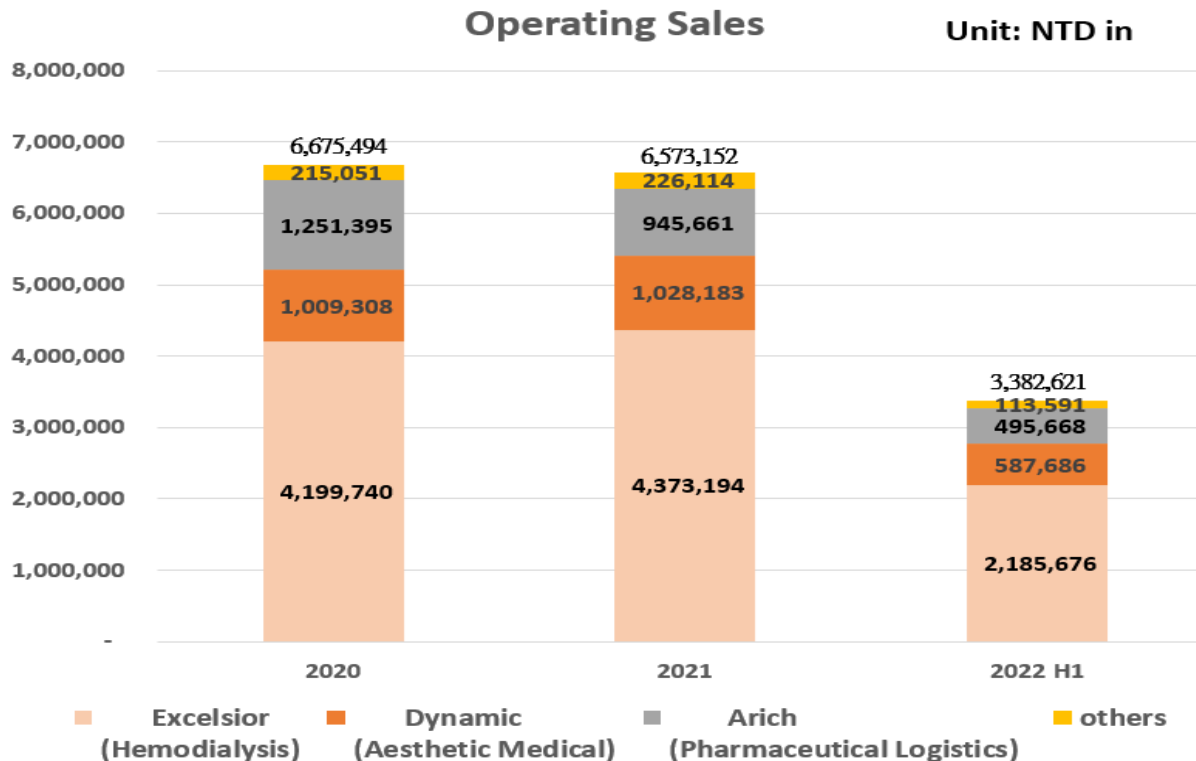
In 2001 “Enfield Medical Co., Ltd.” successfully listed on the OTC. With the success in integration and diversification, Enfield became a listed company in Taiwan Stock Exchange (TSE) in 2007. Enfield was later renamed as **Excelsior in 2009.**

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.

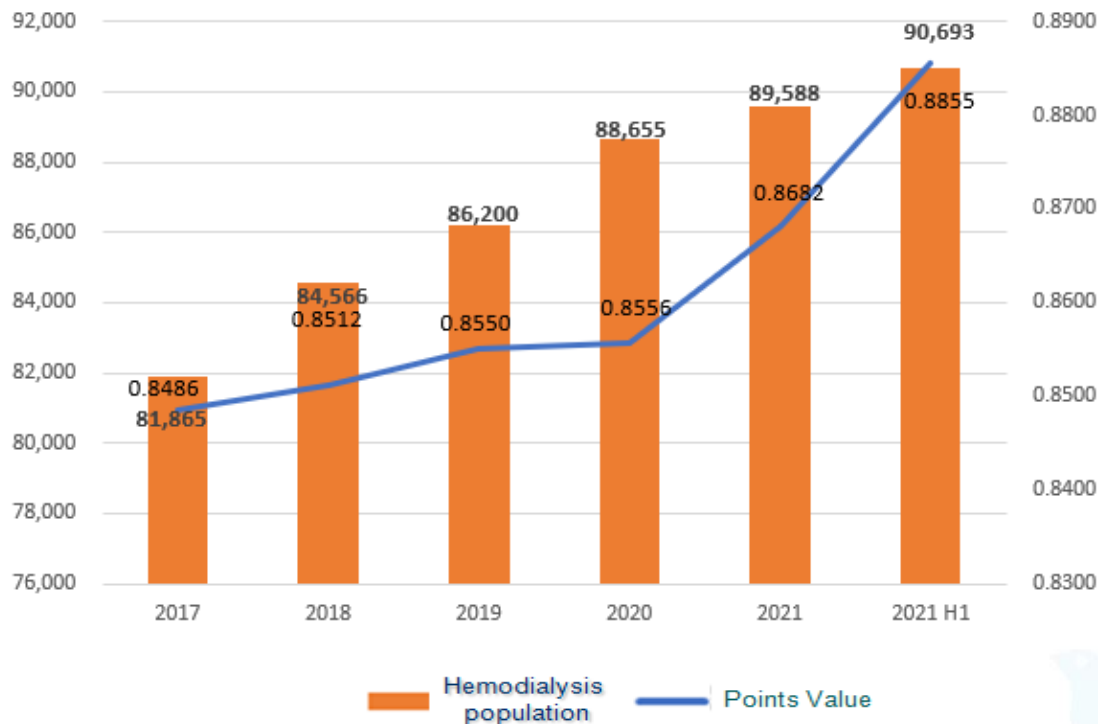


The Business Types



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 2nd quarter of 2022, the total number of Taiwan hemodialysis and peritoneal dialysis populations has reached 90,693 people.



