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Issuer: Livingstone Health Holdings Limited

Stock code: PRH

Meeting details:

Date: 30 July 2021

Time: 10.00 a.m.

Due to the current COVID-19 pandemic, SIAS encourage shareholders to participate at AGMs via other means and not to attend any AGM physically. Where the AGM is webcast, they can stay on top of their investments by watching the webcast and submitting their question to the company in advance. Senior citizens should avoid attending AGMs altogether and stay home.

Q1. Following the reverse takeover (“RTO”) of Livingstone Health Holdings Limited on 5 February 2021, the group now operates 12 clinics, one medical spa and one health screening centre in Singapore with a network of 16 doctors offering five medical specialisations.

The group consists of both primary and tertiary healthcare. The primary healthcare line comprises Phoenix Medical Group, which provides family medical services in Singapore. The tertiary healthcare line comprises medical specialists that include anaesthesiology and pain management, internal medicine, orthopaedic surgery and aesthetics.

For the 15 months ended FY2021, the continuing operations recorded a total revenue of S\$24.3 million driven mainly by (i) higher contributions from tertiary specialisations specifically, anaesthesiology, pain management and orthopaedic surgery; and (ii) our primary healthcare arm Phoenix Medical Group.

- (i) **Can management elaborate further on the expansion plans in the primary and tertiary healthcare segments?**
- (ii) **In addition, how does the 51%-held primary healthcare arm, Phoenix Medical Group, differentiate itself from other healthcare providers? Are there plans to expand the network of clinics?**
- (iii) **To help shareholders better understand the group’s operations, please provide the name of the clinics, the locations and the services provided.** Management has provided the names and specialisations of the team of 16 doctors in the group on page 9 of the annual report.
- (iv) **How does the group intend to hire specialists and/or add to its specialisations? Given the intense competition in the market, and the group’s current scale and relatively short track record, how can management attract experienced doctors to join the group?**
- (v) **How is the group looking to fund its outlined strategies and growth initiatives (question 2)?** The group has stated its intention to “remain financially prudent” as it continues its expansion plans, although net debt and total equity stood at \$2.54 million and \$1.90 million, respectively (page 151 – Capital management policies and objectives), i.e. net debt to total equity ratio of 1.33 times.

Q2. In addition, the group has expanded to Cambodia for the provision of aesthetics and wellness services, and the provision of project consultancy services to Olympia City Development Co., Ltd. for the development of two key levels of its medical hub in Olympia City, a mixed-use development in Phnom Penh, Cambodia.

- (i) **Can the company help shareholders understand the track record and experience of management in overseas markets (especially developing markets) and in real estate development?**
- (ii) **What is the amount that is earmarked for its activities in Cambodia?**
- (iii) **Can the board also help shareholders understand the ground sentiments in Cambodia given that the country is experiencing a surge in COVID-19 infections?**
- (iv) **What is the profile and the financial situation of the joint venture partner in Cambodia? What are the expected contributions by the group and by the joint venture partner, other than capital?**
- (v) **What are the other milestones or targets following the Memorandum of Understanding (“MOU”) with China’s state-owned China Machinery Engineering Corporation and Singapore-based CPG Consultants that was signed in April 2021? Can management elaborate further on the envisaged value-add by the group in this consortium?**

Q3. The board currently comprises one executive director, one non-independent and non-executive chairman and three independent and non-executive directors.

The biographies of the directors can be found on pages 4 and 5 of the annual report. Details of the directors as required under Rule 1204(10B) of the Catalist Rules and additional information on directors seeking re-election can be found on pages 24 and 58 to 69 respectively.

- (i) **Has the nominating committee (NC) reviewed the overall desired competency matrix of the board and identified any gaps in skills or competencies that could be addressed in future director appointments, especially following the RTO of the medical business?**

Specifically, the four non-executive directors (including the three independent directors) have no medical background.

- (ii) **How effective are the non-executive directors at providing guidance on operational and medical-related matters when the non-executive directors collectively have no experience managing or working in a medical facility?**

Additionally, the executive director and chief executive officer, Dr. Wilson Tay, is a first-time director of a listed company in Singapore.

- (iii) **Can the director help shareholders understand if he is still running any medical practice? If so, how is he able to devote sufficient time, energy and attention to the matters of the group as the executive director and CEO?**

^On 1 October 2020, the Accounting and Corporate Regulatory Authority (“ACRA”), the Monetary Authority of Singapore (“MAS”) and Singapore Exchange Regulation (“SGX RegCo”) published an updated checklist to guide listed entities on the conduct of general meetings arising from the latest updates from the Multi-Ministry Taskforce.

Issuers may continue to conduct their general meetings held on or before 30 June 2021 via electronic means, and are encouraged to do so. On 9 April 2021, it was announced that the alternate arrangements for meetings (“Meetings Order”) would be extend beyond 30 June 2021 until it is revoked or amended by the Ministry of Law. Accordingly, until such time, issuers may continue to utilise the Checklist issued by ACRA, MAS and SGX RegCo to guide entities on the conduct of their general meetings.

Issuers who, after due consideration of public health and other risks, wish to provide for physical attendance at their general meetings must ensure that they implement all relevant measures to comply with the safe management measures imposed by the Singapore Government.

Shareholders are welcome to use and/or adapt the questions prepared by SIAS and to forward them to the company.

Can’t attend the AGM or view the webcast? Check out the latest questions on the annual reports of listed companies on [SIAS website](http://www.sias.org.sg)

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^ Guidance on the Conduct of General Meetings Amid Evolving COVID-19 Situation
(<https://www.sgx.com/media-centre/20201001-guidance-conduct-general-meetings-amid-evolving-covid-19-situation>)