

# New Frontier Corporation Business Combination with United Family Healthcare

July 2019



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This investor presentation (“presentation”) is for informational purposes only and does not constitute an offer to sell, a solicitation of an offer to buy, or a recommendation to purchase any equity, debt or other financial instruments of New Frontier Corporation ("NFC"), United Family Healthcare ("UFH") or any of their respective affiliates. This presentation has been prepared to assist investors in making their own evaluation with respect to the proposed business combination (the “Transaction”) between NFC and UFH, and for no other purpose.

The information contained herein does not purport to be all-inclusive. The data contained herein is derived from various internal and external sources. No representation is made as to the reasonableness of the assumptions made within or the accuracy or completeness of any projections or modeling or any other information contained herein. Any data on past performance or modeling contained herein is not an indication as to future performance. NFC and UFH assume no obligation to update the information in this presentation, except as required by law. Furthermore, any and all trade names referred to in this presentation are the property of their respective owners.

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## **No Offer or Solicitation**

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# DISCLAIMER (CONT'D)

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None of NFC, UFH or any of their respective affiliates makes any representation or warranty as to the accuracy or completeness of the information contained in this presentation. The sole purpose of the presentation is to assist persons in deciding whether they wish to proceed with a further review of the Transaction and is not intended to be all-inclusive or to contain all the information that a person may desire in considering the Transaction. It is not intended to form the basis of any investment decision or any other decision in respect of the Transaction.

## **Use of Projections**

This presentation contains financial projections. Such financial projections have not been prepared in conformity with accounting principals generally accepted in the United States or the International Financial Reporting Standards as adopted by the International Accounting Standards Board ("IFRS"). Neither NFC's nor UFH's independent auditors have studied, reviewed, compiled or performed any procedures with respect to the projections for the purpose of their inclusion in this presentation, and accordingly, neither of them expressed an opinion or provided any other form of assurance with respect thereto for the purpose of this presentation. These projections are for illustrative purposes only and should not be relied upon as being necessarily indicative of future results. In this presentation, certain of the above-mentioned projected information has been provided for purposes of providing comparisons with historical data. The assumptions and estimates underlying the prospective financial information are inherently uncertain and are subject to a wide variety of significant business, economic and competitive risks and uncertainties that could cause actual results to differ materially from those contained in the prospective financial information. Projections are inherently uncertain due to a number of factors outside of NFC's and UFH's control. Accordingly, there can be no assurance that the prospective results are indicative of future performance of UFH or the combined company after the Transaction or that actual results will not differ materially from those presented in the prospective financial information. Inclusion of the prospective financial information in this presentation should not be regarded as a representation by any person that the results contained in the prospective financial information will be achieved.

## **Industry and Market Data**

In this presentation, we rely on and refer to information and statistics regarding market participants in the sectors in which UFH competes and other industry data. We obtained this information and statistics from third-party sources, including reports by market research firms and company filings.

## **Use of Non-IFRS Financial Matters**

This presentation includes certain financial measures, including Adjusted EBITDA that were not calculated in accordance with IFRS. Adjusted EBITDA is defined as net income / (loss) plus (i) depreciation and amortization, (ii) interest expense, (iii) other expenses (such as share based compensation), (iv) provision for income taxes, as further adjusted for one-off rental and relocation expenses as well as the management fee to Shanghai Fosun Pharmaceutical (Group) Co., Ltd. ("Fosun") and TPG. NFC and UFH believe that these non-IFRS measures are useful to investors for two principal reasons. First, they believe these measures may assist investors in comparing performance over various reporting periods on a consistent basis by removing from operating results the impact of items that do not reflect core operating performance. Second, these measures are used by UFH's management to assess its performance and may (subject to the limitations described below) enable investors to compare the performance of UFH and the combined company to its competition. NFC and UFH believe that the use of these non-IFRS financial measures provides an additional tool for investors to use in evaluating ongoing operating results and trends. These non-IFRS measures should not be considered in isolation from, or as an alternative to, financial measures determined in accordance with IFRS. Other companies may calculate Adjusted EBITDA and other non-IFRS financial measures differently, and therefore UFH's non-IFRS financial measures may not be directly comparable to similarly titled measures of other companies. For additional information and a reconciliation of these non-IFRS financial measures to the nearest comparable IFRS financial measures, see the section entitled "EBITDA Reconciliation" in the Appendix at the end of this presentation.



# DISCLAIMER (CONT'D)

## **Historical Financial Information**

Certain historical financial information of UFH included in this Presentation has been derived from the annual financial statements of UFH which were prepared in accordance with IFRS and are currently being audited in accordance with standards of the Public Company Accounting Oversight Board. In connection with such audit, such financial information included herein is subject to change, and any such changes could be material.

## **Additional Information About the Transaction and Where to Find It**

The Transaction is expected to be submitted to shareholders of NFC for their consideration. NFC intends to file with the SEC preliminary and definitive proxy statements in connection with the Transaction and other matters and will mail a definitive proxy statement and other relevant documents to its shareholders as of the record date established for voting on the Transaction. NFC's shareholders and other interested persons are advised to read, once available, the preliminary proxy statement and any amendments thereto and, once available, the definitive proxy statement, in connection with NFC's solicitation of proxies for its extraordinary general meeting to be held to approve, among other things, the Transaction, because these documents will contain important information about NFC, UFH and the Transaction. Shareholders may also obtain a copy of the preliminary or definitive proxy statement, once available, as well as other documents filed with the SEC regarding the Transaction and other documents filed with the SEC by NFC, without charge, at the SEC's website located at [www.sec.gov](http://www.sec.gov) or by directing a request to Harry Chang at (852) 6126 4345.

## **Participants in the Solicitation**

NFC, UFH and their respective directors, and executive officers may, under SEC rules, be deemed to be participants in the solicitations of proxies from NFC's shareholders in connection with the Transaction. Information regarding the persons who may, under SEC rules, be deemed participants in the solicitation of NFC's shareholders in connection with the Transaction will be set forth in NFC's proxy statement when it is filed with the SEC. You can find more information about NFC's directors and executive officers in NFC's Annual Report on Form 10-K for the year ended December 31, 2018, filed with the SEC on April 1, 2019. Additional information regarding the participants in the proxy solicitation and a description of their direct and indirect interests will be included in NFC's proxy statement when it becomes available, which can be obtained free of charge from the sources indicated above.



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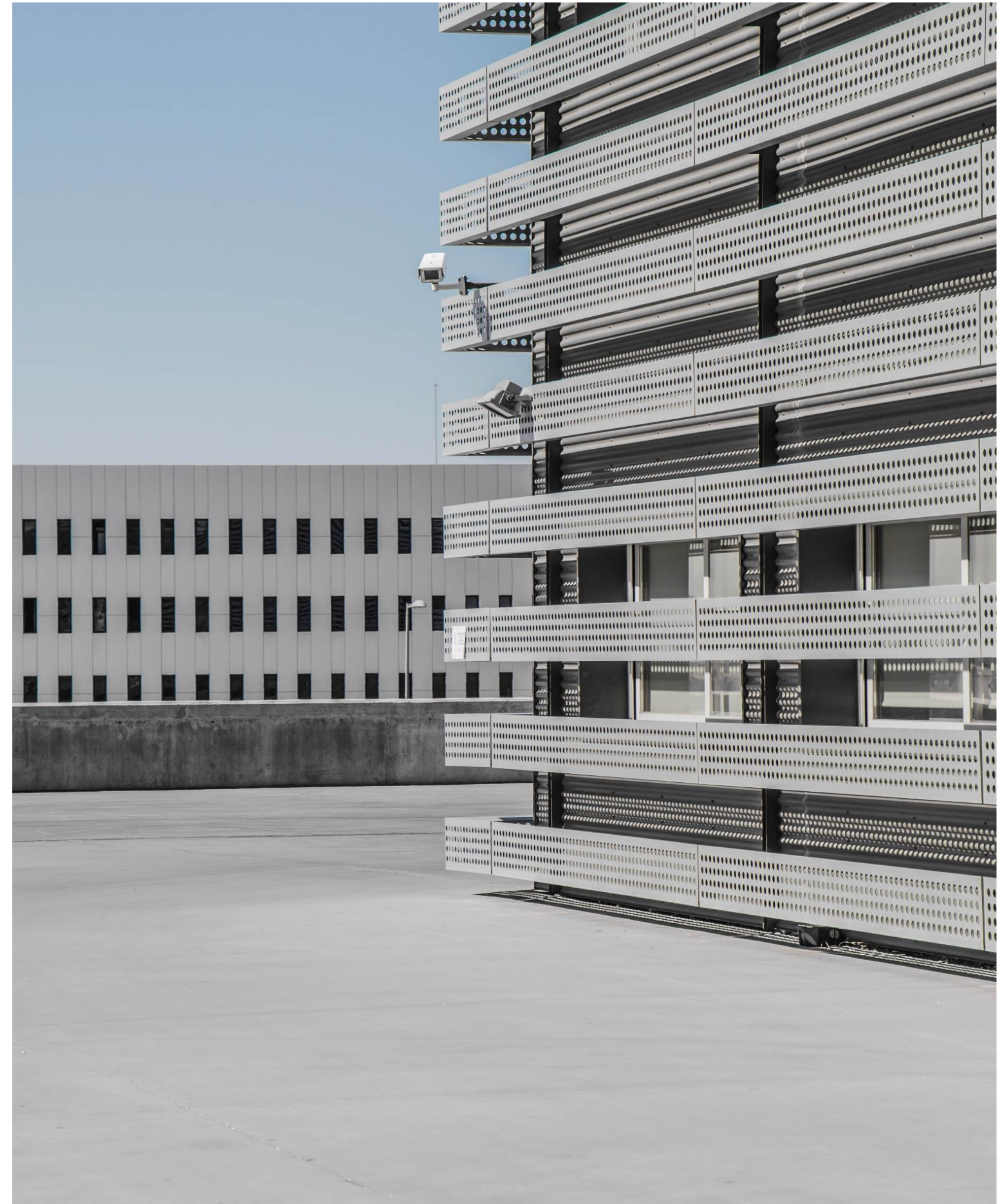
**SITUATION OVERVIEW**

**COMPANY OVERVIEW**

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**GROWTH INITIATIVES AND FINANCIALS**

**APPENDIX**





# SITUATION OVERVIEW

**New Frontier Corporation (“NFC”) is a Special Purpose Acquisition Company (“SPAC”) sponsored by New Frontier Group (“NF Group”). NFC completed a successful IPO on the NYSE in June 2018 (raised IPO proceeds of US\$ 287.5mm and FPA of US\$ 190.0mm)**

**NFC is in the process of acquiring United Family Healthcare (“UFH”), one of the largest and most recognized integrated premium private healthcare operators in China**

- UFH is one of the largest integrated private healthcare service providers in China by revenue, with 9 hospitals (2 of which are under construction ) and 14 clinics in all 4 first tier cities and select second tier cities
- Comprehensive suite of full-lifecycle practices in 30+ specialties including IVF services, primary care, family medicine, pediatrics and obstetrics, gynecology, surgical services orthopedics, oncology and other services
- International standard healthcare services and top medical professionals
- Mature operations platform built by mature experienced team

**NFC believes it can drive continuous growth to UFH's business**

- Large supply and demand mismatch for high quality healthcare
- Highly visible growth and expansion plan
- NFC has significant experience and expertise in China's healthcare industry





# COMPANY OVERVIEW



# THE LEADING PRIVATE HEALTHCARE SERVICES PROVIDER IN CHINA



1

One of the **LARGEST** private healthcare services providers in China by revenue

2019E total revenue: **RMB ~2.5bn**

2014A-2019E CAGR: **13.3%**



1

**TOP-RANKED** brand among high-end private hospitals



United Family Healthcare

和睦家医疗



**COMPREHENSIVE SERVICE OFFERING** covering 30+ specialties



**9** hospitals<sup>1</sup> **14** clinics<sup>1</sup> **700+** licensed beds  
**600+** physician staff **600+** physician consultants  
 2019E outpatient visits: ~**670,000**  
 2019E inpatient visits: ~**12,000**



Operating Assets<sup>2</sup>  
 2019E Adjusted EBITDA: **RMB 469mm**  
 2015A-2018A CAGR: **36.6%**



**ALL**<sup>3</sup> **JCI** certified  
 Beijing United Family **ONLY JCI** and **CAP** certified hospital  
**FIRST** da Vinci and **MAKO** in private hospital

Source: Company; As of Dec 31, 2018

1. Include 2 hospitals under construction, 13 directly operated clinics and 1 managed clinic

2. Operating assets include Beijing, Shanghai Puxi, Tianjin, Qingdao and Beijing Rehab Hospitals as well as Bo'ao and Hangzhou Clinics and post-partum care worker business

3. All hospital and clinics with at least 3 years of operating experience are accredited or re-accredited on a 3 year cycle. The newest Qingdao and Shanghai Pudong hospitals were not yet eligible in the 2017 audit, but Qingdao will be included in the 2020 audit and Pudong will be eligible in the next cycle.


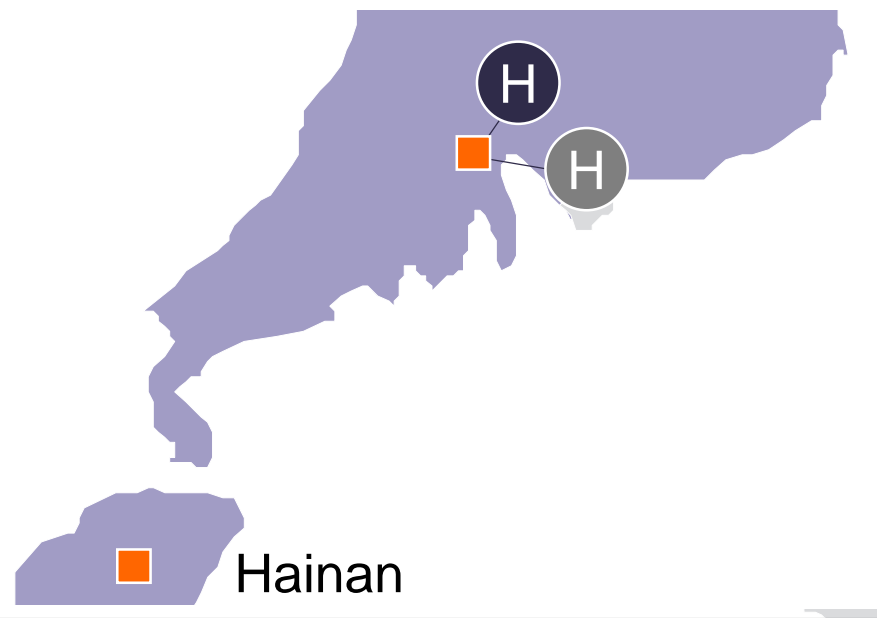


# NATIONWIDE GEOGRAPHIC FOOTPRINT



Broad geographic coverage  
across all four Tier 1 cities

Strategic opportunity for  
expansion into Tier 2 cities

GREATER BAY CLUSTER



Hub-and-Spoke Model

 2 Hospitals  2 Clinics

**Disciplines Across Centers:**

Dental, Dermatology, Emergency Care, Family Medicine, Internal Medicine, OB/GYN, Pediatrics, Rehab, Postpartum Rehab, Radiology, Surgery, Orthopedics, Urology, and others