Hemodialysis brand

AsahiKASEI NIKKISO

KYOWAKIRIN JMS

SUNER FASFLO

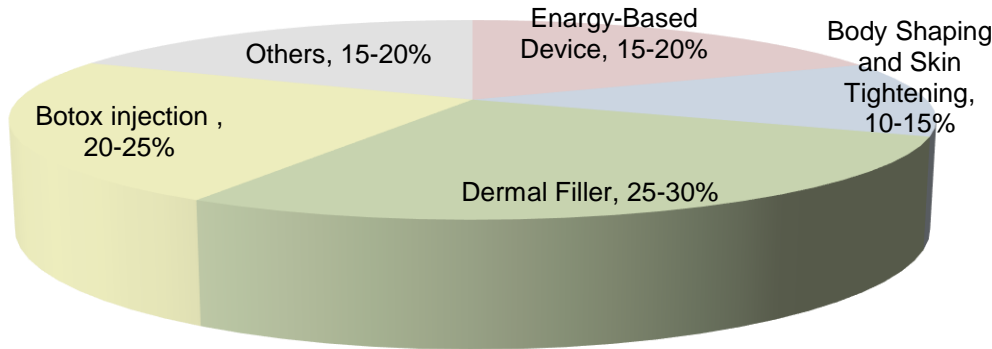
CHI SHENG

B|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

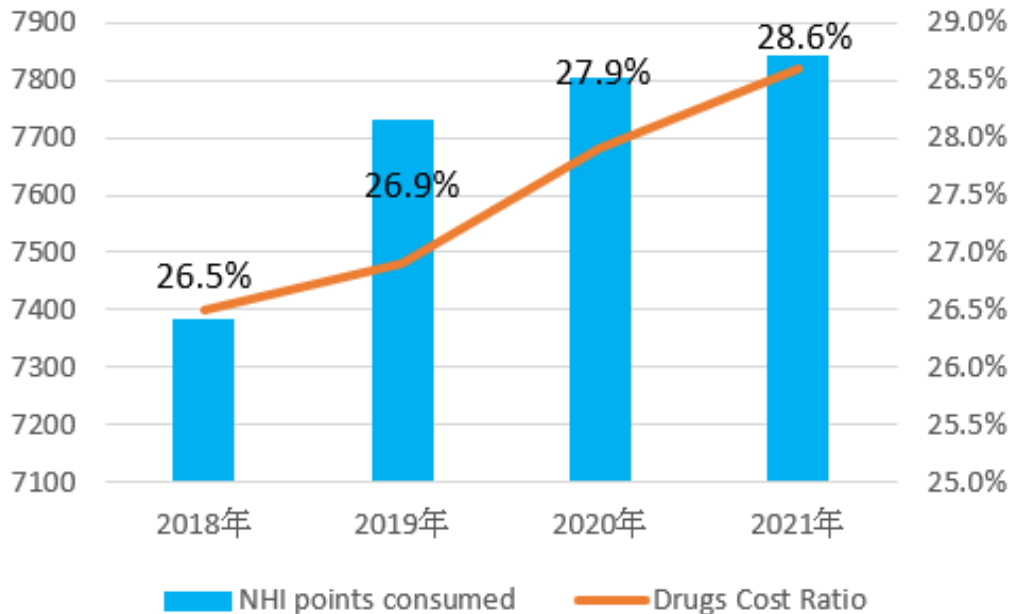


Product Portfolio

Ultherapy, SCVISION, LPG, SYNERON, CANDELA, Dr CYJ, COCOON MEDICAL, FAITH, Medytox, VIVEVE, Fotona (choose perfection), SIMFLE STICK, REGEN Biotech, Inc.

Arich (Pharmaceutical Logistics)

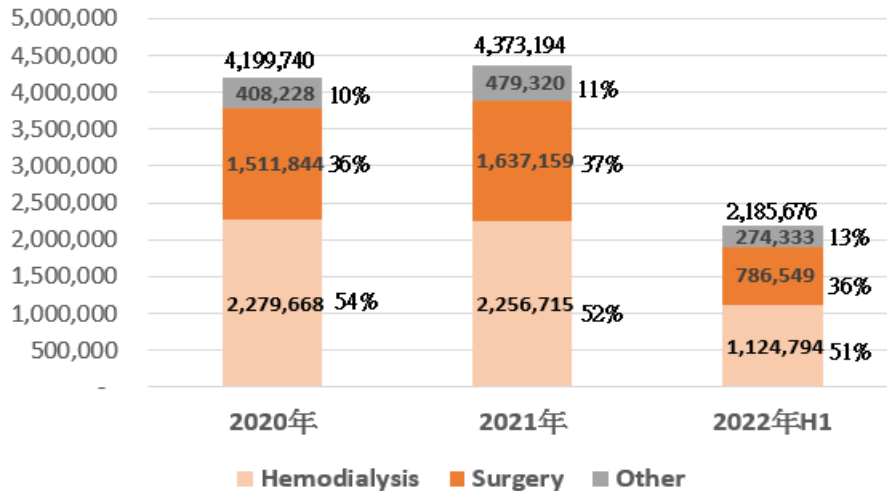
Medicines cover cost approximately 1/4 of National Health Insurance expenditures. In Taiwan, although demand for medication is growing, but the prices approved/reimbursed by NHI are declining. Consequently the multinational pharmaceutical companies keep on outsourcing, for the sake of cost down, the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



國際原廠客戶

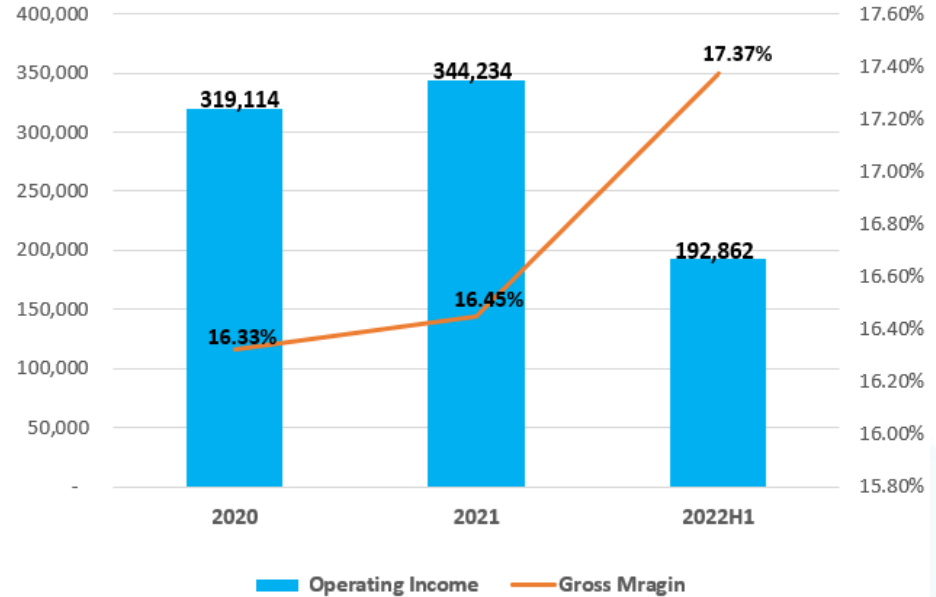
Excelsior(Hemodialysis)

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 operating income in 2022 H1 than which of 2021 H1 is increased because of the increase in sales of high-margin products and the depreciation in the import exchange rate.