BEIJING CLUSTER + NORTH CHINA<sup>1</sup>



Hub-and-Spoke Model

 5 Hospitals  8 Clinics

SHANGHAI CLUSTER + EAST CHINA



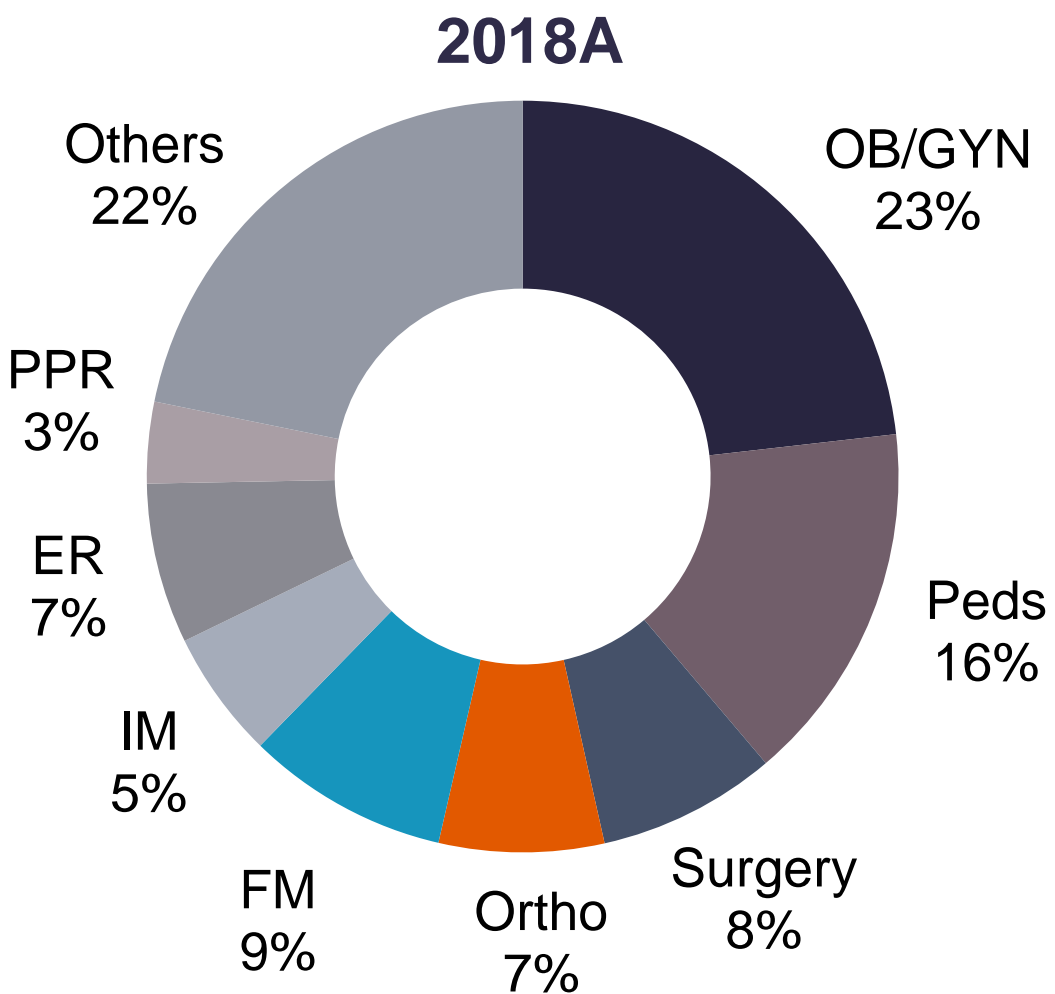
Hub-and-Spoke Model

 2 Hospitals  4 Clinics

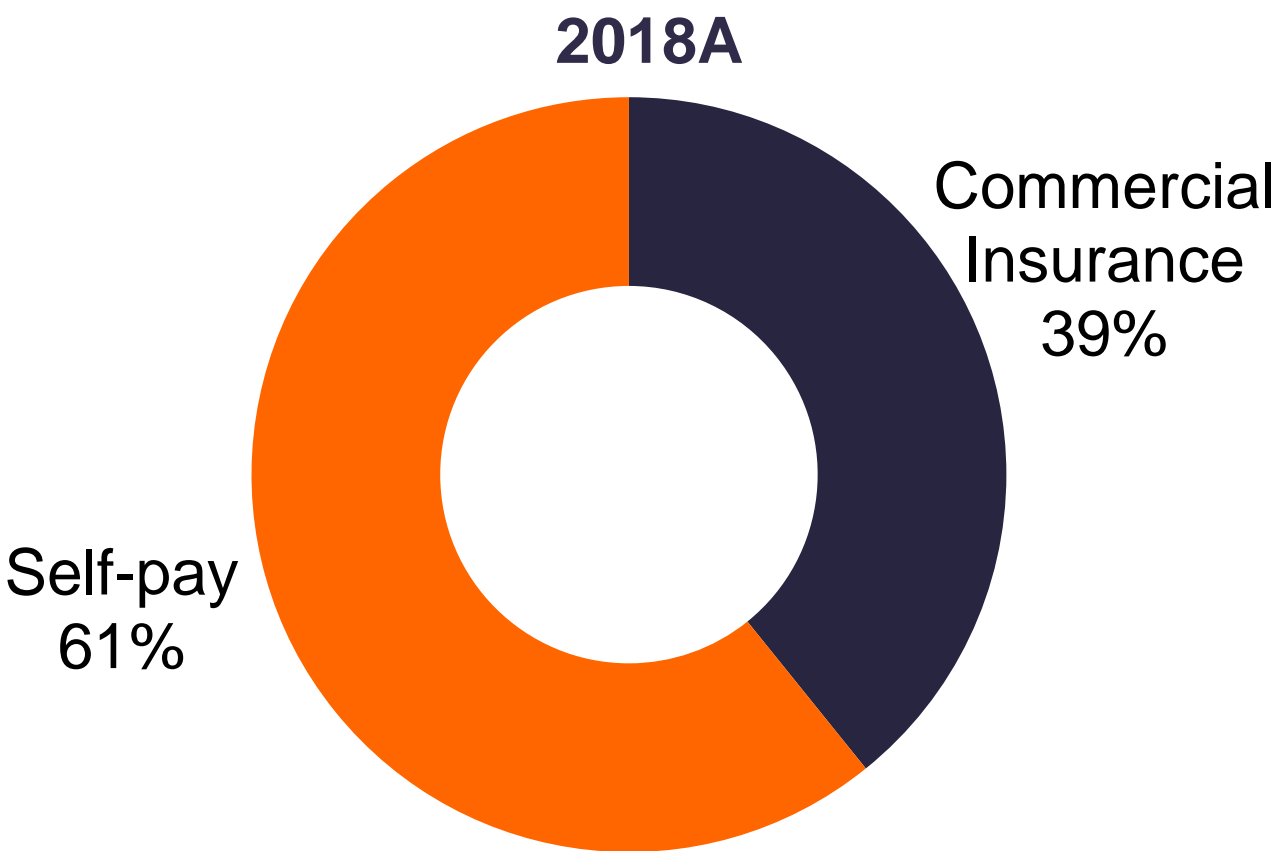


# DIVERSIFIED FOUNDATION FOR FUTURE GROWTH

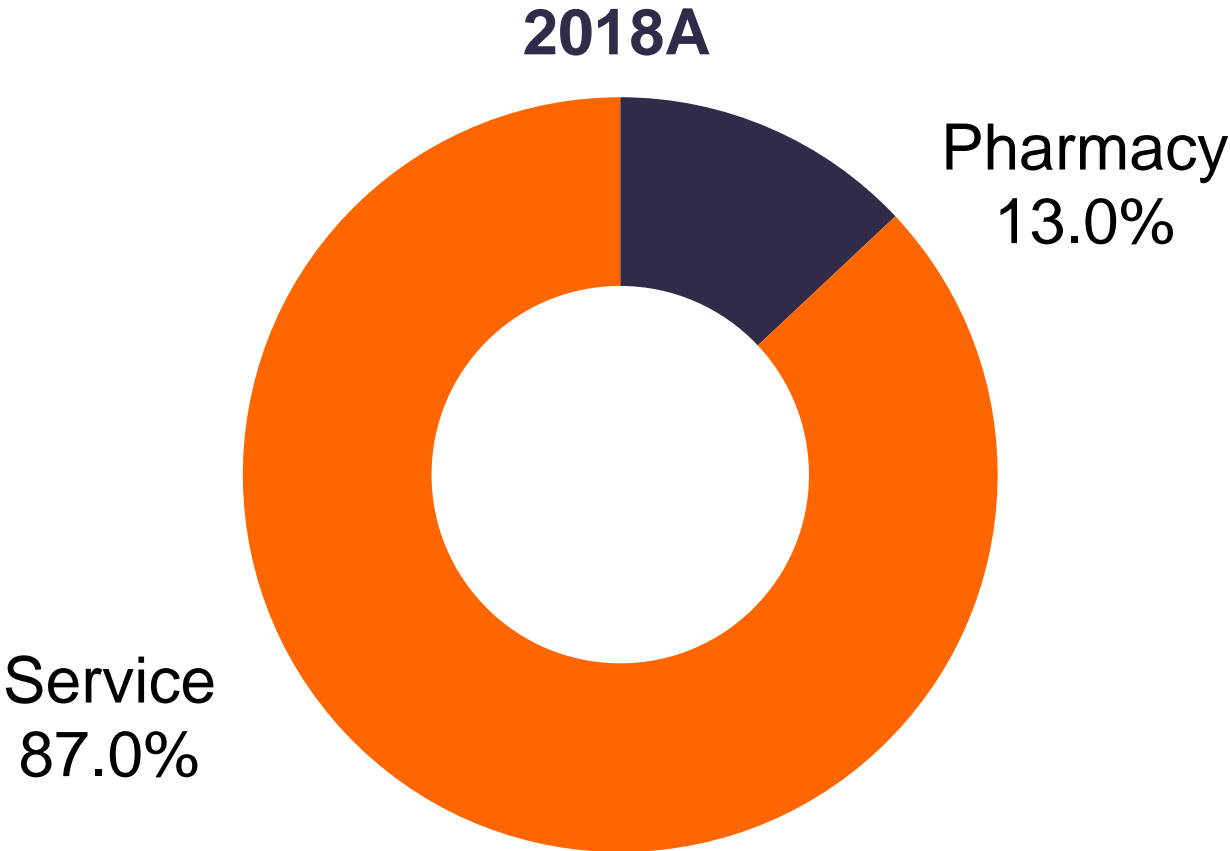
MULTI-SPECIALTY SERVICE OFFERING<sup>1</sup>



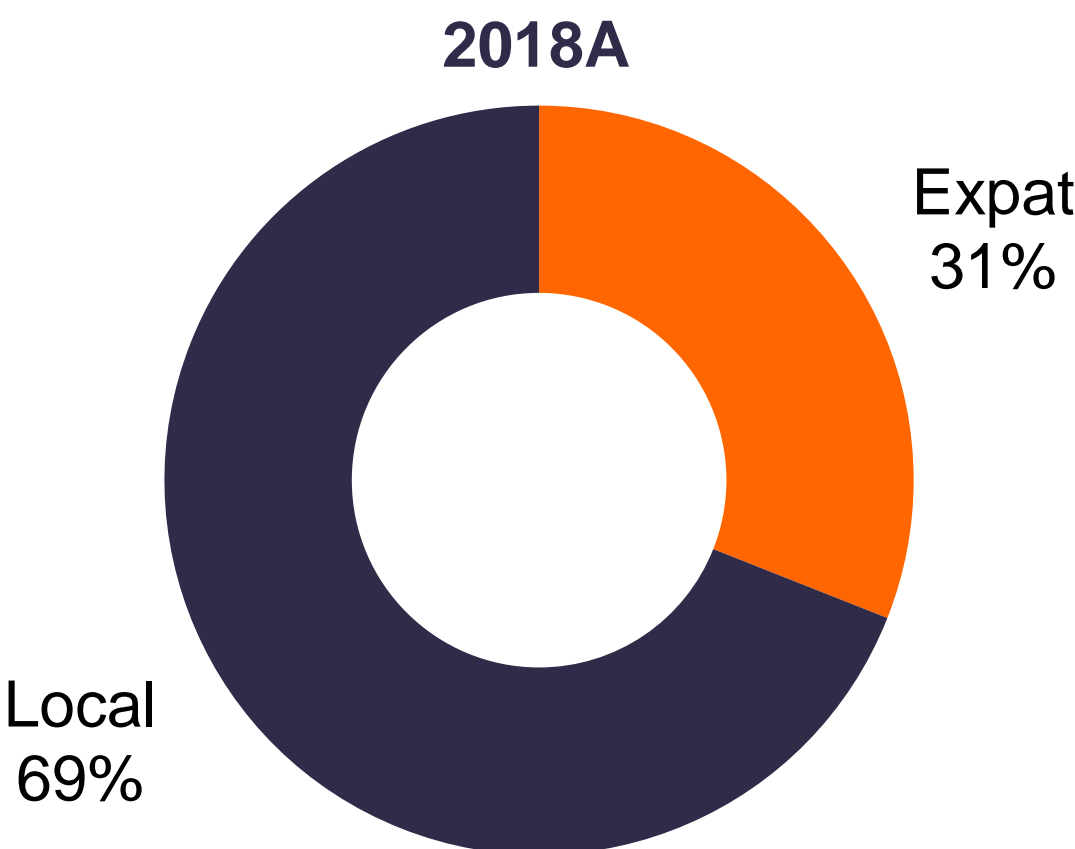
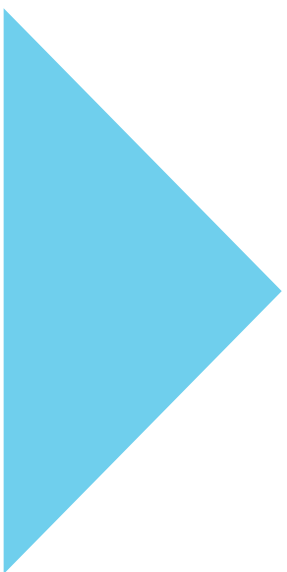
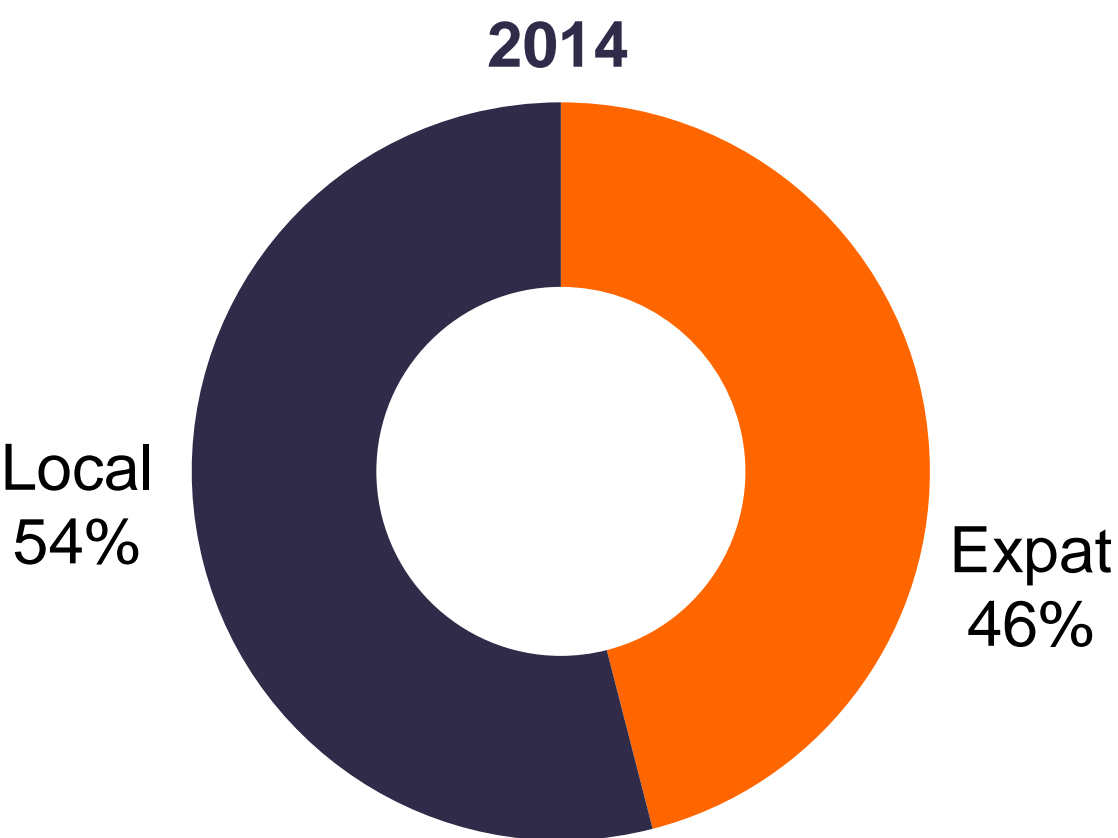
DIVERSIFIED PAYER STRUCTURE<sup>2</sup>



REVENUE MIX BETWEEN SERVICE & PHARMACY



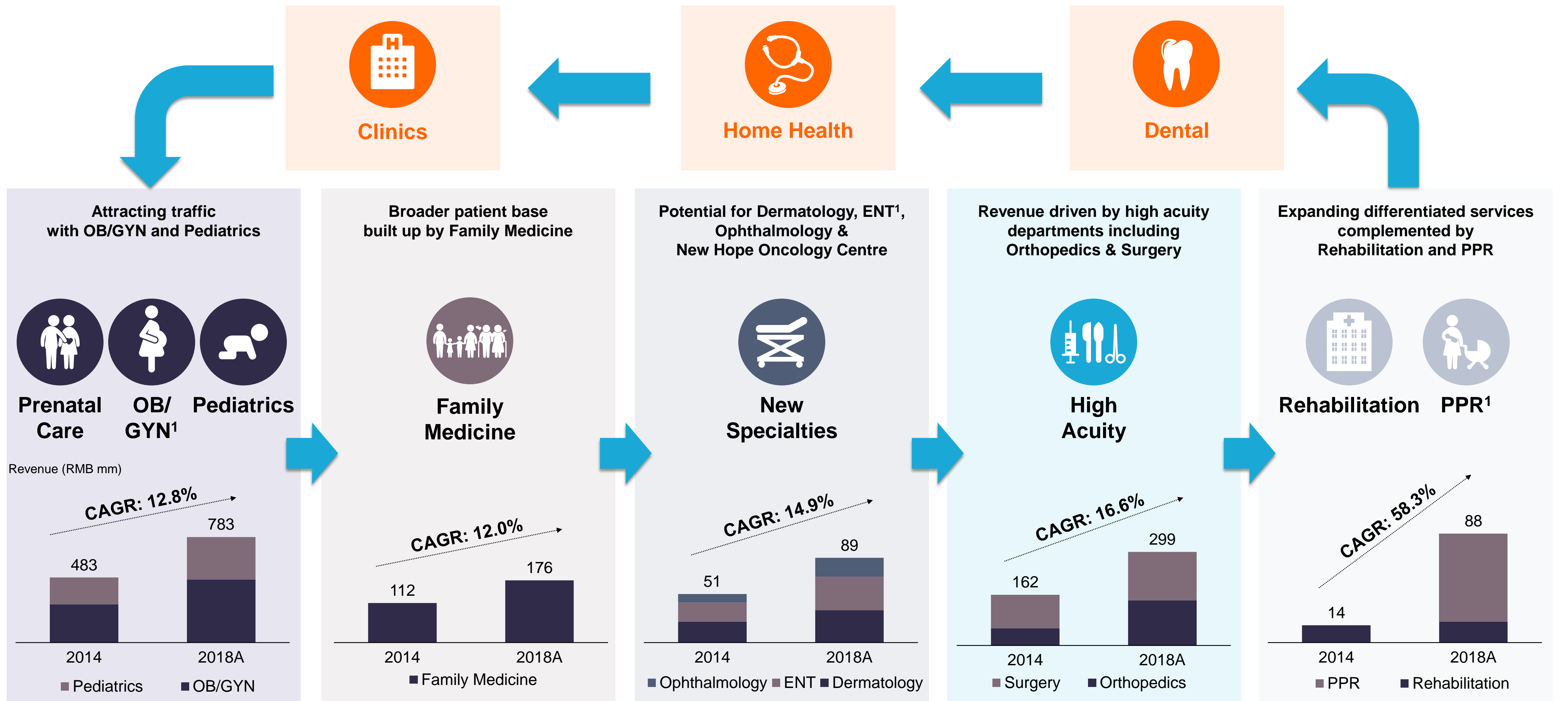
BROADER ADDRESSABLE MARKET WITH MORE LOCAL PATIENTS<sup>3</sup>





# COMPREHENSIVE PROVIDER WITH ENTIRE "LIFECYCLE" COVERAGE

HUB-AND-SPOKE MODEL CREATES COMPREHENSIVE HEALTHCARE SERVICES PLATFORM WITH MULTIPLE PATIENT TOUCHPOINTS





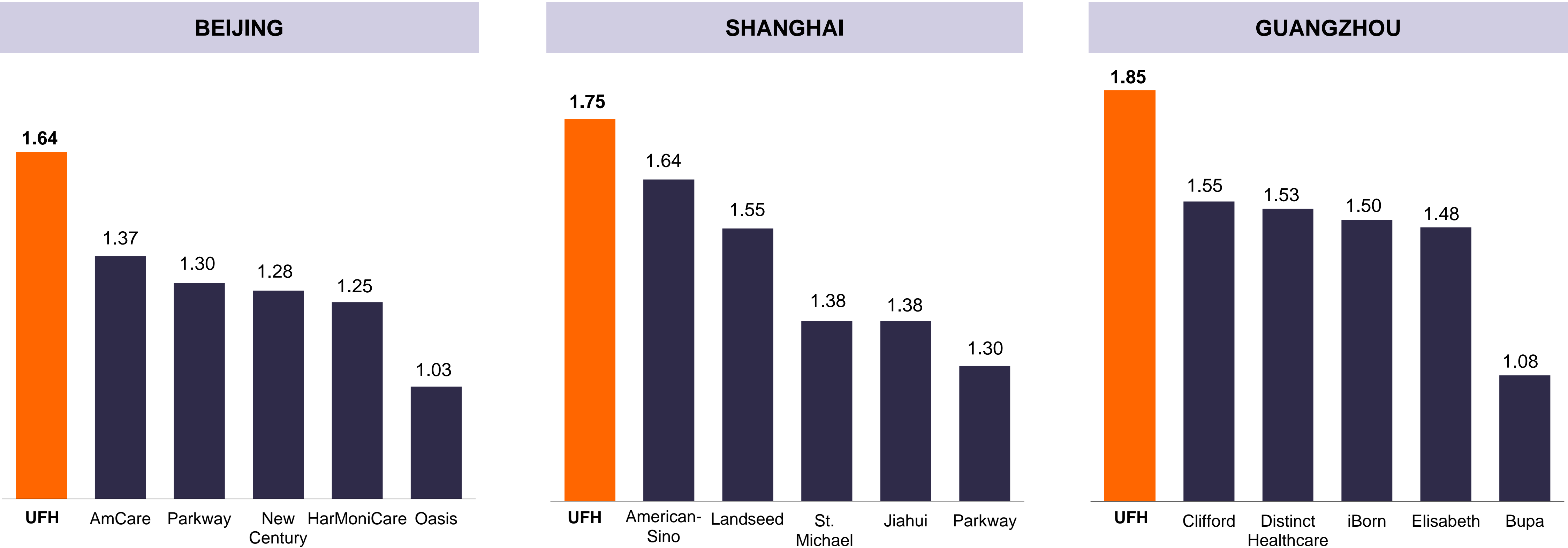
# THE MOST REPUTABLE PRIVATE HEALTHCARE BRAND IN CHINA



RANKS **TOP** FOR MEDICAL QUALITY AMONG HIGH-END PRIVATE HOSPITALS BY PATIENTS, DOCTORS AND GOVERNMENT REGULATORS

- 2003 – The **designated healthcare institution** for foreigners during the SARS period
- 2010 – **Official designated medical institutions** for the Shanghai World Expo
- 2015 - Named as **Most Investment-Worthy** Healthcare Company
- 2016 – Ranked **No.1** in China Top 100 Private Hospitals
- 2016 – Ranked **No.2** in China Private Hospital Valuable Brands
- 2016 – Ranked **No.18** in China Private Hospital Conglomerates Top 50 League
- 2018 – The designated **Well-Known Trademark**
- 2018 - Ranked **No.1** repeatedly as The Best Employer among all private hospitals

RANKING SCORE OF PRIVATE BRANDS AMONG MONTHLY HOUSEHOLDS INCOME >RMB 27K<sup>1,2,3</sup>



Source: Company, Company Analysis  
1. Survey Question 4: Please force rank the following private hospital brands' medical quality? Screening criteria: Have had any kind of medical treatment in private hospital in past 36 months  
2. Scoring methods: a) Score 5 for brand ranked 1<sup>st</sup>; Score 3 for brand ranked 2<sup>nd</sup>; Score 1 for brand ranked 3<sup>rd</sup>; b) Divide summed score by the number of respondents  
3. Sample size for Beijing, Shanghai and Guangzhou were 105, 110 and 62 respectively



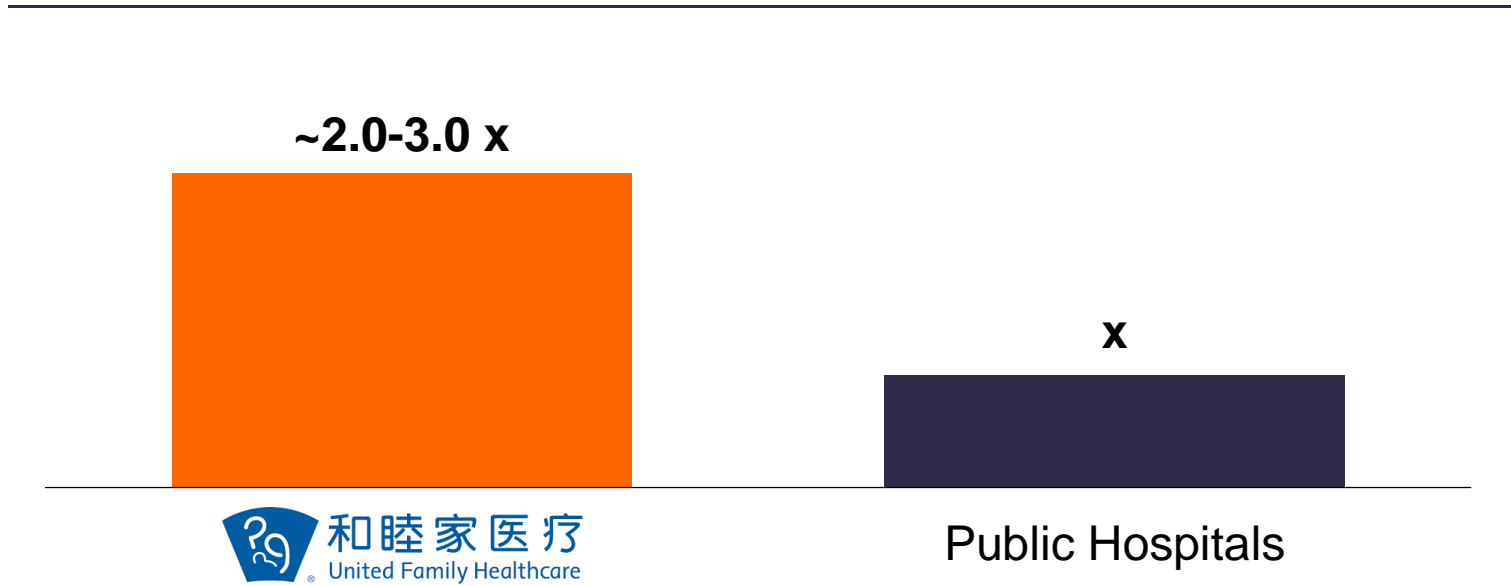
# PLATFORM FOR HIGHEST CALIBER MEDICAL TALENT

ECONOMICS, BRAND AND CAREER OPPORTUNITIES ARE THE KEY FACTORS FOR ATTRACTING THE BEST PHYSICIANS

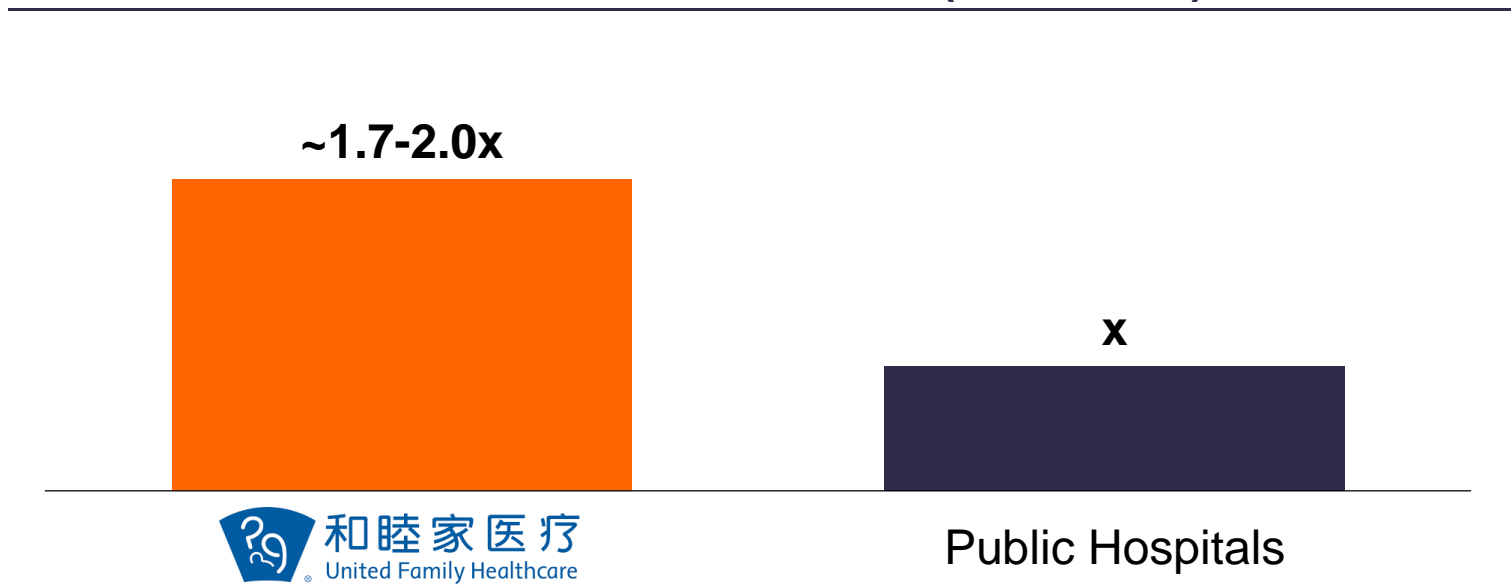
SALARY PACKAGE, BRAND NAME AND WORKING ENVIRONMENT ARE THREE MOST IMPORTANT FACTORS FOR CAREER CONSIDERATIONS BY PHYSICIANS

## BEST SALARY PACKAGE

ANNUAL INCOME OF CHIEF PHYSICIAN (PRE-TAX)



ANNUAL INCOME OF CHIEF PHYSICIAN (POST-TAX)

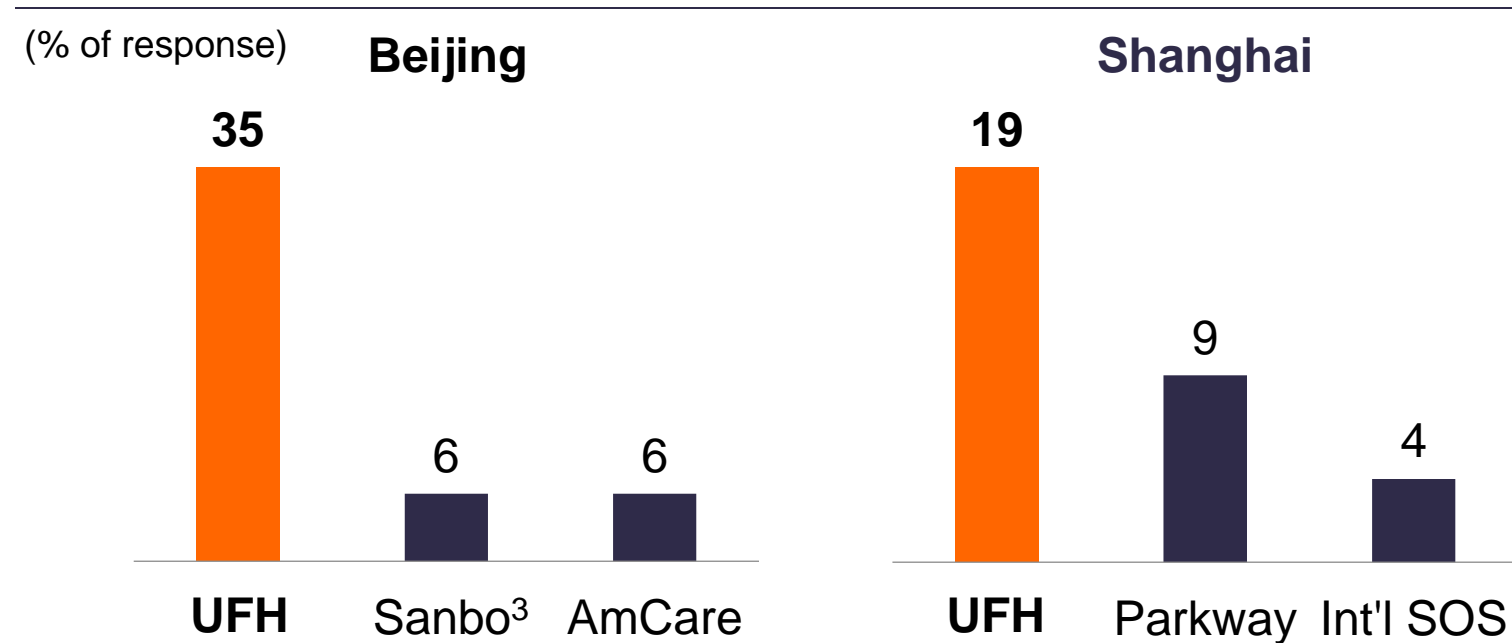


## MOST REPUTABLE BRAND

 TOP-RANKED AMONG PRIVATE HEALTHCARE PROVIDERS<sup>1</sup>

	Ranking
Beijing UFH	1
Shanghai UFH	3
AmCare Beijing	4
Peking University Intl. Hospital	10
Guangzhou UFH	14
New Century Healthcare	24
Shanghai Pudong UFH	31

 TOP-RANKED AMONG PHYSICIANS<sup>2</sup>



## BEST WORKING ENVIRONMENT

- Equipped with **advanced facilities**
  - One of only 2 da Vinci in private hospitals<sup>4</sup> in China
  - One of only 3 MAKO in China<sup>4</sup>
- UFH physicians spend an **average of ~20 min per outpatient appointment**, as opposed to the average less than 5 min consultation available in public hospitals
- Substantially low physician churn rate**, 12%, 24% and 5% for UFH Beijing, Shanghai and Guangzhou respectively, versus ~30% turnover rate in most private hospitals in China

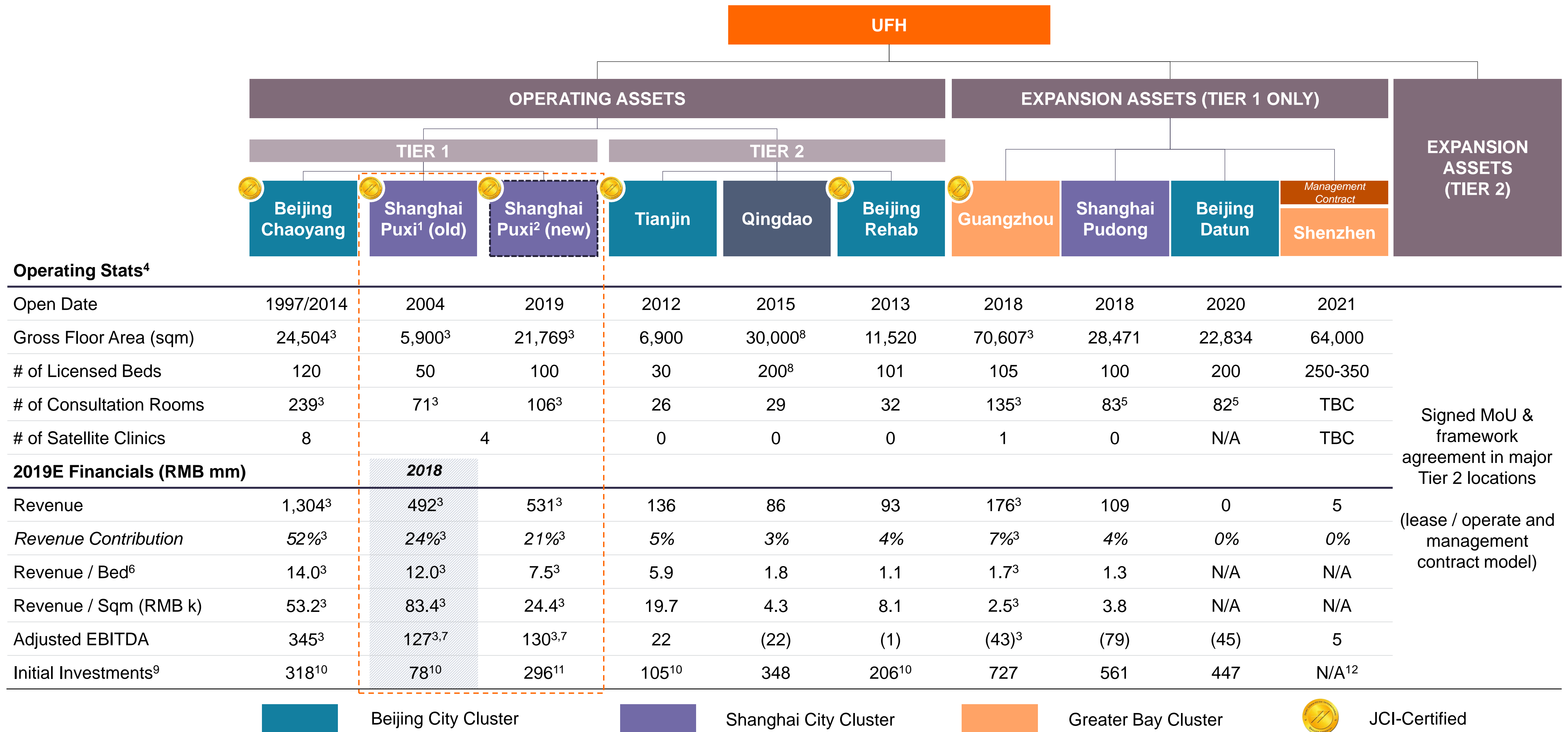
STRONG MEDICAL NETWORK WITH REPUTABLE PARTNERS



Source: China Private Healthcare Branding Value Ranked by DXY.com, Company, Company Analysis  
1. Sample size of 274  
2. Beijing Sanbo Brain Hospital, a private (mid market) specialty brain hospital  
3. Also first to have Da Vinci and MAKO among all private hospitals in China



# ASSET OVERVIEW



Source: Company

1. All financials for old Shanghai Puxi are 2018A figures

2. New Shanghai Puxi is the expansion of the old Shanghai Puxi

3. Includes satellite clinics associated with hospitals

4. As of Dec 31, 2018

5. Stands for consultation rooms available at stabilization

6. Revenue / bed is calculated based on bed in use for each year

7. Adjusted EBITDA of Shanghai Puxi in 2018 and 2019 been adjusted for one-off rent and relocation expenses in New Puxi Hospital; after adjustment, Shanghai Puxi recorded RMB 13mm and RMB 16mm additional rent in 2018 and 2019 respectively