Unit: NTD in thousands



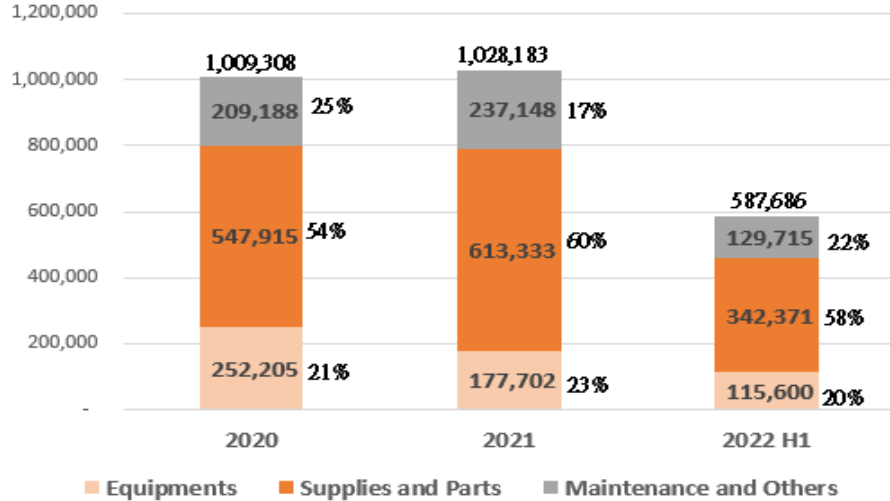
In 2022 H1, Excelsior's hemodialysis products accounted for 51% of its operating revenue, the surgical products accounted for 36%, the other products (blood bags, ostomy, preventive healthcare and home appliances) accounted for 13%.

The greater revenues of 2022 H1 than which of 2021 H1 is due to the increase in sales of hemodialysis 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%.

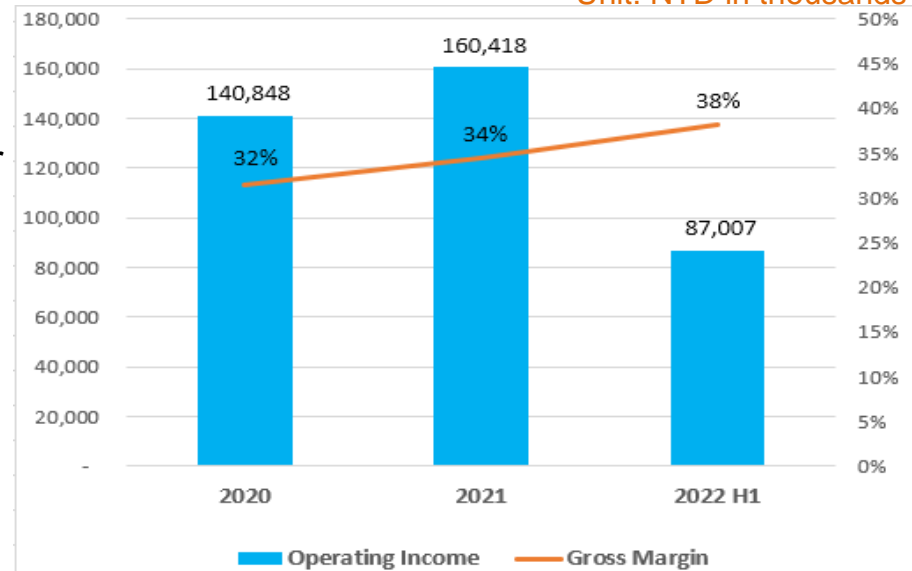
Dynamic(Aesthetic Medical)

Revenue Ratio Unit: NTD in thousands



Dynamic's operating income were NT \$ 160,418 thousands in 2021 and NT \$ 140,848 thousands in 2020; the growth rate was 13.9%. The operating income in 2022 H1 than which of 2021 H1 is increased because the new products were launched and the gross profit margin was improved through a diversified product sales mix. Although the expenses of ad and expansion increased, the overall operating income still increased compared with the same period last year.

Unit: NTD in thousands



In 2022 H1, Dynamic's equipments accounted for 20% of the revenue, supplies and parts accounted for 58%, maintenance and others accounted for 22%.

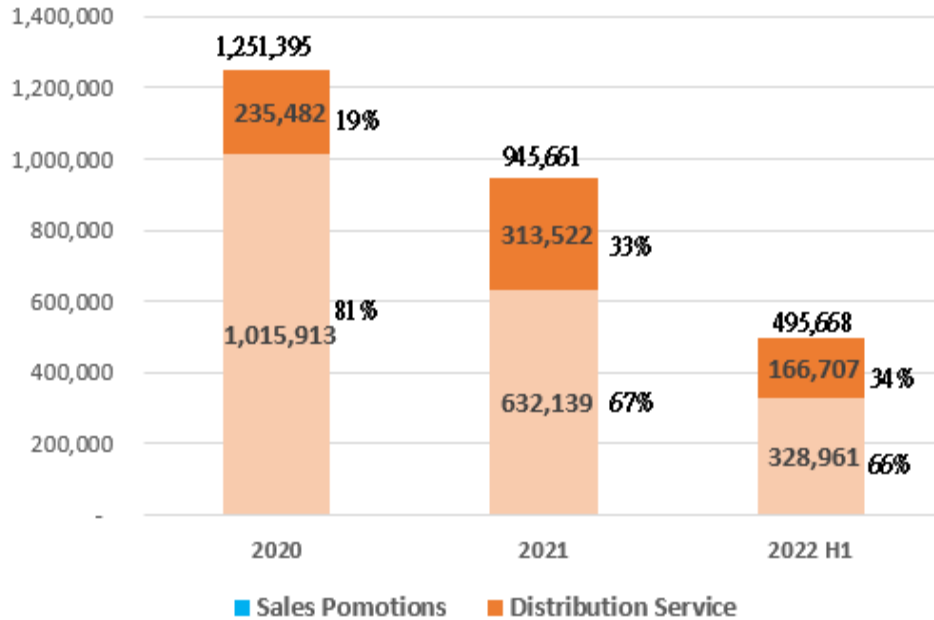
The greater revenues of 2022 H1 than which of 2021 H1 is due the steady growth of new machines, neurotoxic and dermal filler, as well as the growth of beauty treatment revenue driven by the expansion of beauty shops.

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%.

Arich (Pharmaceutical Logistics)

Revenue Ratio

Unit: NTD in thousands



In 2022 H1, Arich's sales and promotion revenue accounted for 66% of ARICH's operating revenue; distribution and logistics revenue accounted for 34% of ARICH's operating revenue.

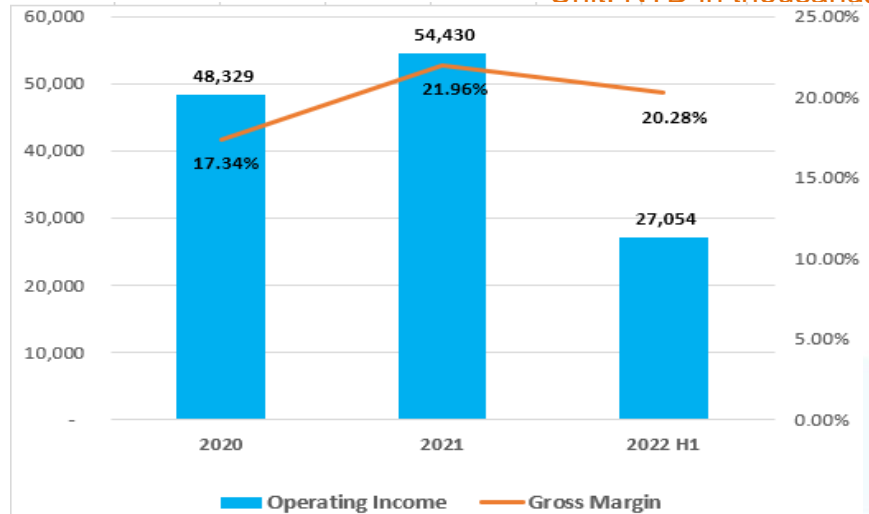
The greater revenues of 2022 H1 than which of 2021 H1 is due to the collaboration with new principals.