8. Includes Building A and additional capacity from Building B expansion

9. Initial Capex plus historical or expected loss and pre-opening expenses during ramp-up period

10. Only includes initial Capex as losses are not traceable

11. Expects no loss to be incurred as it is considered as an expansion of the old Puxi site (~1km from the existing site), which already has mature and stable patient base

12. Management contract: CAPEX paid for by the project company



# ONE TEAM, ONE DREAM

## SENIOR LEADERSHIP



**Antony Leung**

- Chairman / Co-Founder of New Frontier
- Chairman of Nan Fung Group
- Former HK Financial Secretary
- Former Chairman of Blackstone China, JP Morgan Asia



**Roberta Lipson**

- Founder of UFH
- Medical industry experience: 35+ years
- One of the most well regarded healthcare executives in China



**Carl Wu**

- CEO / Co-Founder of New Frontier
- Experienced healthcare entrepreneur (Co-founder of Care Alliance, YD Care, and Heal)
- Founding member of Blackstone Asia Pacific and Blackstone China

## OPERATIONAL / MEDICAL EXPERTS



**Dr. Jeff Staples**  
COO - UFH

- Medical industry experience: 25+ years
- Past experience: SOS, Parkway Health



**DJ Hamblin-Brown**  
CMO - UFH

- Medical industry experience: 20+ years
- Past experience: NHS, Aspen Medical



**Sylvia Pan**  
GM, Beijing UFH

- Medical industry experience: 25+ years



**Lai Heng Mah**  
GM, Shanghai Puxi UFH

- Medical industry experience: 22+ years
- Past experience: KPJ Healthcare Berhad



**Dr. Michael Zhang**  
GM, Shanghai Pudong UFH

- Medical industry experience: 20+ years
- Past experience: SIMC, Xinhua Hospital



**Dr. Kate Gaynor**  
GM, Guangzhou UFH

- Medical industry experience: 15+ years
- Past experience: US CDC, Hawaii DMAT



**Dr. Kelly Xia**  
CMO, Guangzhou UFH

- Professor of Pediatrics in China
- Published over 20 papers in medical journals

## FINANCE / M&A PROFESSIONALS



**Walter Xue**  
CFO - UFH

- Past experience: 25+ years in healthcare industry



**Harry Chang**  
Managing Director - NF

- Past experience: CITIC Capital, China Everbright, China Minsheng Investment, Lehman Brothers, Merrill Lynch



**David Zeng**  
Executive Director - NF

- Past experience: Blackstone Hong Kong, Barclays



**Francis Lee**  
Managing Director - NF

- Past experience: Hilton Greater China

## OPERATING PARTNERS



**Albert Xu**  
Executive Director - NF

- Operating Partner of New Frontier Health
- Past experience: Blackstone, Deutsche Bank



**Shuai Yuan**  
Executive Director - NF

- Operating Partner of New Frontier Health
- Past experience: Morgan Stanley PE, Morgan Stanley IBD



# EXPERIENCED BOARD OF DIRECTORS



Dr. C H Leong



Frederick Ma



David Johnson



Shan Fu

## Independent Director



- Chairman of the Hong Kong University Council

(2009 – 2015)



- Non-official member of the Executive Council HKSAR

(2005 – 2012)



- Chairman of the Hong Kong Hospital Authority

(1988 – 2000)



- Member of Legislative Council of Hong Kong

(1988 – 2000)

## Independent Director



- Non-executive Chairman

(2016 – Present)



- Secretary for Commerce & Economic Development of the HKSAR

(2007 – 2008)



- Secretary for Financial Services and the Treasury for HKSAR

(2002 – 2007)



- Chief Financial Officer

(2002 – 2002)

## Independent Director



- Senior Managing Director / Senior Advisor

(2013 – present)



- Senior Vice President of Strategy and Business Development

(2009 – 2013)



- Vice President of Corporate Development
- Led IBM's \$3.5 billion acquisition of PwC's consulting arm

(1981 – 2009)

## Director<sup>2</sup>



- Managing Partner, Co-CEO and CEO of Greater China

(2013 – present)



- Senior Managing Director in Private Equity group
- Chief Representative in Beijing office

(2008 – 2013)



- Department of Foreign Investment in National Development and Reform Commission (NDRC) of PRC

(2003 – 2008)



- State Economic and Trade Commission<sup>3</sup> of PRC

(1993 – 2003)

## Precedent experience

## Board directorships<sup>1</sup>



Notes:

- Past and present
- Mr. Shan Fu (CEO of Vivo China) will join as Director after closing
- Currently part of Ministry of Commerce of PRC



# NEW FRONTIER HEALTHCARE ADVISOR TEAM

## Dr. Leong Che-hung, GBM, JP

- Former Chairman of the Hospital Authority
- Former member of the Legislative Council
- Former Chairman of the University of Hong Kong (HKU) Council

## David D. Ho, M.D.

- Irene Diamond Professor at The Rockefeller University
- Scientific Director and CEO of the Aaron Diamond AIDS Research Center
- Time Magazine’s Man of the Year (1996)

## Dr. Carrie Willis, Yau Sheung Mui

- Chairman of Committee on Professional Development of Teachers and Principals
- Board of Canadian International School
- Executive Director of the Vocational Training Council

## Professor Diane T.F. Lee, JP

- Professor of Nursing at the Nethersole School of Nursing, CUHK
- Director of Y.K. Pao Foundation Centre for Nursing Excellence in Chronic Illness Care
- Deputy Director of CUHK Jockey Club Institute of Ageing

## Dr. Ko Wing Man, GBS, JP

- Former Secretary of Food and Health Bureau
- Member of the Medical Council of Hong Kong
- Chairman of the Hong Kong Anti-Cancer Society
- Director of the Hong Kong Red Cross
- Member of the Board of Hong Kong Baptist University

## Professor Chung-Mau Lo, BBS, JP

- Hospital Chief Executive at The University of Hong Kong-Shenzhen Hospital
- Director of Liver Transplantation Centre at Queen Mary Hospital
- Honorary Fellow of the American Surgical Association and the American College of Surgeons

## Dr. Zhang Naizi

- Director of Shanghai third community welfare institute
- Director of the Institute of Ageing Industries, Shanghai Jiaotong University
- Member of the national pension service expert committee

## Dr. Leong Chi-tat

- Director of Haven of Hope Sister Annie Skau Holistic Care Centre
- Fellow of the Royal College of Internal Medicine
- Fellow of the Hong Kong Institute of Social Medicine

## Professor Grace Tang Wai King, JP

- Honorary Clinical Professor of Department of Obstetrics and Gynecology, University of Hong Kong
- Founding Hospital Chief at The University of Hong Kong-Shenzhen Hospital
- Founding Chairman of The Asian Medical Education Association

## Professor Yuen Kwok-yung

- Professor of Department of Microbiology, University of Hong Kong
- Co-Director of State Key Laboratory of Emerging Infectious Diseases at HKU
- Academician of Chinese Academy of Engineering

## Mrs. Kwok Yuen Wai Yee Victoria

- Three committees of the Association’s Residential Aged Care Accreditation Scheme
- Former non-government organization representative to the Central Committee on Elderly Services
- Former Member of Social Welfare White Paper Aged Service Committee

## Professor Jean Woo

- Director of the Jockey Club Institute of Ageing at CUHK
- Director of the SH Ho Centre for Gerontology and Geriatrics
- Honorary Consultant of the Hospital Authority





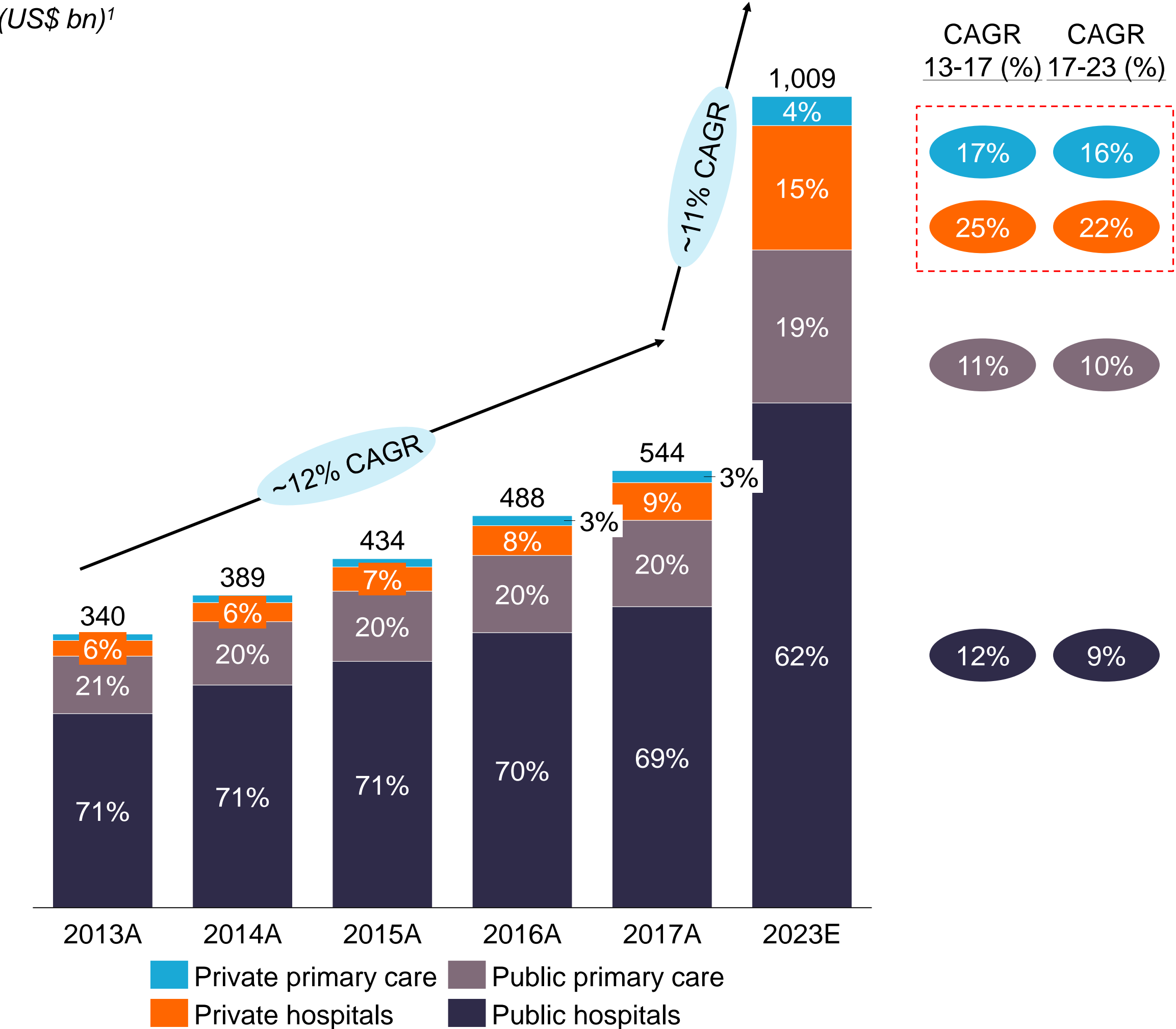
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# INDUSTRY OVERVIEW