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

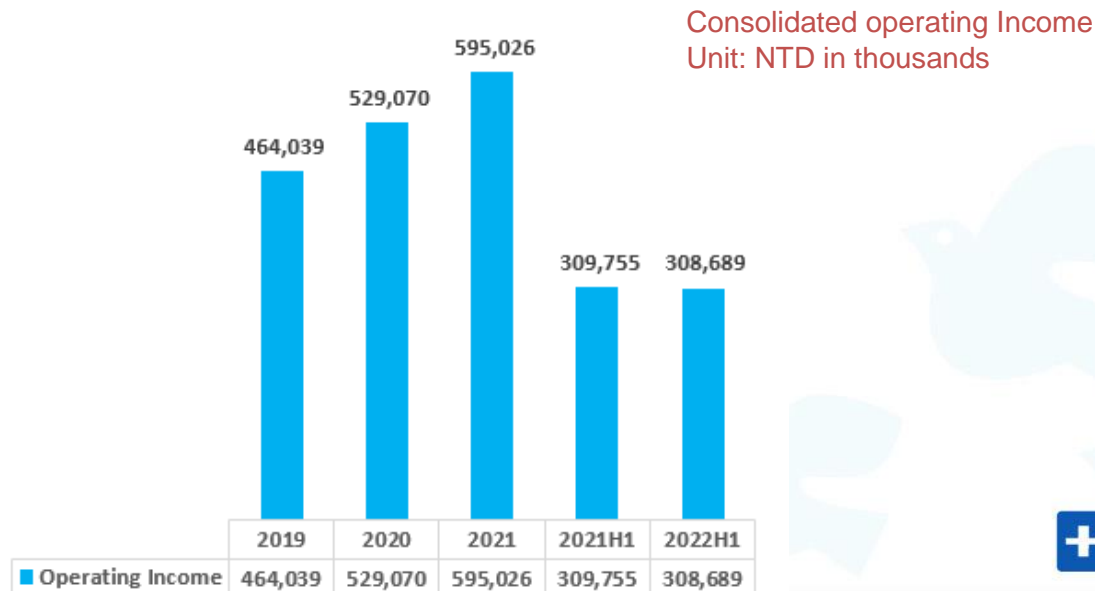
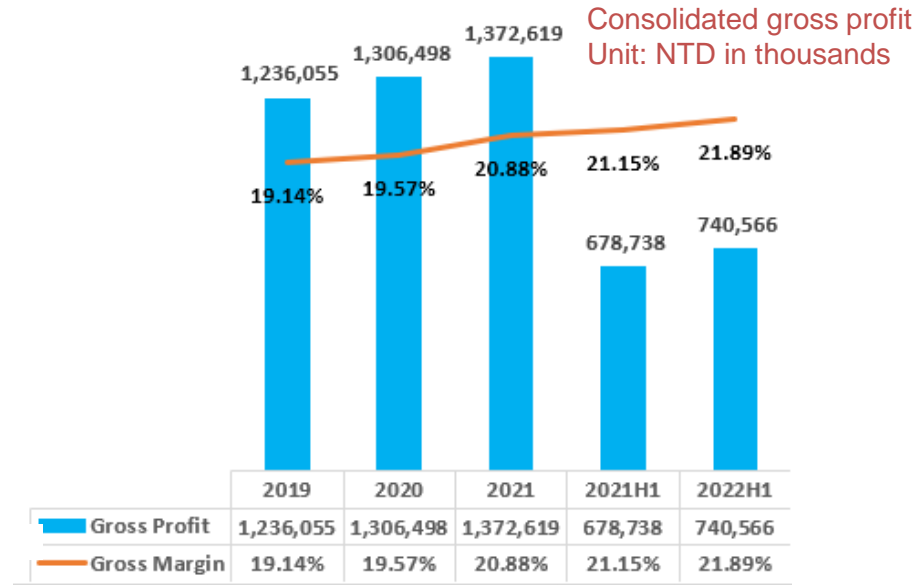
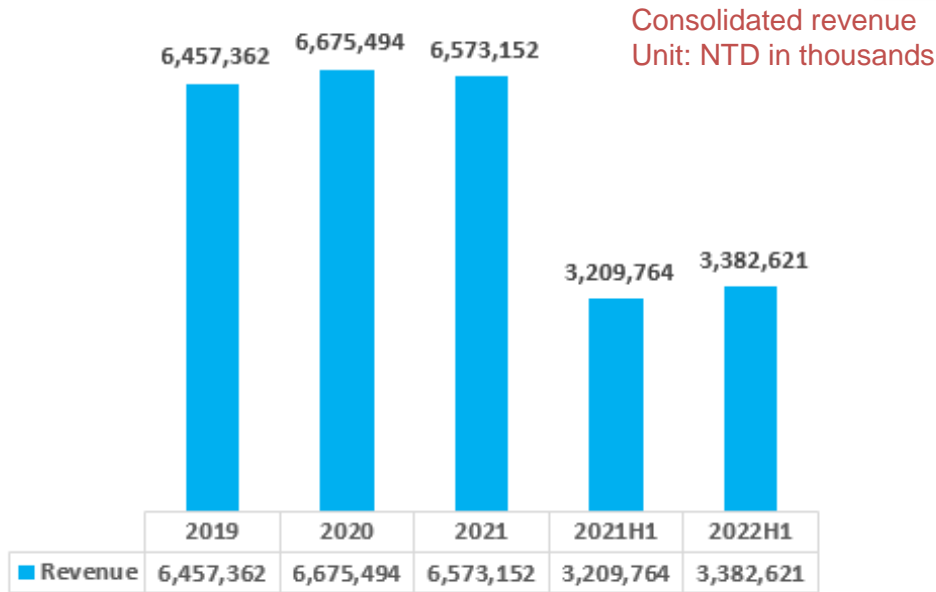
Arich's operating income was NT\$ 54,430 thousands in 2021 and NT\$ 48,329 thousands in 2020; the growth rate was 12.6%. Mainly due to the decrease in sales and promotion revenue and the impact of the COVID-19 in 2021, but the increase in distribution and logistics revenue, resulting in the increase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

The decrease in margin in 2022 H1, is mainly due to inflation that increased operating costs. However, the operating income is increased in 2022 H1 by retrenching expenses.