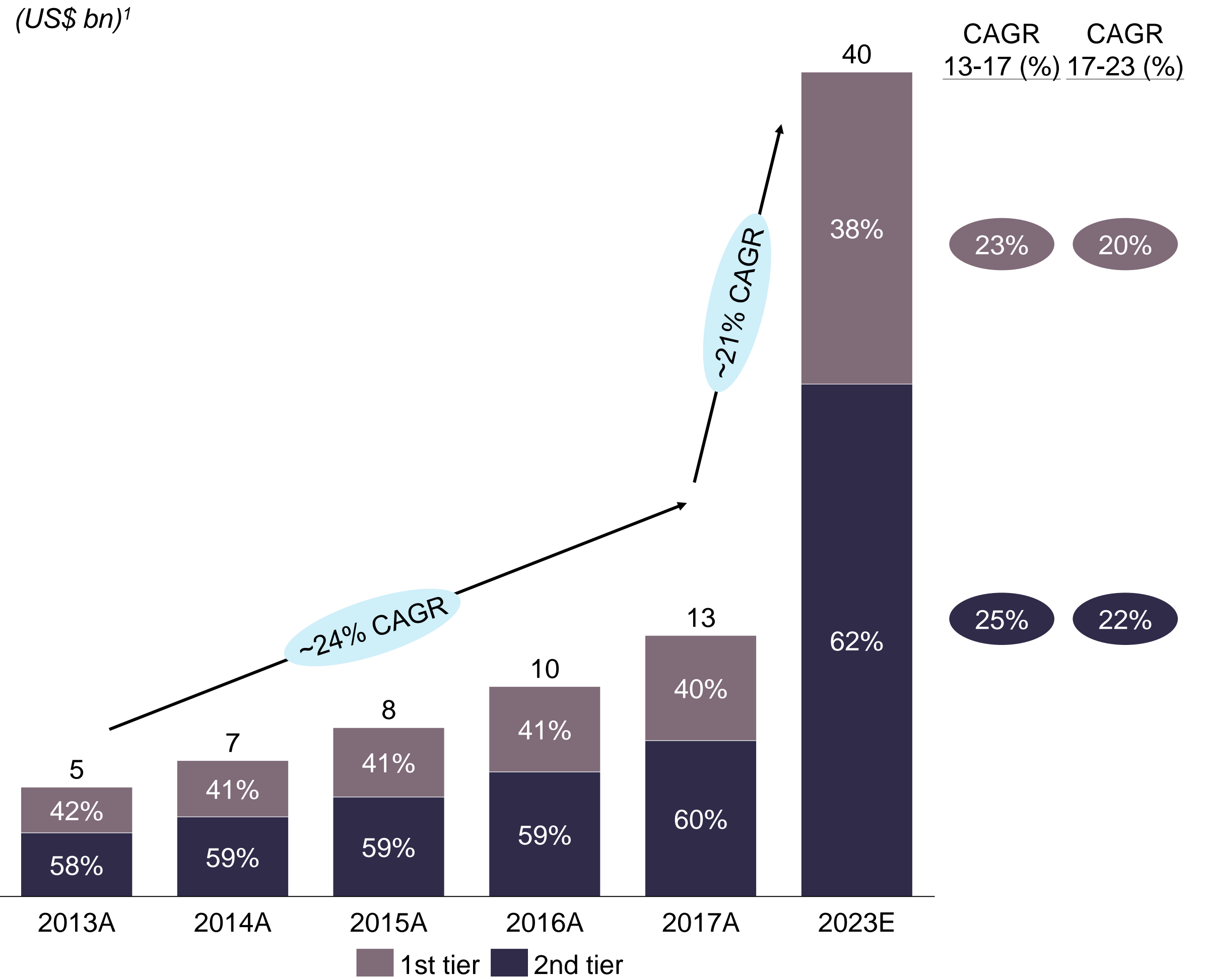


# RAPID GROWTH IN DEMAND FOR HEALTHCARE SERVICES

## REVENUE FOR HEALTHCARE SERVICES IN CHINA - HOSPITALS & PRIMARY CARE

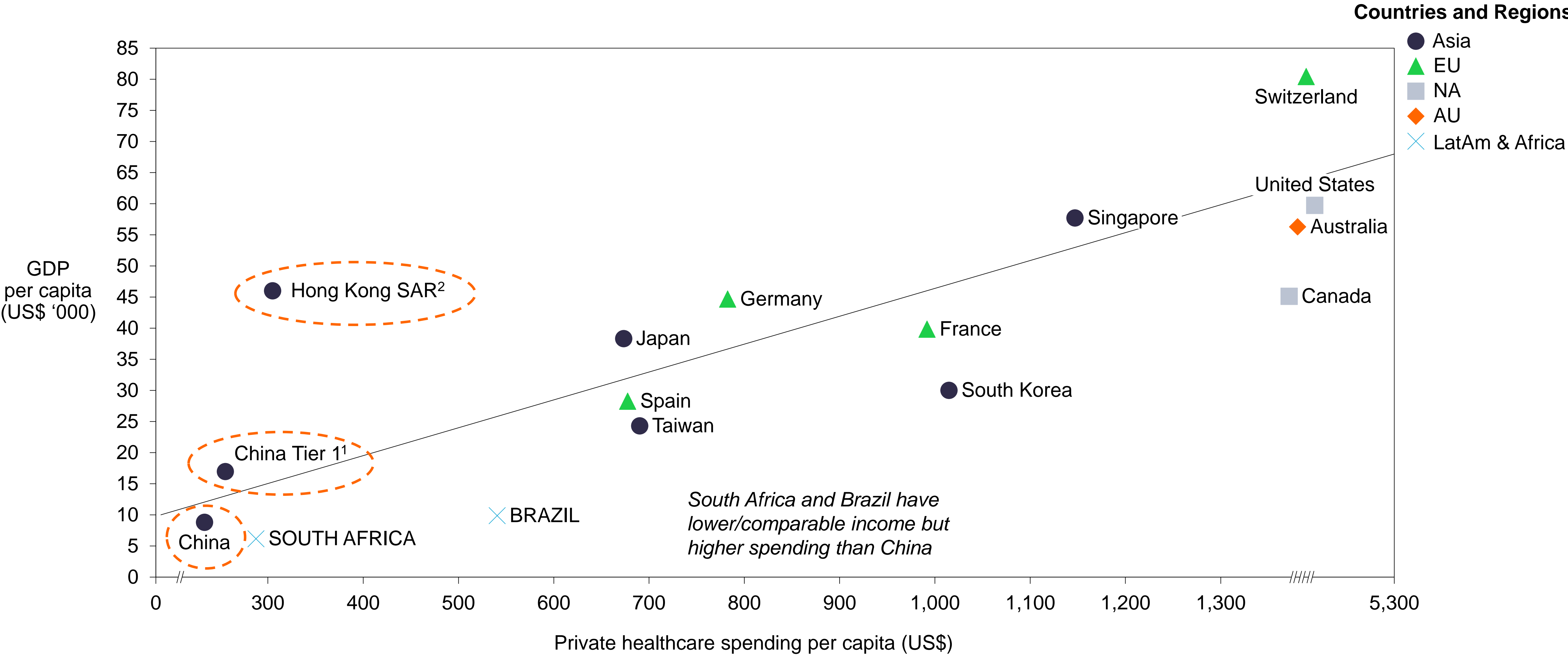


## PREMIUM HEALTHCARE EXPENDITURE<sup>2</sup> IN CHINA





# CHINA IS UNDER-PENETRATED IN PRIVATE HEALTHCARE



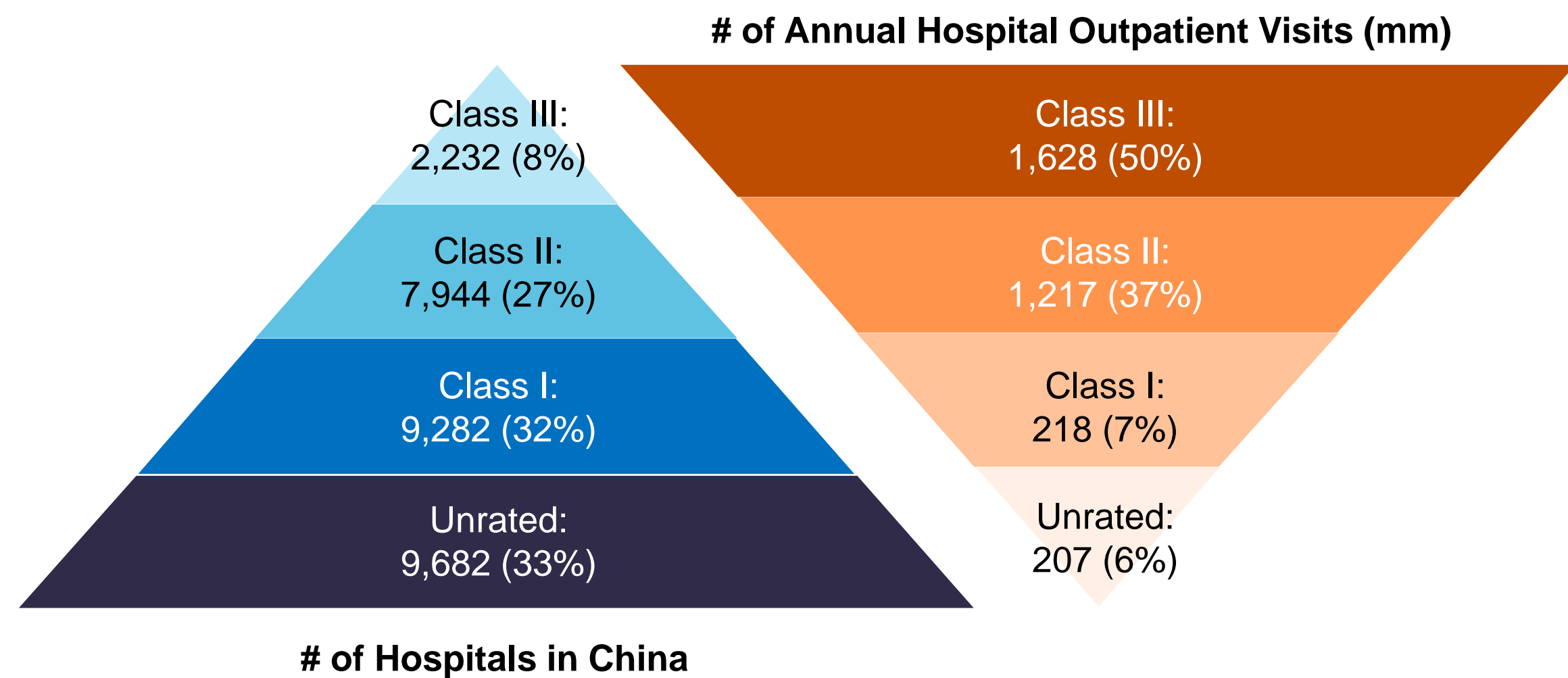
Source: EIU, Euromonitor, BMI, Hong Kong Food and Health Bureau; As of 2017  
1. Tier 1 cities include Beijing, Shanghai, Guangzhou and Shenzhen. Private healthcare spending per capita assumed to mirror private vs. public hospital revenue trends in China  
2. Private healthcare spending per capita assumed to mirror private vs. public hospital revenue trends in Hong Kong SAR



# TOP TRENDS IN THE CHINESE PUBLIC AND PRIVATE HOSPITAL SECTORS

## TOP TRENDS IN THE PUBLIC HOSPITAL SECTOR

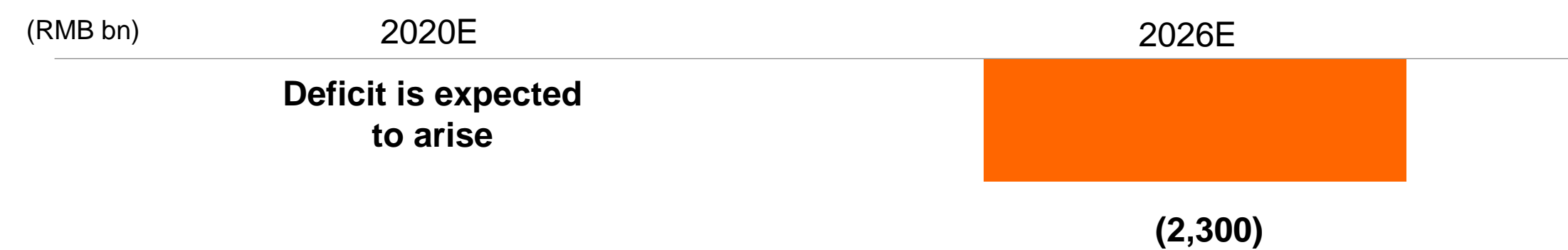
### SCARCITY AND UNEVEN DISTRIBUTION OF QUALITY MEDICAL RESOURCES



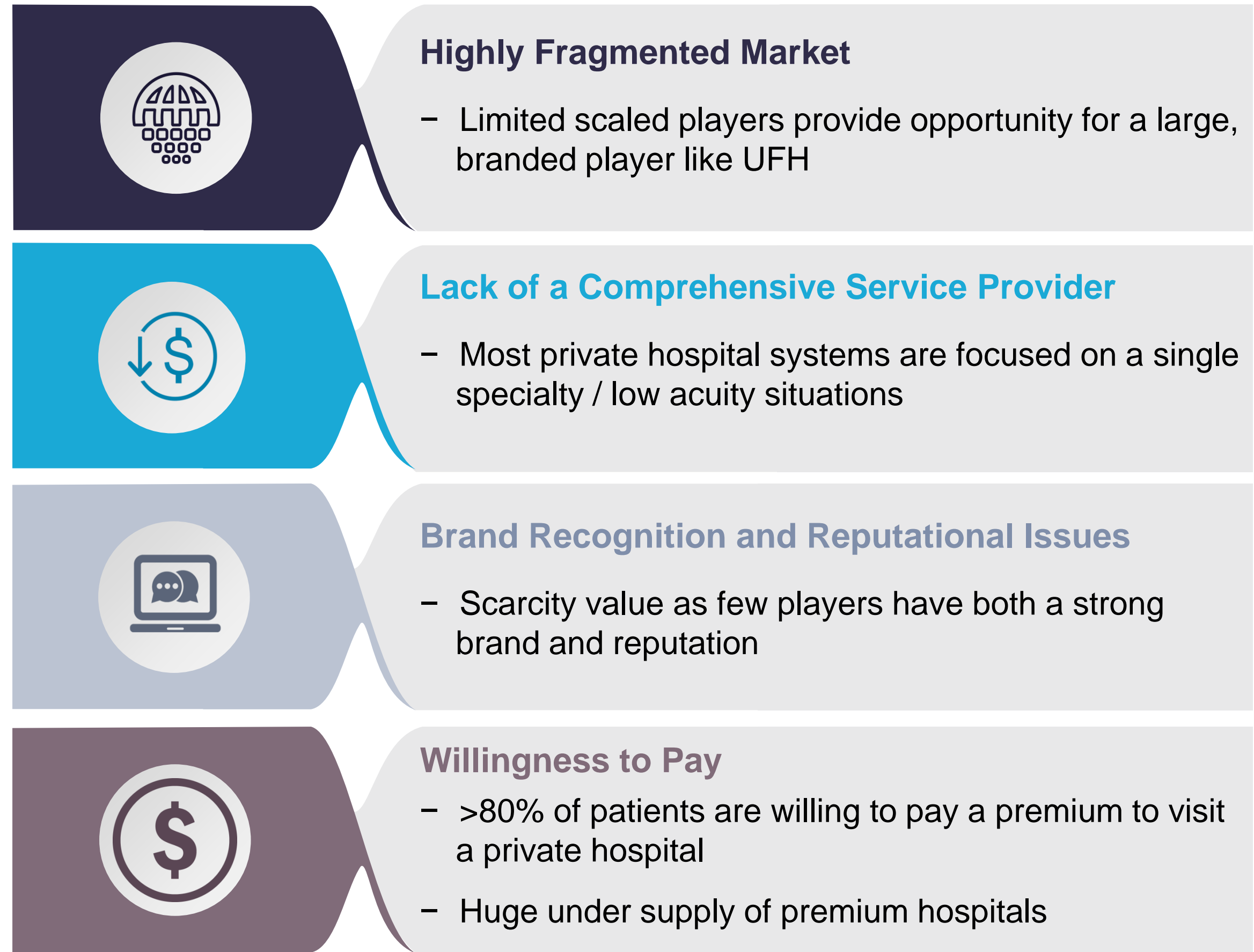
### IMMENSE PRESSURE ON PUBLIC HEALTHCARE SYSTEM



### EXPECTED DEFICIT OF THE BASIC SOCIAL MEDICAL INSURANCE



## TOP TRENDS IN THE PRIVATE HOSPITAL SECTOR

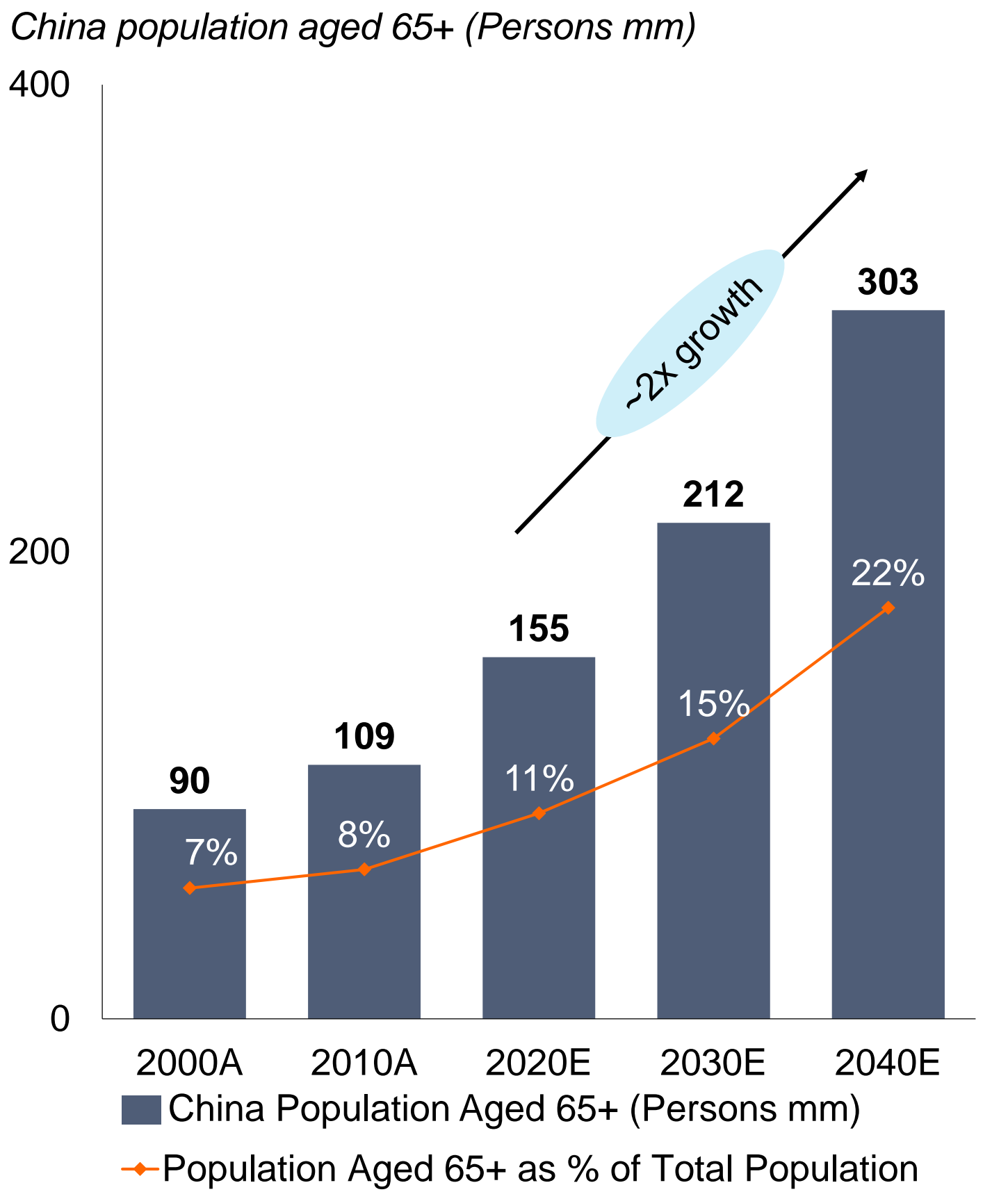


Private hospitals in China are facing challenges that present unique opportunities for a branded comprehensive player like UFH