Unit: NTD in thousands

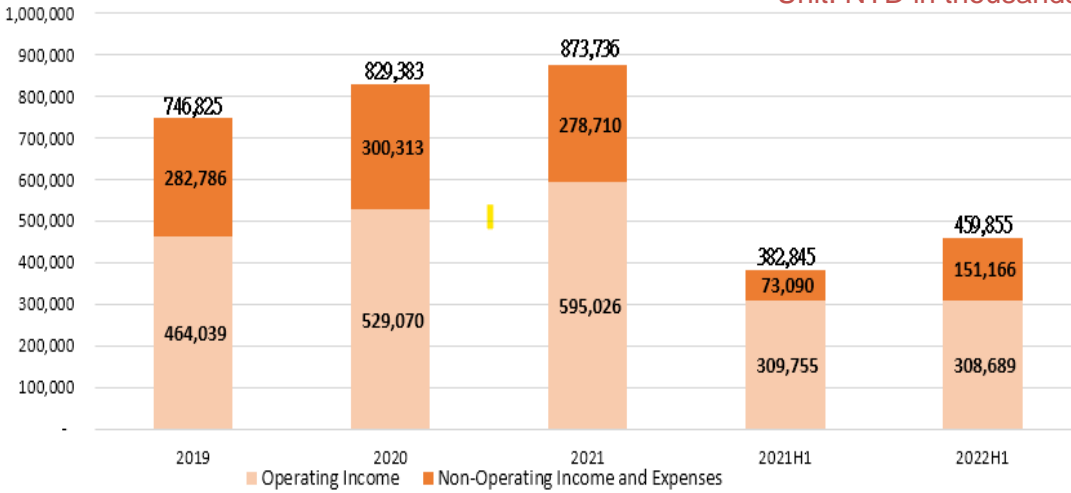


Financial Overview



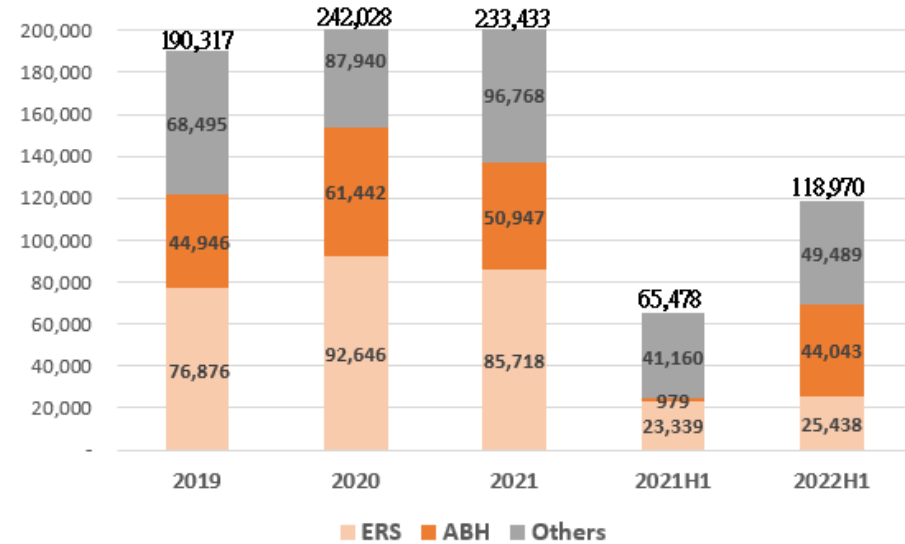
Profit before Tax

Unit: NTD in thousands



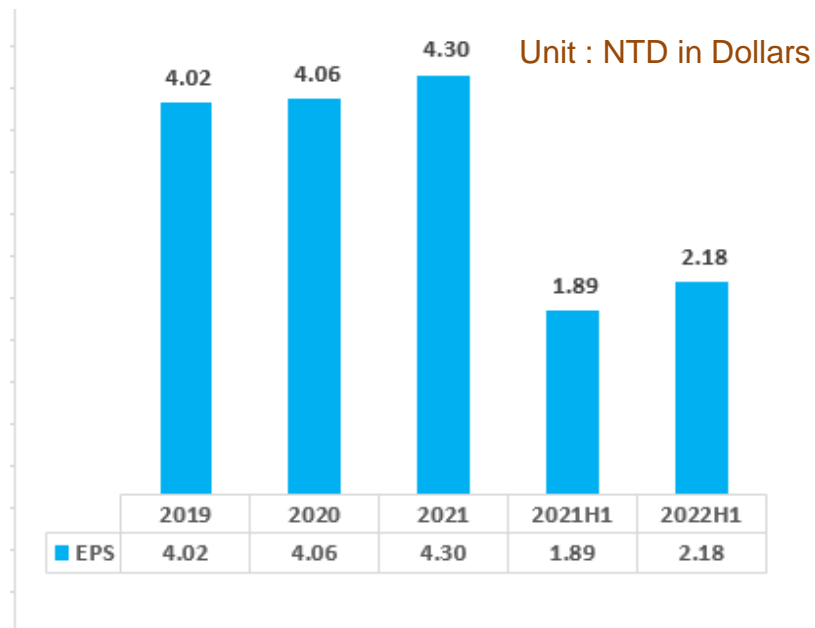
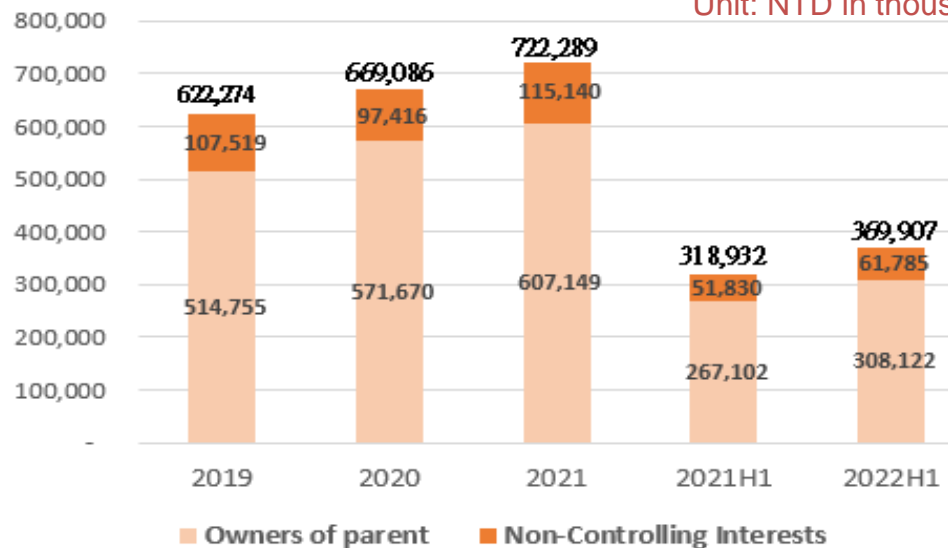
Unit: NTD in thousands