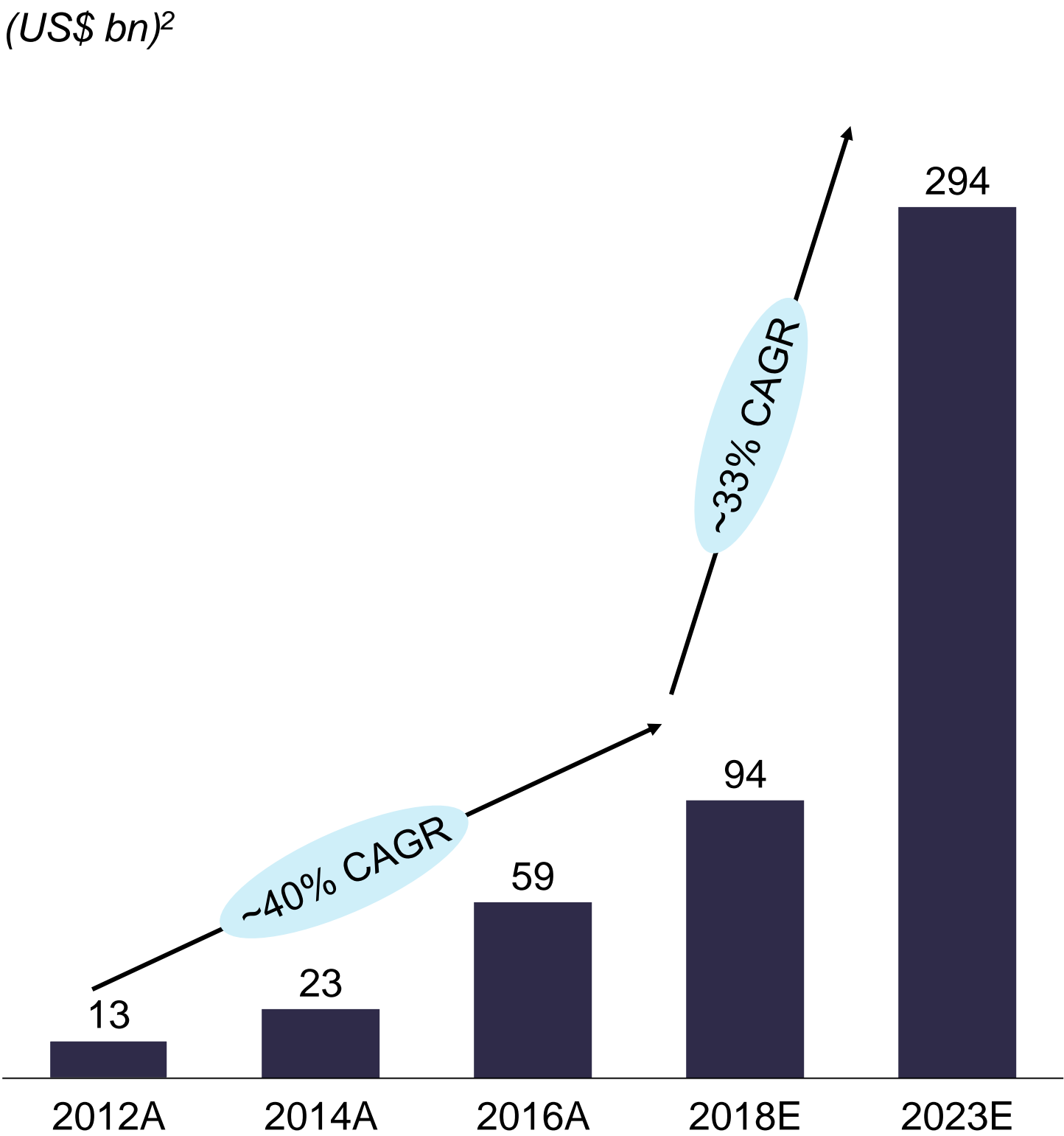


# AGING POPULATION AND COMMERCIAL HEALTHCARE INSURANCE ARE KEY LONG TERM GROWTH DRIVERS OF HEALTHCARE SERVICES

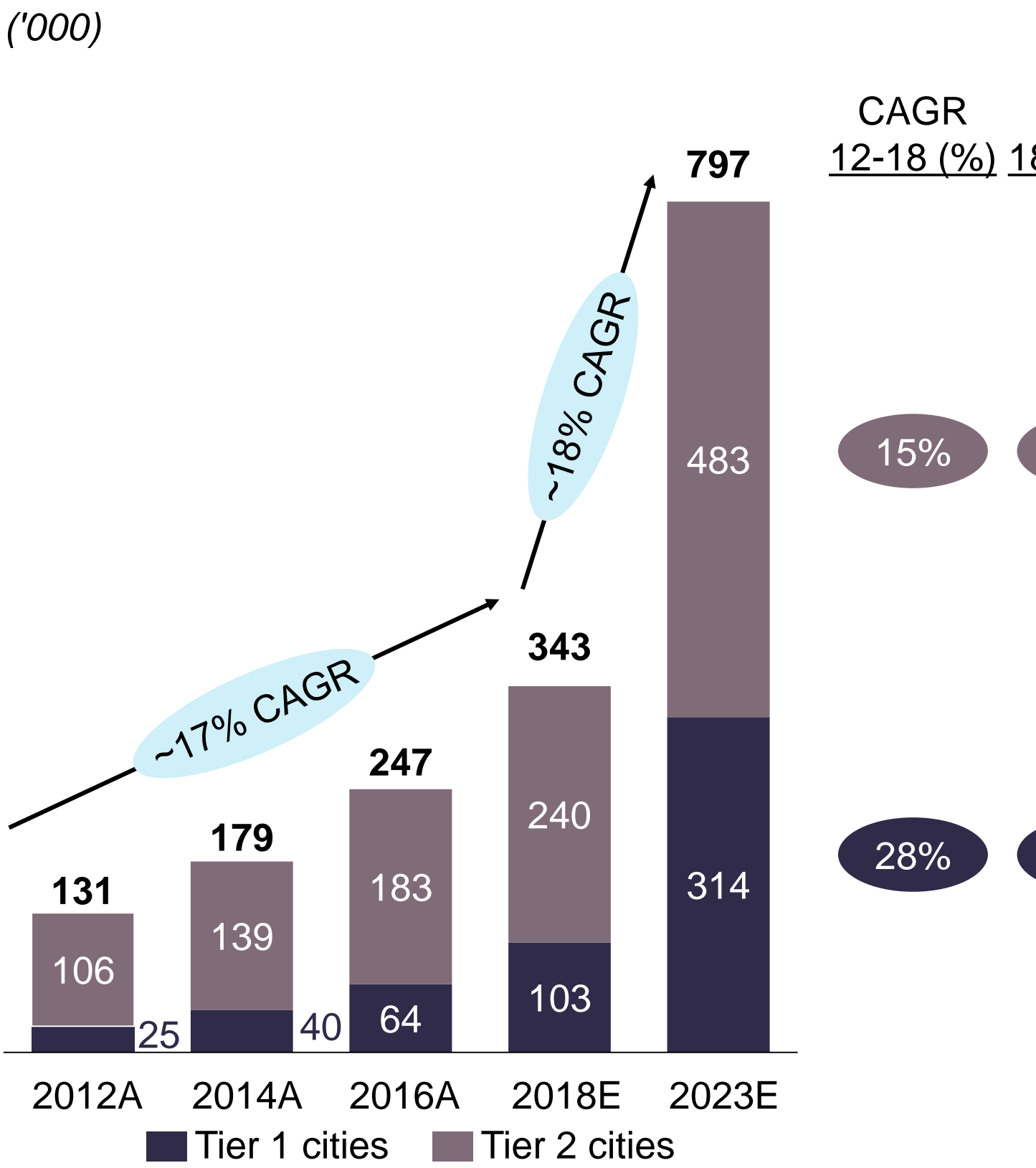
## RAPIDLY AGING POPULATION



## COMMERCIAL HEALTH INSURANCE GWP<sup>1</sup>



## HIGH-END PHI<sup>2</sup> ADDRESSABLE POPULATION





# THE LEADING COMPREHENSIVE HEALTHCARE SERVICES PROVIDER IN CHINA



## ONE OF THE LARGEST BY REVENUE

- One of the largest multi-specialty healthcare services group



## MOST COMPREHENSIVE HEALTHCARE SERVICES OFFERING

- Covering over 30+ specialties while major peers<sup>1</sup> only have 10-15 specialties
- High entry barriers

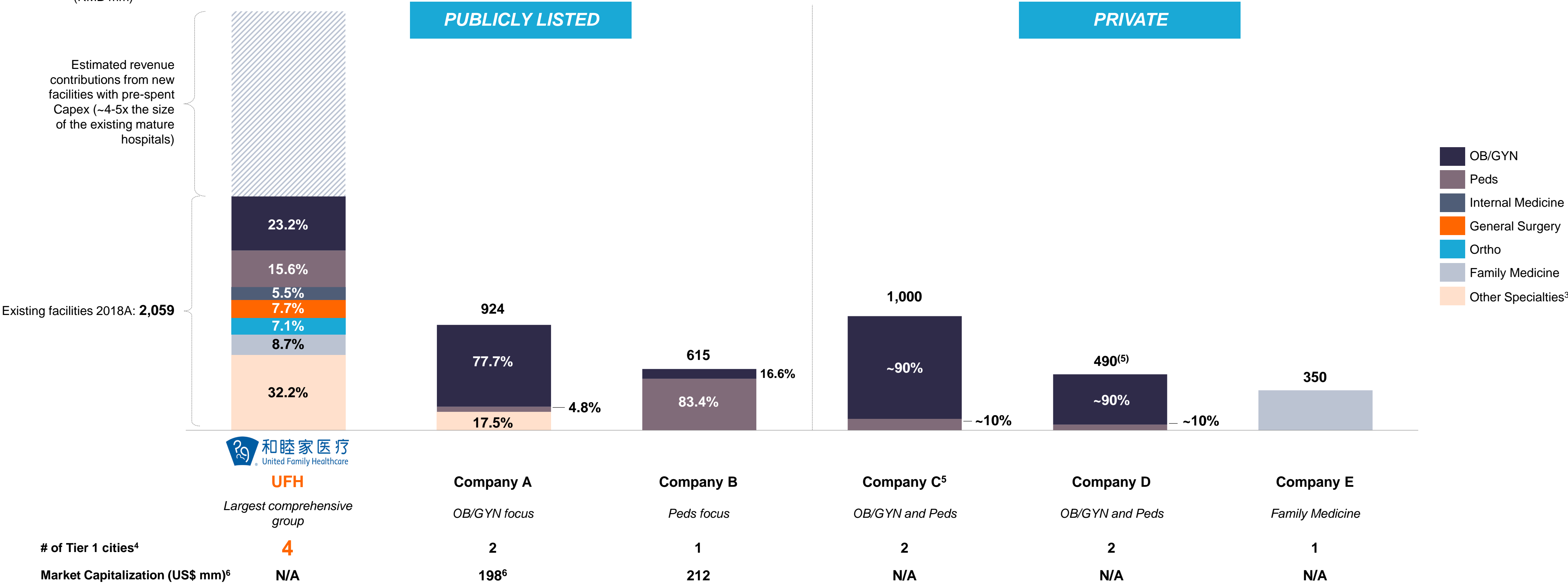


## BROADEST GEOGRAPHIC COVERAGE

- All 4 Tier 1 cities in China
- Complementary strategic coverage in selective Tier 2 cities

### 2018A REVENUE<sup>2</sup>

(RMB mm)



Source: Company, Company Analysis

1. Major peers include Parkway Health, AmCare, HarMoniCare, American-Sino and New Century Healthcare

2. Revenue and breakdown based on 2018A except for Company A (2018 annual report not released)

3. Other Specialties include Medical Aesthetic, Oncology, Dental, Neurology, and Emergency Medicine

4. Refers to Beijing, Shanghai, Guangzhou and Shenzhen

5. Includes Shanghai hospital revenue only

6. As of Jul 29, 2019 except for Company A; Company A entered into stock suspension since Apr 1, 2019

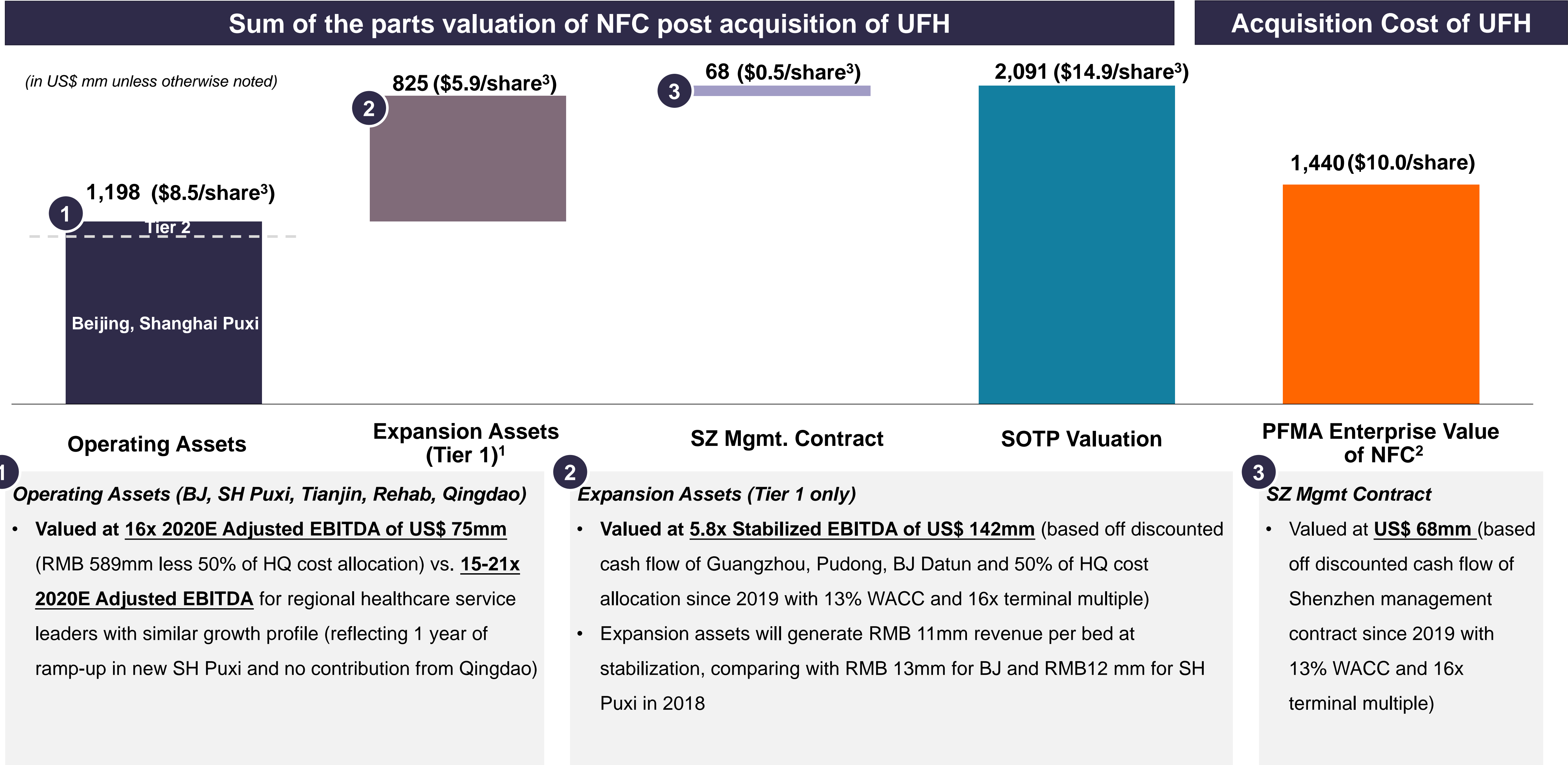




# VALUE CREATION SUMMARY

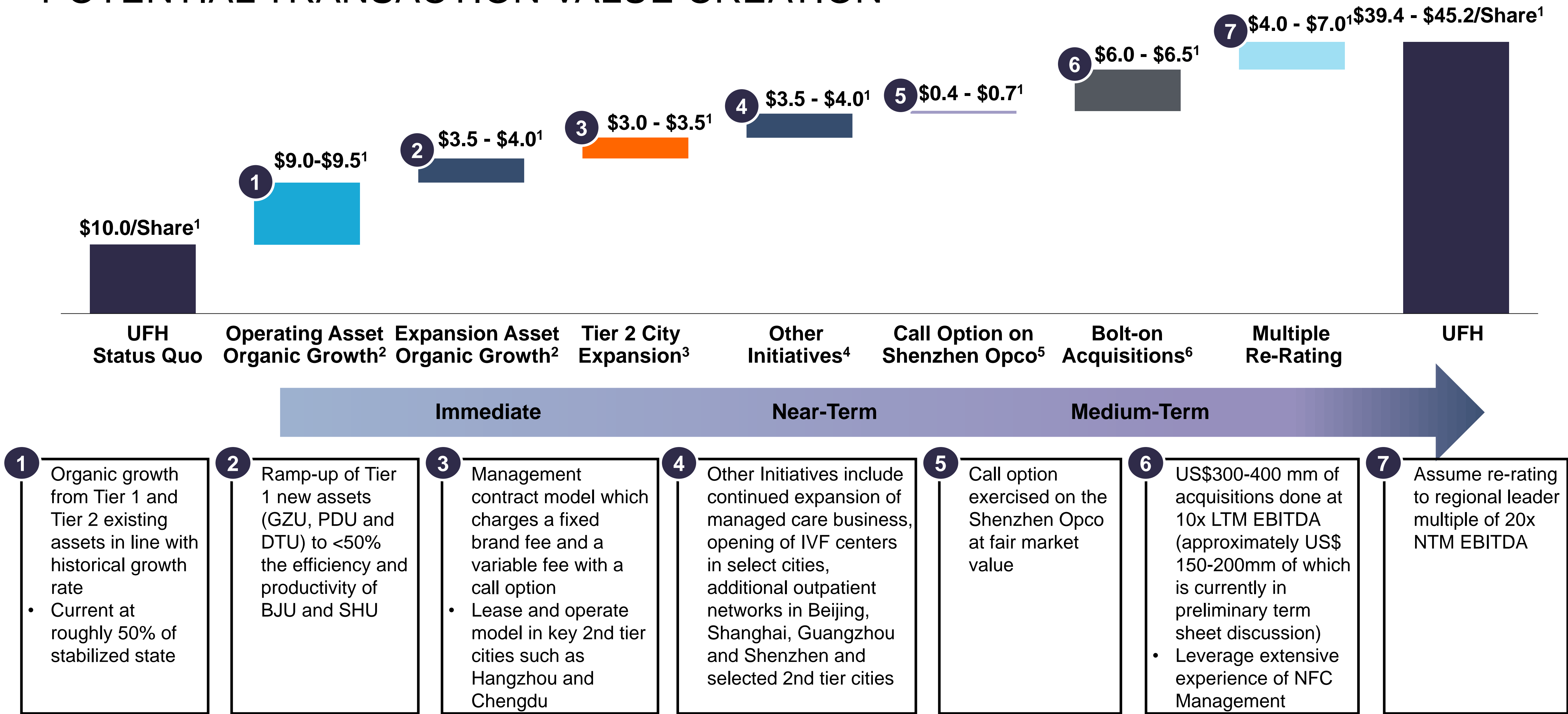


# SUM-OF-THE-PARTS VALUATION: TODAY





# POTENTIAL TRANSACTION VALUE CREATION



Notes:

1. Assuming US\$ 300mm net debt post transaction and 132mm total number of shares before accounting for the exercise of 26.875mm SPAC warrants

2. US\$ 1.70-1.75bn of incremental equity value from organic growth of existing facilities and facilities under construction

3. US\$ 400-450mm of incremental equity value from 2<sup>nd</sup> tier cities expansion with additional management contracts and launch of Hangzhou / Chengdu Hospitals

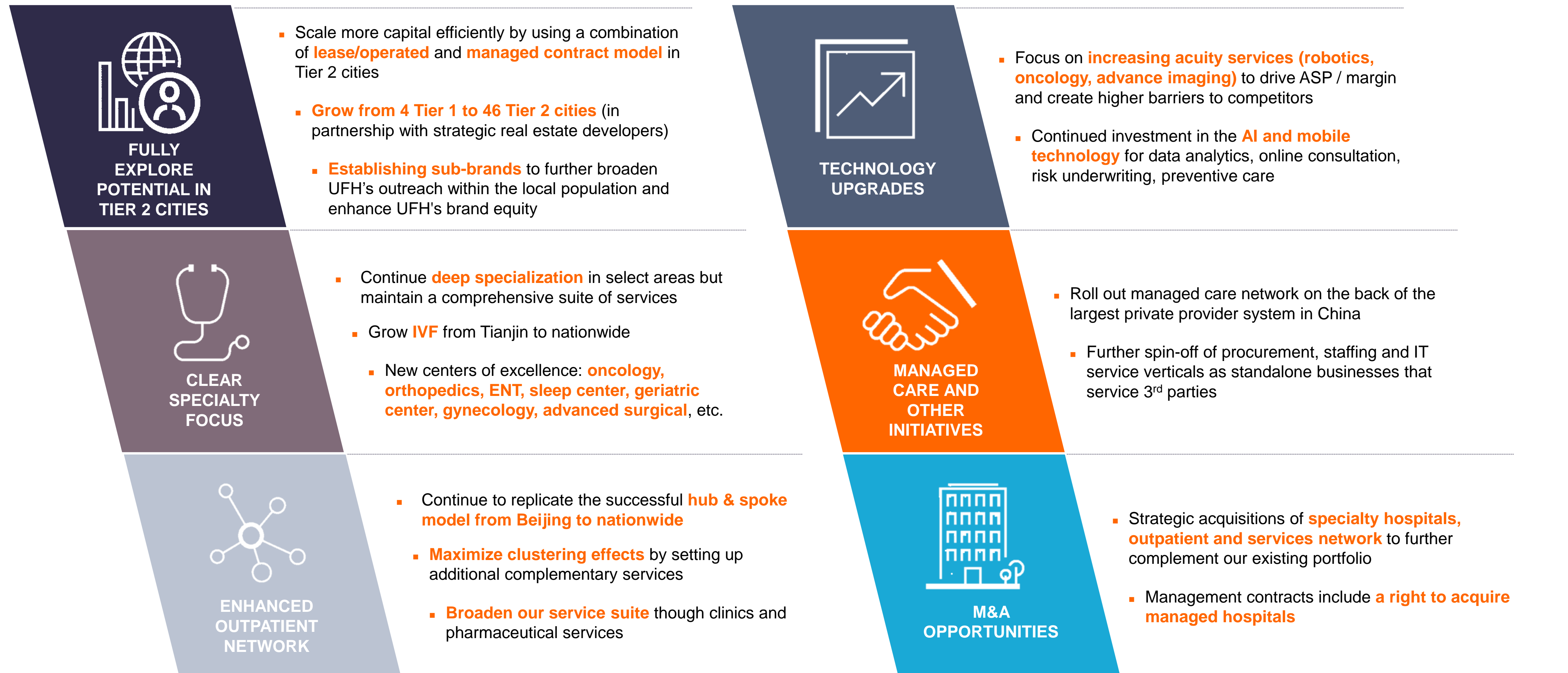
4. US\$ 500-550mm of incremental equity value from additional IVF centers, outpatient clinics and managed care program

5. ~US\$50mm of incremental equity value from exercising the call option of Shenzhen hospital

6. Range reflects acquisition of US\$300-400mm of assets; assumes target acquired at 10.0x LTM EBITDA, reflecting valuation of single-asset hospitals and clinics

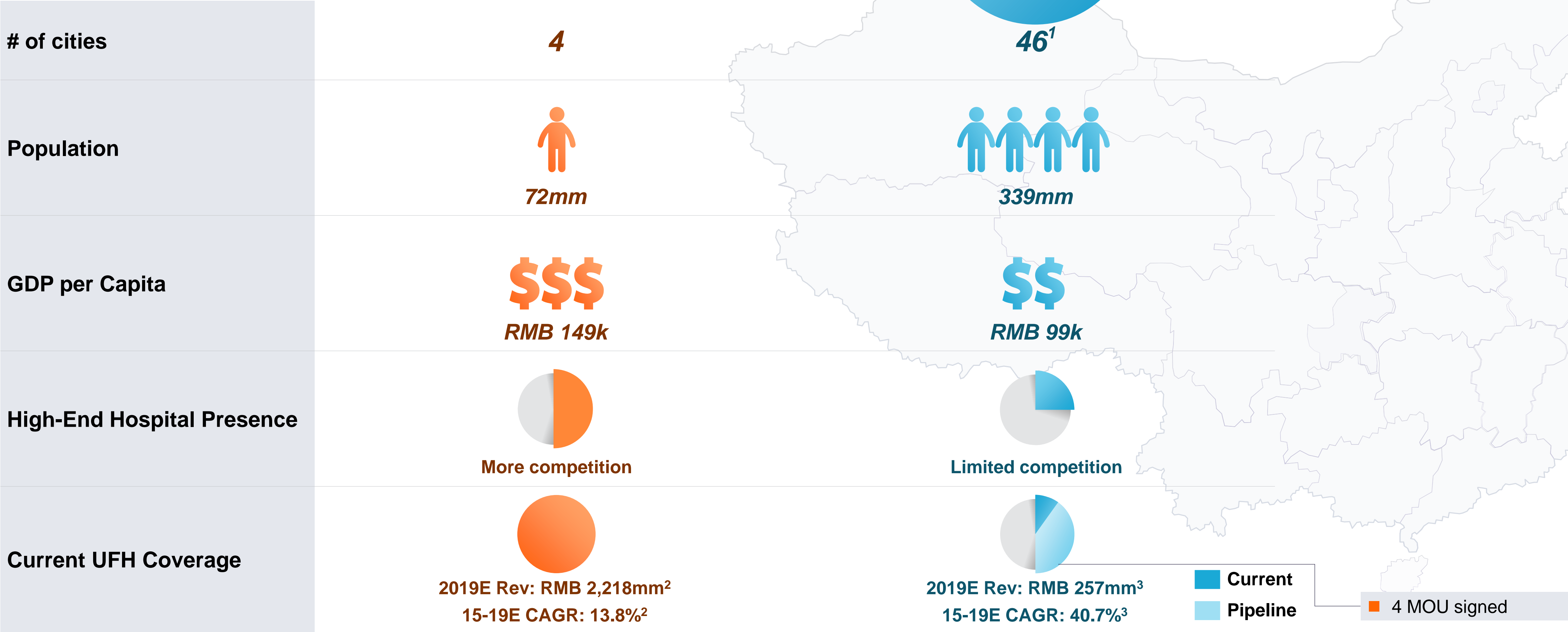


# UPSIDE CATALYSTS DELIVERING ADDITIONAL VALUE





# POTENTIAL ON TIER 2 CITY EXPANSION



Source: National Bureau of Statistics, Oxford Economics, McKinsey Global Institute, Company Analysis; As of 2017  
1. Tier 2 cities are defined as cities with 2016 GDP (latest available consistent historical data in McKinsey Global Institute) from RMB 200-1500bn, in 2010 price  
2. Tier 1 coverage includes 7 hospitals in Beijing (3) /Shanghai (2) /Guangzhou (1) /Shenzhen (1) and 11 clinics in Beijing (8), Shanghai (2), and Guangzhou (1)  
3. Tier 2 coverage includes 2 hospitals in Tianjin (1) /Qingdao (1) and 3 clinics in Hangzhou (1) / Bo’Ao (1) / Wuxi (1).



# TECHNOLOGY INITIATIVES





# SOURCES & USES OF FUNDS

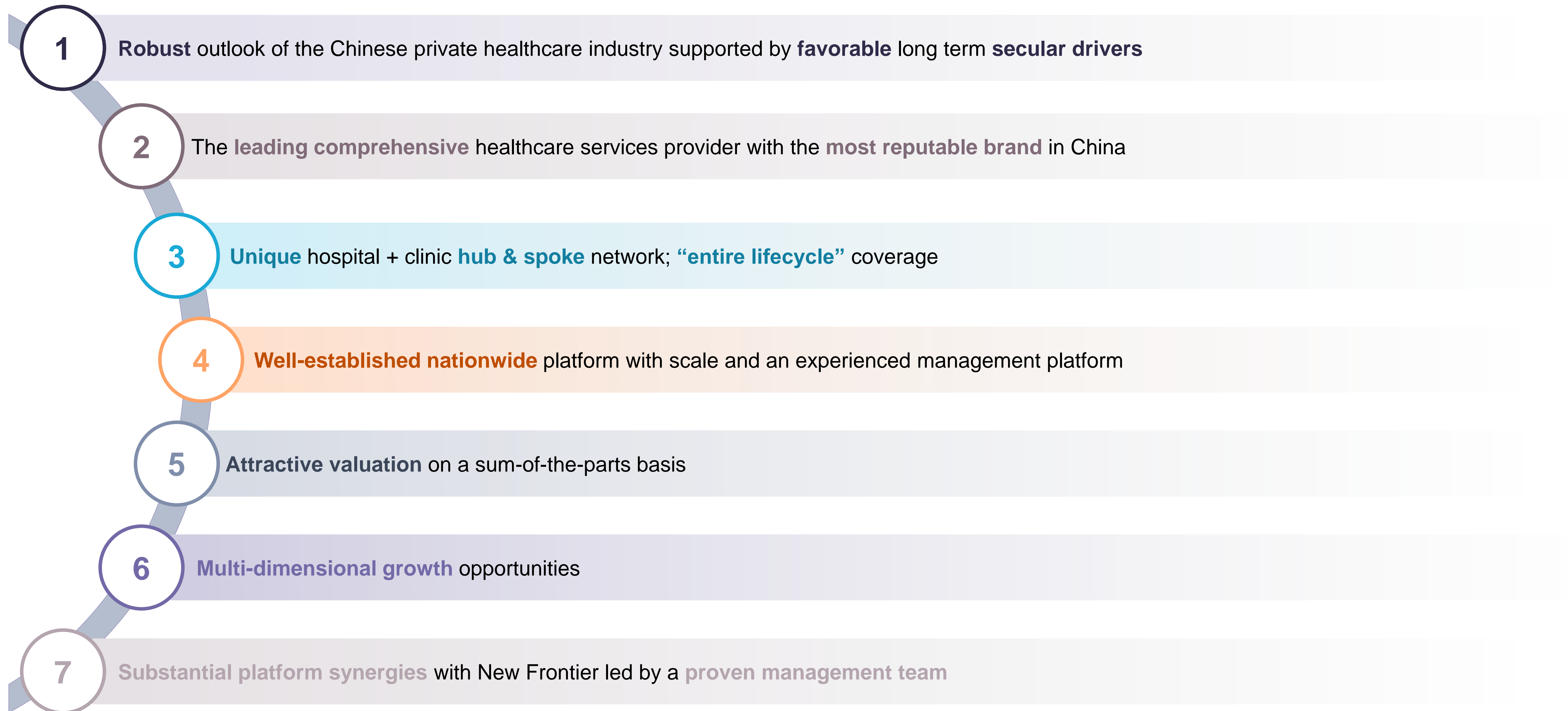
Illustrative Pro Forma Valuation			Ownership			
					Post-Transaction	
	<u>RMB<sup>1</sup></u>	<u>USD</u>			<u>Stake %</u>	
NFC Illustrative Share Price	68.00	10.00	NFC IPO		22%	
(x) Pro Forma Shares Outstanding (mm) <sup>2,3</sup>	<u>132.0</u>	<u>132.0</u>	NFC FPA		14%	
<b>Fully Distributed Equity Value</b>	<b>8,979</b>	<b>1,320</b>	NFC New Issuance <sup>3</sup>		43%	
Plus: Pro Forma Net Debt	<u>816</u>	<u>120</u>	NFC SPAC Dilution	Management roll-over estimated ~85% of net value <sup>7</sup> held pre-transaction	9%	
<b>Fully Distributed Enterprise Value</b>	<b>9,795</b>	<b>1,440</b>	Management <sup>4,5</sup>		5%	
			Fosun		<u>7%</u>	
			<b>Total</b>		<b>100%</b>	
Uses of Funds			Sources of Funds			
	<u>Quantum</u>			<u>Quantum</u>		% of
	<u>RMB<sup>1</sup></u>	<u>USD</u>		<u>RMB<sup>1</sup></u>	<u>USD</u>	<u>Total</u>
Cash Proceeds to Vendors	7,902	1,162	Term Loan A <sup>3</sup>	2,040	300	20%
Cash to the Balance Sheet	1,020	150	NFC IPO	1,955	288	19%
Transaction Fees	<u>204</u>	<u>30</u>	NFC FPA <sup>6</sup>	1,292	190	13%
<b>Total Cash Uses</b>	<b>9,126</b>	<b>1,342</b>	NFC New Issuance <sup>3</sup>	<u>3,839</u>	<u>565</u>	38%
Roll-over Equity	<u>1,081</u>	<u>159</u>	Roll-over Equity	<u>1,081</u>	<u>159</u>	11%
<b>Total Uses</b>	<b>10,207</b>	<b>1,501</b>	<b>Total Sources</b>	<b>10,207</b>	<b>1,501</b>	<b>100%</b>

Note:  
1. Exchange rate at USD:RMB = 1.00 : 6.80  
2. Includes an estimated 59.7m shares held by NFC public and Forward Purchase Agreement investors (including 28.8mm public NFC shares, 11.9mm NFC Founder shares, 19.0 mm shares issued to FPA investors), 15.9mm rollover shares issued to existing UFH shareholders, and at least 56.5mm shares issued to PIPE investors; excluding NFC warrants, which are currently out-of-the-money; all share information throughout this presentation assumes no redemptions by public shareholders, assumes a US\$10.00 per share price for illustrative purposes and assumes conversion of the class B Founder Shares into Class A common shares on a 1:1 basis in connection with the business combination

3. Depending on the outcome of trust account redemption and other considerations, NFC may increase initial primary capital or reduce the debt drawdown by approximately US\$ 100mm in total and increase the NFC new PIPE issued by approximately US\$ 100mm, which may increase total shares count to 142mm but will not impact the Fully Distributed Enterprise Value  
4. Management exercise ESOP plan using fully diluted basis  
5. Subject to further confirmation with ESOP participants before closing, assuming full vesting of ESOP with a small portion of RSU & options rolling over to NFC RSU & options  
6. FPA: Forward Purchase Agreement  
7. Value of management shares at US\$10.0 less estimated income tax of ESOP vesting less repayment of company loan to executives



# INVESTMENT HIGHLIGHTS







# APPENDIX A – FINANCIALS & BENCHMARKING



# SUBSTANTIAL INVESTMENTS HAVE BEEN MADE FOR FUTURE EXPANSION

	Area	Bed in Use									
	GFA (sqm)	2015A	2016A	2017A	2018A	2019E	2020E	2021E	2022E	2023E	2024E
Operating Assets											
Beijing (incl. Clinics) <sup>1</sup>	24,504	78	83	84	91	93	93	95	95	97	97
Shanghai Puxi (incl. Clinics) <sup>2</sup>	21,769	36	39	41	41	71	71	80	80	90	90
Tier 2 (TJ, QD, Rehab) <sup>3</sup>	48,420	99	120	130	142	156	167	194	194	214	214
Sub-total	94,693	213	241	255	274	320	331	369	369	401	401
Expansion Assets (Tier 1)											
Guangzhou (incl. Clinics) <sup>4</sup>	70,607	-	-	-	105	105	105	120	120	140	140
Shanghai Pudong	28,471	-	-	-	85	85	85	100	100	100	100
Beijing Datun	22,834	-	-	-	-	-	62	62	80	90	100
Shenzhen (mgmt. contract) <sup>5</sup>	64,000	-	-	-	-	-	-	100	150	150	150
Sub-total	185,912	-	-	-	190	190	252	382	450	480	490
Total	280,605	213	241	255	464	510	583	751	819	881	891

Notes:

- 1. Includes 16,532 sq.m. from Beijing Hospital and 7,972 sq.m. from Beijing Clinics. Beijing Clinics expanded from 6,887 sq.m. to 7,972 sq.m. in 2015 with the opening of 2 new clinics
- 2. Total GFA of Shanghai Puxi (incl. clinics) was 5,900 sq.m. until 2018. Shanghai Puxi (incl. clinics) underwent an expansion to reach a total GFA of 21,769 sq.m. in 2019
- 3. Consists of Tianjin with a total GFA of 6,900 sq.m., Beijing Rehab with a total GFA of 11,520 sq.m. and Qingdao (opened in 2015) with a total GFA of 20,000 sq.m. (with 10,000 sq.m. more capacity in building B)
- 4. Guangzhou expanded its total GFA from 648 sq.m. in 2017 (consisting only of Guangzhou Clinic) to 70,607 sq.m. in 2018 following the opening of its Guangzhou Hospital
- 5. Shenzhen facility is currently estimated to have approximately 250-350 beds and will initially be operated under a management contract model



# REVENUE SUMMARY (EXCL. M&A)

## Revenue Breakdown (RMB mm)

	2015A	2016A	2017A	2018A	2019E	2020E	2021E	2022E	2023E	2024E	15-18A CAGR	18-20E CAGR	18-24E CAGR
Operating Assets						See Appendix P44 for back-up							
Beijing (incl. clinics)	751	962	1,064	1,168	1,304	1,423	1,542	1,656	1,773	1,899	15.8%	10.4%	8.4%
Shanghai Puxi (incl. clinics) <sup>1</sup>	496	508	495	492	531	682	792	882	976	1,076	(0.2%)	17.7%	13.9%
Tier 2 (TJ, QD, Rehab) & Other Assets <sup>2</sup>	102	150	207	305	374	461	539	612	684	753	44.2%	23.0%	16.3%
Sub-total	1,348	1,620	1,766	1,965	2,209	2,566	2,873	3,150	3,433	3,727	13.4%	14.3%	11.3%
Expansion Assets (Tier 1)													
Expansion (GZ <sup>3</sup> , SH Pudong, BJ Datun)	42	50	59	97	285	526	786	1,053	1,340	1,641	32.1%	133.3%	60.3%
Shenzhen (mgmt. contract)	-	-	-	-	5	9	14	12	24	40			
Sub-total	42	50	59	97	290	535	800	1,065	1,364	1,681	32.1%	135.2%	61.0%
Others													
Expansion Assets (Tier 2) <sup>4</sup>	5	6	3	(3)	2	15	30	47	67	88			
Total	1,395	1,675	1,828	2,059	2,501	3,116	3,704	4,262	4,863	5,496	13.8%	23.0%	17.8%

## Revenue per Bed (RMB mm)

Operating Assets													
Beijing (incl. clinics)	9.6	11.6	12.7	12.8	14.0	15.3	16.2	17.4	18.3	19.6	10.0%	9.2%	7.3%
Shanghai Puxi (incl. clinics)	13.8	13.2	12.1	12.0	7.5	9.6	9.9	11.0	10.8	12.0	(4.5%)	(10.5%)	(0.1%)
Tier 2 (TJ, QD, Rehab) & Other Assets	1.0	1.3	1.6	2.1	2.4	2.8	2.8	3.2	3.2	3.5	27.8%	13.4%	8.6%
Sub-total	6.3	6.7	6.9	7.2	6.9	7.8	7.8	8.5	8.6	9.3	4.2%	4.0%	4.4%
Expansion Assets (Tier 1)													
Expansion Assets (Tier 1) <sup>5</sup>	-	-	-	0.5	1.5	2.1	2.8	3.5	4.1	4.8	Expected 10-12mm RMB revenue per bed		45.5%

Notes:

- 1. Shanghai Puxi's historical revenue growth was limited by capacity constraints and out of date infrastructure (only 5,900 sq.m. GFA incl. clinics). Shanghai Puxi will operate in a new, expanded complex (~1km from our existing complex) from the end of Q2 / beginning of Q3 2019
- 2. Other Assets include Bo'Ao Clinic, Hangzhou Clinic and Yuesao (post partum care worker) business
- 3. Prior to Guangzhou Hospital's opening in 2018, Guangzhou consisted of 1 clinic with a total GFA of 648 sq.m.
- 4. Expansion assets (Tier 2) include HQ
- 5. Expansion Assets' Revenue Per Bed excludes Shenzhen (mgmt. contract). Shenzhen (mgmt. contract) revenues are derived from fixed branding and management fees as a % of hospital revenues
- 6. Represent asset performance once it reaches a level of revenue per bed similar to Beijing and Shanghai in 2018



# ADJUSTED EBITDA SUMMARY (EXCL. M&A)

## Adjusted EBITDA<sup>1</sup> Breakdown (RMB mm)

	2015A	2016A	2017A	2018A	2019E	2020E	2021E	2022E	2023E	2024E	15-18A CAGR	18-20E CAGR	18-24E CAGR
<b>Operating Assets</b>													
Beijing (incl. clinics)	117	257	282	310	345	371	402	430	461	494	38.4%	9.5%	8.1%
Shanghai Puxi (incl. clinics) <sup>2</sup>	141	157	140	126	130	176	212	238	263	288	(3.7%)	18.0%	14.7%
Tier 2 (TJ, QD, Rehab) & Other Assets <sup>3</sup>	(91)	(48)	(36)	(9)	(6)	42	79	103	126	147			
<b>Sub-total</b>	<b>167</b>	<b>366</b>	<b>386</b>	<b>426</b>	<b>469</b>	<b>589</b>	<b>694</b>	<b>771</b>	<b>851</b>	<b>928</b>	<b>36.6%</b>	<b>17.5%</b>	<b>13.8%</b>
<b>Expansion Assets (Tier 1)</b>													
Expansion (GZ, SH Pudong, BJ Datun) <sup>4</sup>	5	8	(52)	(177)	(167)	(55)	57	164	271	384			
Shenzhen (mgmt. contract)	-	-	-	-	5	9	14	12	24	40			
<b>Sub-total</b>	<b>5</b>	<b>8</b>	<b>(52)</b>	<b>(177)</b>	<b>(162)</b>	<b>(46)</b>	<b>71</b>	<b>177</b>	<b>295</b>	<b>425</b>			
<b>Others</b>													
Expansion Assets (Tier 2) <sup>5</sup>	-	-	-	-	-	9	20	32	45	60			
HQ <sup>6</sup>	(116)	(130)	(147)	(140)	(168)	(160)	(160)	(168)	(176)	(185)	6.6%	6.8%	4.8%
<b>Total</b>	<b>57</b>	<b>244</b>	<b>187</b>	<b>110</b>	<b>140</b>	<b>392</b>	<b>625</b>	<b>812</b>	<b>1,014</b>	<b>1,227</b>	<b>24.6%</b>	<b>89.1%</b>	<b>49.6%</b>