Investment Income



Profit after Tax

Unit: NTD in thousands



Investment Overview



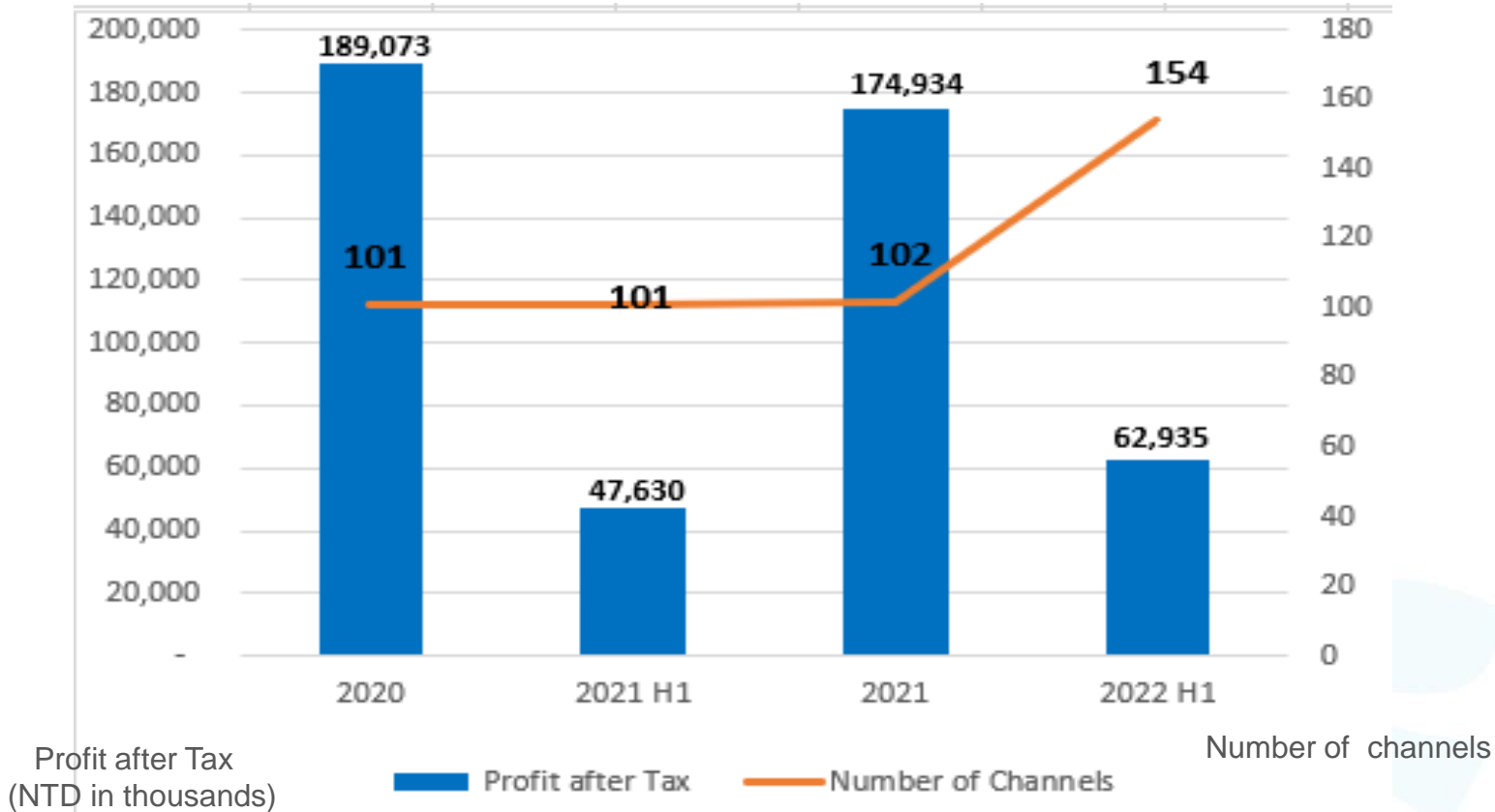
Hemodialysis channel – Excelsior Renal Service Co., Limited NephroCare Limited Cardinal Medical Services Ltd.



【 Hemodialysis channel Introduction 】

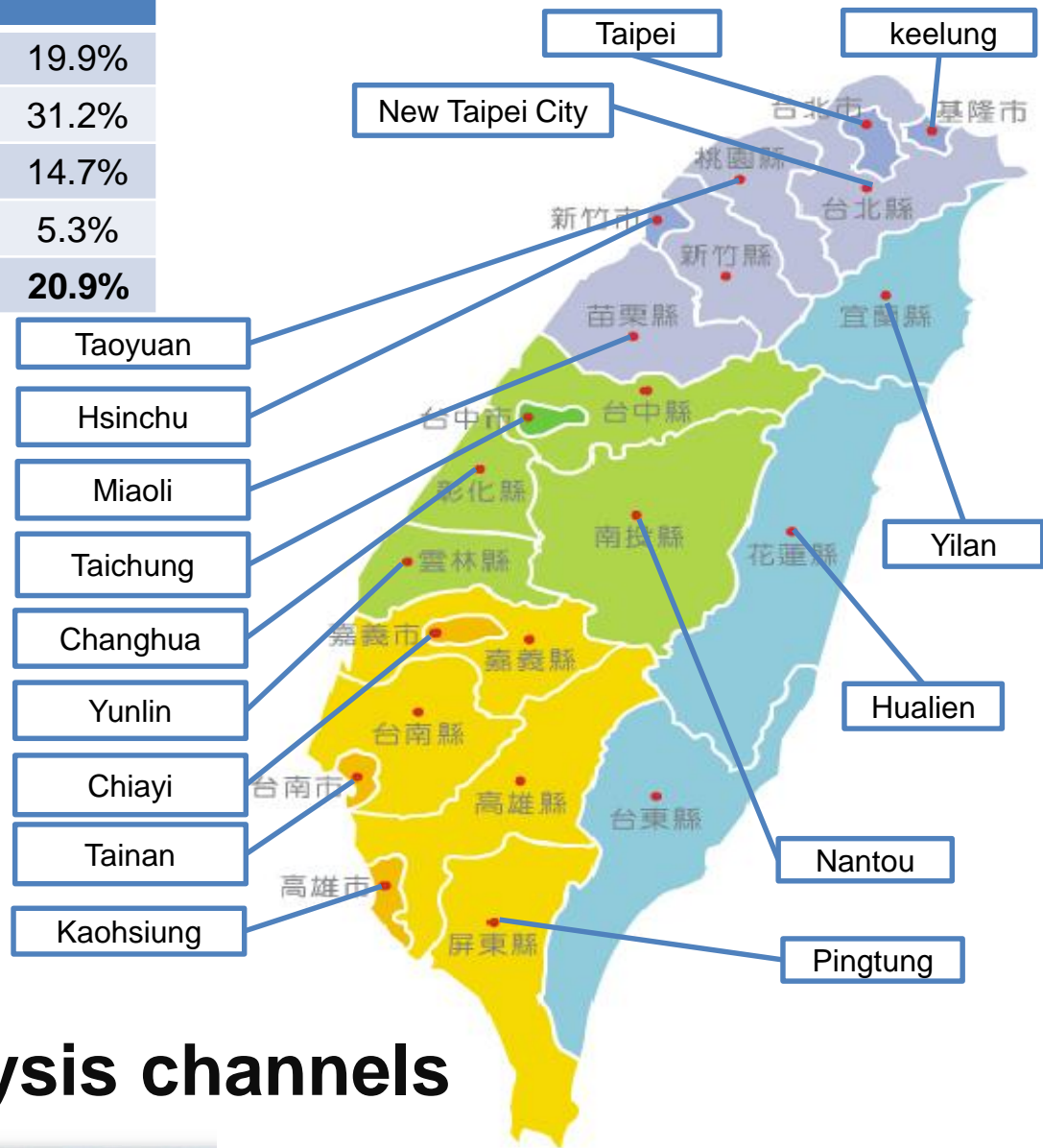
Excelsior has entered into a joint venture with Fresenius which is the world's largest manufacturer of dialysis products, and has established long-term cooperative relationship with more than 100 Hemodialysis Centers, Excelsior acquire the 49% shares of NC and CMS, also ERS is the largest professional medical management 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 NephroCare Limited Cardinal Medical Services Ltd.



<Note>In 2022 H1, the hemodialysis channel increased due to NephroCare Limited and Cardinal Medical Services Ltd..

Area	Total channels	ERS/NC/CMS channels	%
North	296	59	19.9%
Central	205	64	31.2%
South	197	29	14.7%
other	38	2	5.3%
Total	736	154	20.9%



Hemodialysis channels

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

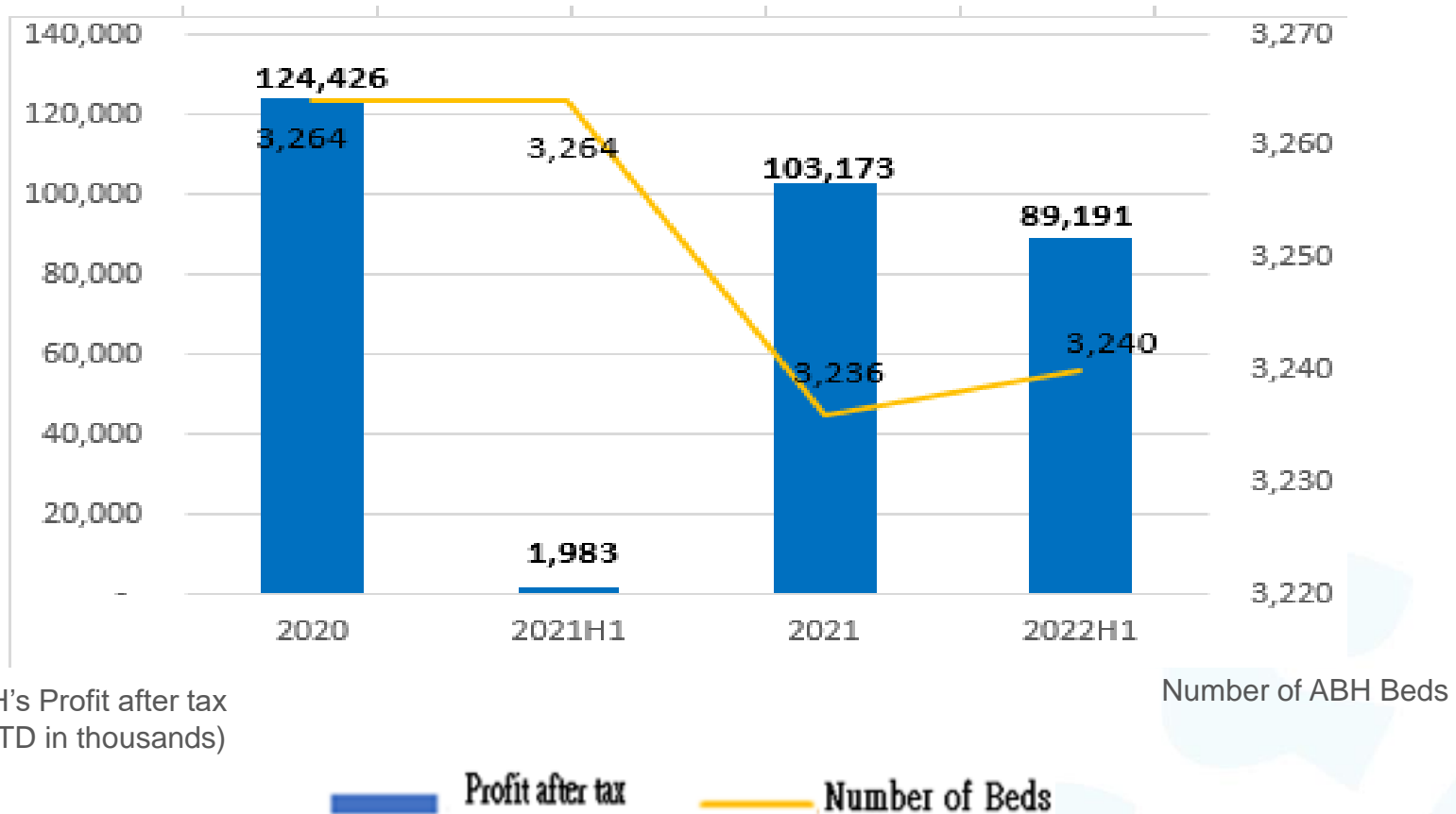
Xizhi Nursing Home



【 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.



ABH's Profit after tax
(NTD in thousands)

Number of ABH Beds

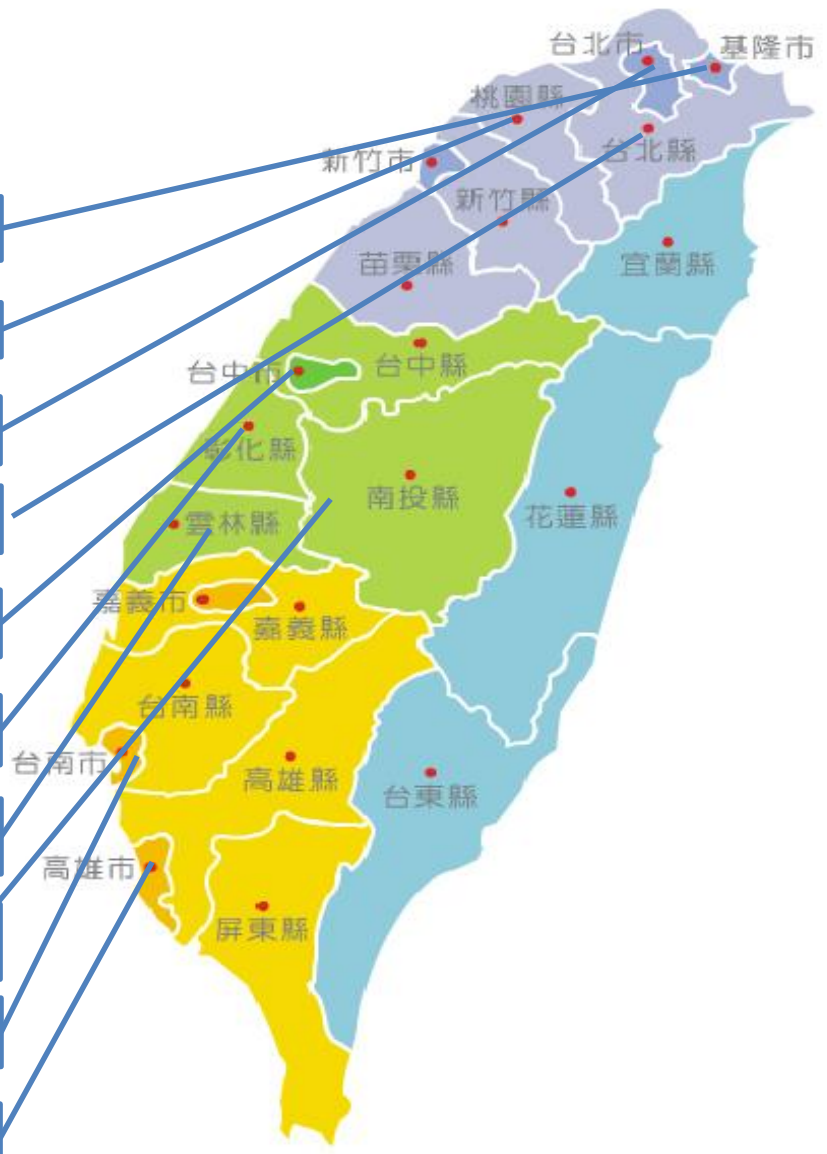
Profit after tax Number of Beds

Hospital/long-term care	Beds
Hospital	508
Long-term care	2,732
Total	3,240

Long-term care channels



- 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 invested in NC and CMS, 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	22022.06.30
Assets			
Current Assets:			
Cash and cash equivalents	2,618,464	3,072,264	2,742,377
Receivables	1,445,276	1,617,903	1,570,250
Other receivables	2,494,273	2,857,144	3,162,318
Inventories	851,236	910,243	1,037,446
Other current assets	1,092,551	849,989	887,277
Total Current Assets	8,501,800	9,307,543	9,399,668
Non-Current Assets			
Non-current financial assets at fair value through other comprehensive income	735,437	701,541	648,433
Investments accounted for using equity method	2,492,993	2,629,538	3,452,596
Property, plant and equipment	534,339	636,488	700,692
Investment property, net	1,005,090	1,019,102	1,013,444
Other non-current assets	734,973	810,788	799,511
Total Non-Current Assets	5,502,832	5,797,457	6,614,676
Total Assets	14,004,632	15,105,000	16,014,344

Balance Sheet

Unit: In thousands NTD	2020.12.31	2021.12.31	22022.06.30
Liabilities			
Current Liabilities			
Short- term borrowings	404,498	479,966	401,399
Payables	882,266	947,530	992,813
Other payables	2,001,349	2,721,225	3,445,032
Other current liabilities	731,819	806,308	916,338
Total Current Liabilities	4,019,932	4,955,029	5,755,582
Non-Current Liabilities			
Other non- current assets	404,996	404,259	444,267
Total Non-Current Liabilities	404,996	404,259	444,267
Total Liabilities	4,424,928	5,359,288	6,199,849
Equity Attributable to Owners of Parent			
Share capital	1,411,490	1,411,490	1,411,490
Stock dividend to be distributed	-	-	70,574
Capital surplus	3,276,107	3,276,107	3,276,099
Retained earnings	3,017,380	3,192,892	2,960,943
Other equity	(114,080)	(142,100)	91,677
Total Equity Attributable to Owners of Parent	7,590,897	7,738,389	7,810,783
Non- controlling interests	1,988,807	2,007,323	2,003,712
Total Equity	9,579,704	9,745,712	9,814,495
Total Liabilities and Equity	14,004,632	15,105,000	16,014,344

Statement of Comprehensive Income

Unit: In thousands NTD	2020	2021	2022 H1
Operating revenue	6,675,494	6,573,152	3,382,621
Operating costs	5,368,996	5,200,533	2,642,055
Gross Profit	1,306,498	1,372,619	740,566
Gross Margin	19.57%	20.88%	21.89%
Operating expenses	777,428	777,593	431,877
Operating Income	529,070	595,026	308,689
Non- operating income and expenses	300,313	278,710	151,166
Profit before tax	829,383	873,736	459,855
Tax expense	160,297	151,447	89,948
Net profit after tax	669,086	722,289	369,907
Net Profit Attributable to Owners of Parent	571,670	607,149	308,122
EPS (Dollars)	4.06	4.30	2.18

Statements of Cash Flows

Unit: In thousands NTD	2020	2021	2022 H1
Profit before tax	829,383	873,736	459,855
Adjustments	(98,489)	(38,440)	(21,272)
Cash Flows from Operating Activities			
Receivables	112,387	(175,153)	43,663
Other receivables	196,476	(363,772)	(87,568)
Inventories	(36,471)	(121,871)	(168,031)
Payables	(177,012)	65,264	45,283
Other payables	191,162	719,867	137,741
Income taxes paid	(97,485)	(103,054)	(66,498)
Others	(50,518)	88,472	(17,467)
Net Cash Flows from Operating Activities	869,433	945,049	325,706

Statements of Cash Flows

Unit: In thousands NTD	2020	2021	2022 H1
Cash Flows from Investing Activities			
Proceeds from disposal of financial assets at fair value through other comprehensive income	1,006	39,818	105,197
Acquisition of financial assets at amortized cost	(620,951)	(680,170)	(267,759)
Proceeds from disposal of financial assets at amortized cost	365,699	764,031	336,790
Acquisition of investments accounted for using equity method	-	-	(771,103)
Acquisition of property, plant and equipment	(30,716)	(164,690)	(72,559)
Proceeds from disposal of property, plant and equipment	285	94	2,395
Decrease (increase) in refundable deposits	57,638	(76,390)	49,966
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	(12,844)
Dividends received	127,668	178,652	15,658
Others	(4,226)	(34,415)	(1,477)
Net Cash Flows (used in) from Investing Activities	(414,850)	144,125	(615,736)

Statements of Cash Flows

Unit: In thousands NTD	2020	2021	2022 H1
(Decrease) Increase in short- term borrowings	(808,469)	75,468	(78,567)
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)	(42,205)
Net Cash Flows used in Financing Activities	(603,284)	(593,908)	(120,772)
Effect of exchange rate changes on cash and cash equivalents	(61,611)	(41,466)	80,915
Net (decrease) increase in cash and cash equivalents	(210,312)	453,800	(329,887)
Cash and Cash Equivalents at beginning of the period	2,828,776	2,618,464	3,072,264
Cash and Cash Equivalents at the end of the period	2,618,464	3,072,264	2,742,377

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

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