## Adjusted EBITDA Margin (%)

<b>Operating Assets</b>													
Beijing (incl. clinics)	15.5%	26.8%	26.5%	26.5%	26.5%	26.1%	26.1%	26.0%	26.0%	26.0%			
Beijing (hospital only excl. clinics)	14.0%	27.3%	28.7%	30.2%	30.0%	29.2%	29.0%	28.6%	28.6%	28.4%			
Shanghai Puxi (incl. clinics)	28.5%	30.9%	28.2%	25.6%	24.5%	25.7%	26.8%	27.0%	27.0%	26.8%			
Tier 2 (TJ, QD, Rehab) & Other Assets	(89.2%)	(32.2%)	(17.3%)	(3.1%)	(1.6%)	9.2%	14.7%	16.9%	18.5%	19.5%			
<b>Sub-total</b>	<b>12.4%</b>	<b>22.6%</b>	<b>21.9%</b>	<b>21.7%</b>	<b>21.2%</b>	<b>22.9%</b>	<b>24.2%</b>	<b>24.5%</b>	<b>24.8%</b>	<b>24.9%</b>			
<b>Expansion Assets (Tier 1)</b>													
Expansion (GZ, SH Pudong, BJ Datun) <sup>7</sup>	12.5%	15.7%	(88.7%)	(182.6%)	(58.6%)	(10.4%)	7.2%	15.6%	20.2%	23.4%			
<b>Overall</b>	<b>4.1%</b>	<b>14.6%</b>	<b>10.2%</b>	<b>5.3%</b>	<b>5.6%</b>	<b>12.6%</b>	<b>16.9%</b>	<b>19.0%</b>	<b>20.9%</b>	<b>22.3%</b>			

Notes:

1. Reconciliation of historical Adjusted EBITDA to net income / (loss) can be referred in Appendix D. Adj. EBITDA (excl. loss from expansion assets) excludes Guangzhou / Pudong / Datun in 2019; excludes Pudong / Datun in 2020; and excludes Datun only in 2021;

2. Shanghai Puxi's historical Adj. EBITDA growth was limited by capacity constraints (only 5,900 sq.m. GFA incl. clinics) and infrastructure limitations relative to patient volumes

3. Other Assets include Bo'Ao Clinic, Hangzhou Clinic and Yuesao (post partum care worker) business

4. Prior to Guangzhou Hospital's opening in 2018, Guangzhou consisted of 1 family health clinic

5. Expansion assets (Tier 2) doesn't include HQ

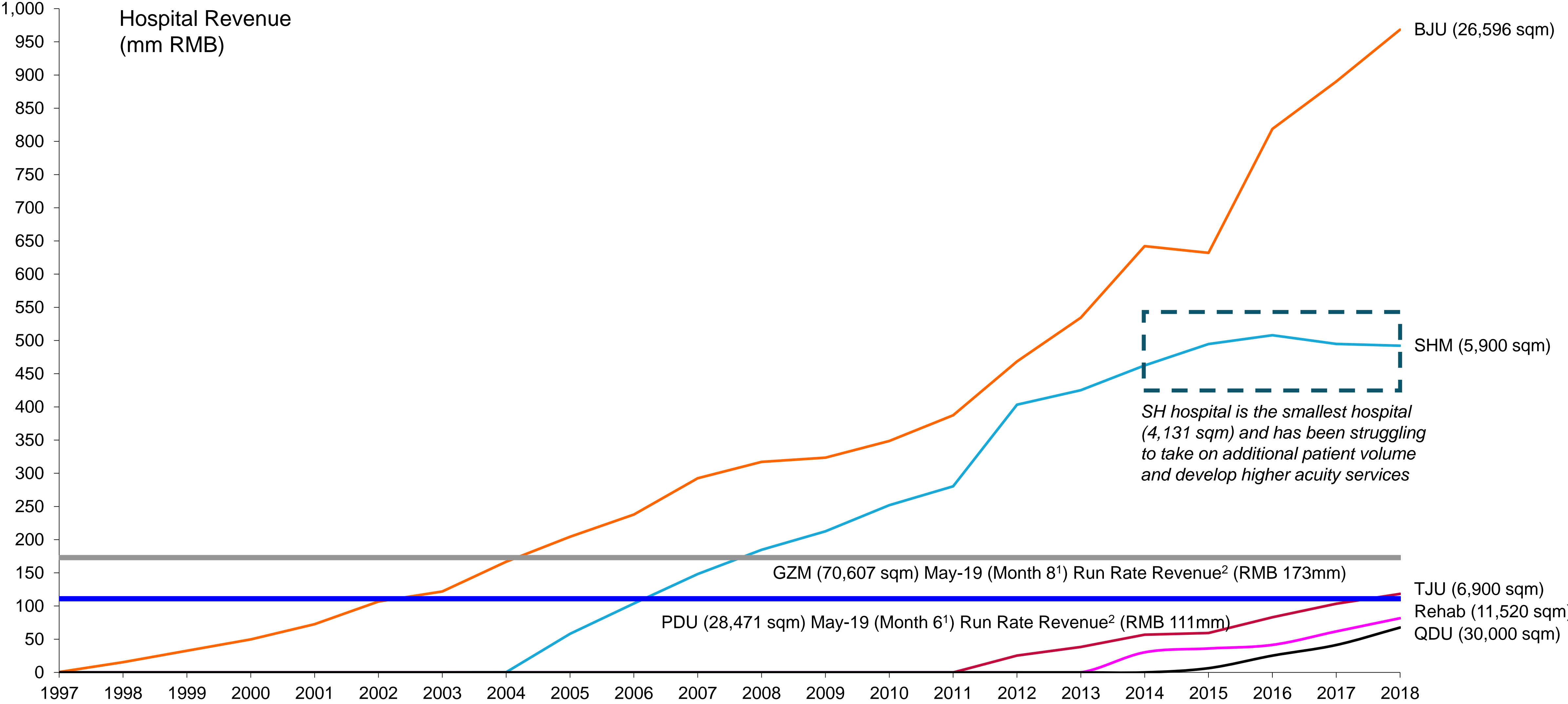
6. HQ loss is evenly allocated between operating assets and expansion assets

7. Expansion Assets Adjusted EBITDA margin excludes Shenzhen (mgmt. contract). Shenzhen (mgmt. contract) revenues are derived from fixed branding and management fees as a % of hospital revenues

8. Represent asset performance once it reaches a level of revenue per bed similar to Beijing and Shanghai in 2018



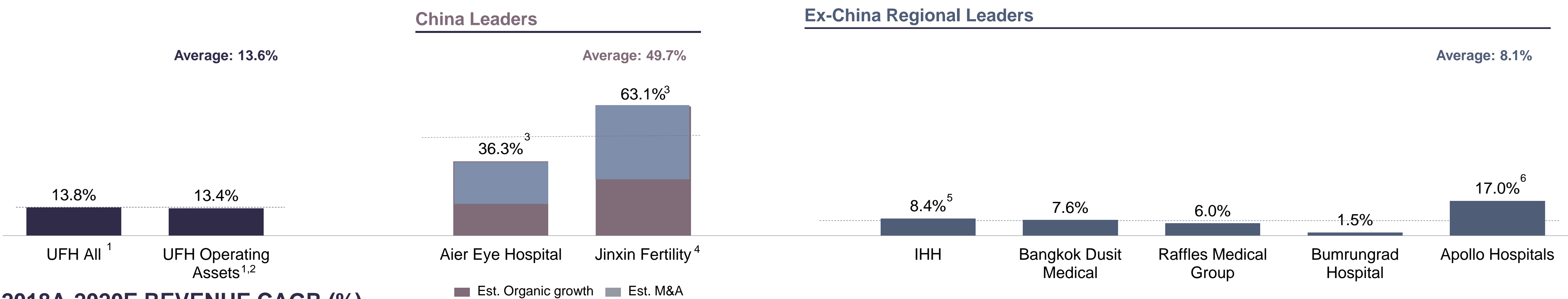
# HOSPITALS: LONG TERM MATURITY CYCLE



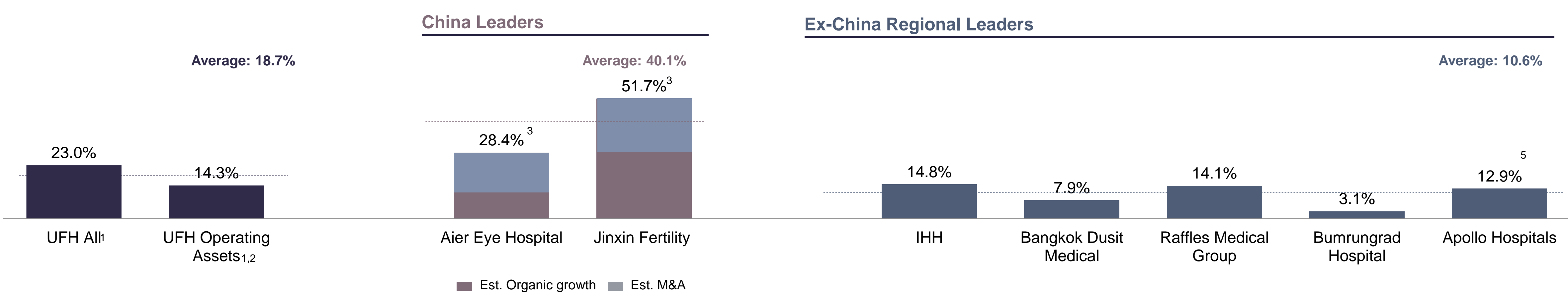


# BENCHMARKING ANALYSIS

## 2015A-2018A REVENUE CAGR (%)



## 2018A-2020E REVENUE CAGR (%)



Source: FactSet and company disclosures as of Jul 29, 2019

1. UFH's historical growth has all been derived from organic growth from its own hospitals

2. Operating asset Revenue includes other assets (i.e. Bo'Ao clinic, Hangzhou Clinic, Yuesao (post partum care worker) business and asset light business)

3. Estimated breakout of organic growth and M&A growth

4. Historical revenue CAGR represents 2016-2018 CAGR as previous financial data is not available

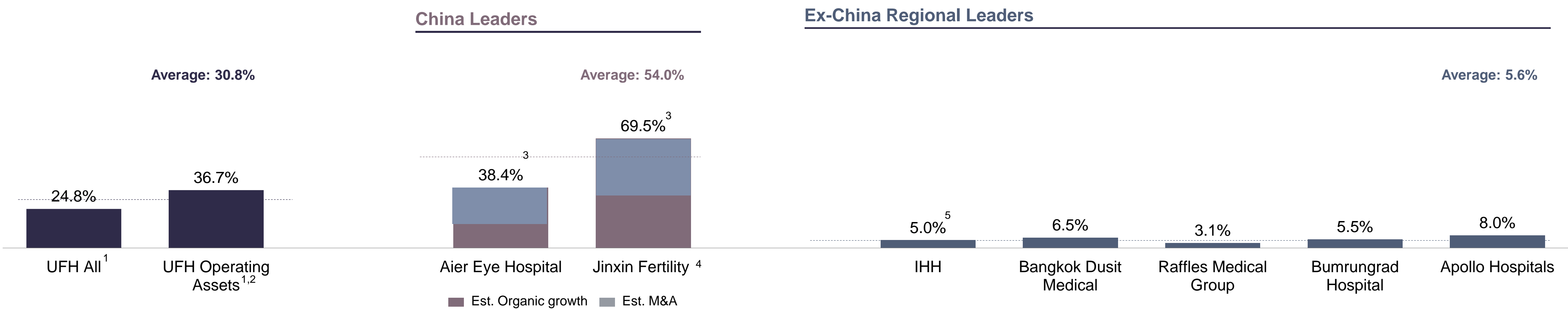
5. Adjusted to exclude IHH's acquisition of Global Hospitals in 2015

6. Apollo Hospitals underwent a large capacity expansion project between 2015 and 2018 and also acquired Nova Specialty Hospitals (11 hospitals in total) in Jan 2015

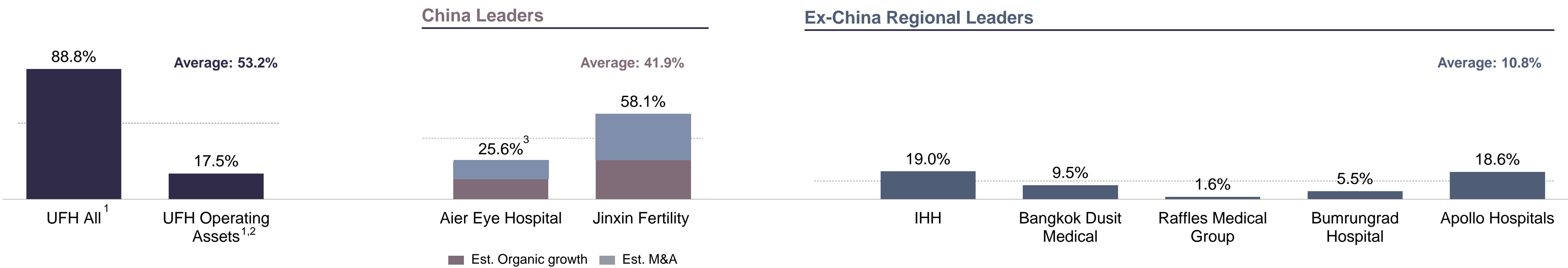


# BENCHMARKING ANALYSIS (CONT'D)

## 2015A-2018A Adjusted EBITDA CAGR (%)



## 2018A-2020E Adjusted EBITDA CAGR (%)



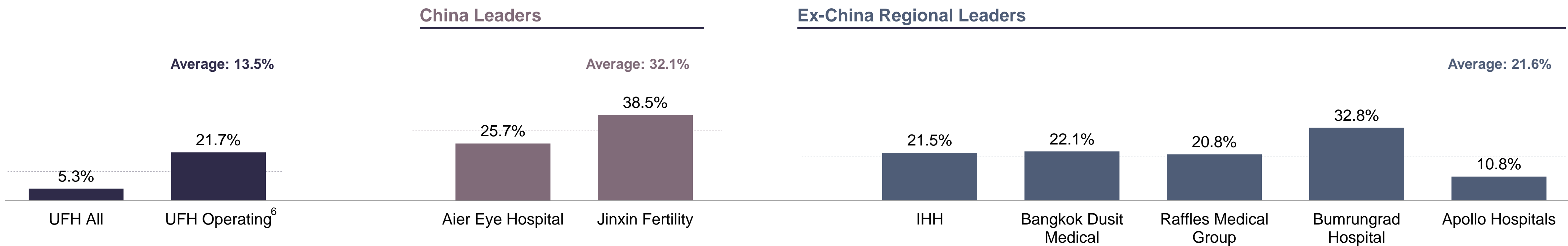
Source: FactSet and company disclosures as of Jul 29, 2019

- 1. UFH's historical growth has all been derived from organic growth from its own hospitals
- 2. Operating asset EBITDA includes other assets (i.e. Bo'Ao clinic, Hangzhou Clinic, Yuesao (post partum care worker) business and asset light business)
- 3. Breakout of organic growth and M&A growth based on company estimates
- 4. Historical adjusted EBITDA CAGR represents 2016-2018 CAGR as previous financial data is not available
- 5. Adjusted to exclude IHH's acquisition of Global Hospitals in 2015

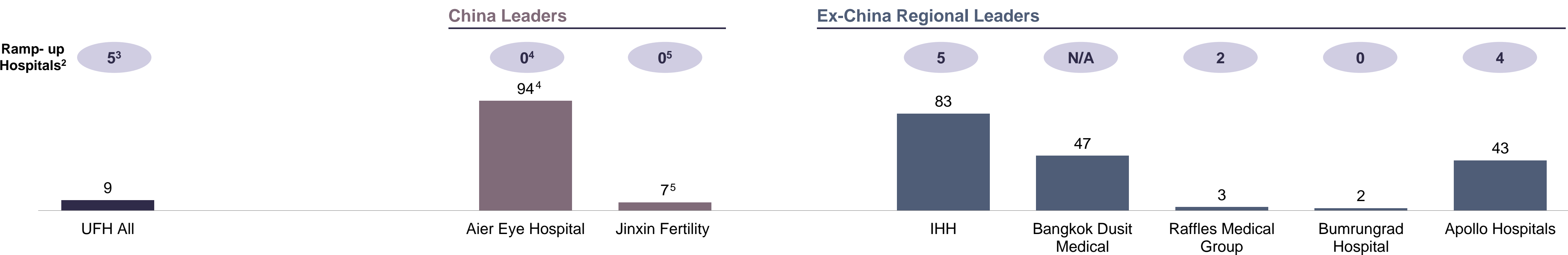


# BENCHMARKING ANALYSIS (CONT'D)

## 2018A Adjusted EBITDA MARGIN (%)



## NUMBER OF HOSPITALS<sup>1</sup>



Source: FactSet and company disclosures as of Jul 29, 2019

- 1. Exclude clinics
- 2. Define ramp up hospital as hospitals with less than 3 years of operating history or still in pipeline
- 3. UFH ramp up hospitals include Pudong, Guangzhou, Datun, New Puxi and Shenzhen (under management contract)

- 4. Include Aier Hospitals within the listed entity only. Ramp-up hospitals are kept outside of the listed entity until stabilized
- 5. Including facility under management and in the US
- 6. UFH Operating asset Adjusted EBITDA margin calculation doesn't include other assets (i.e. Bo'Ao clinic, Hangzhou Clinic, Yuesao (post partum care worker) business and asset light business)



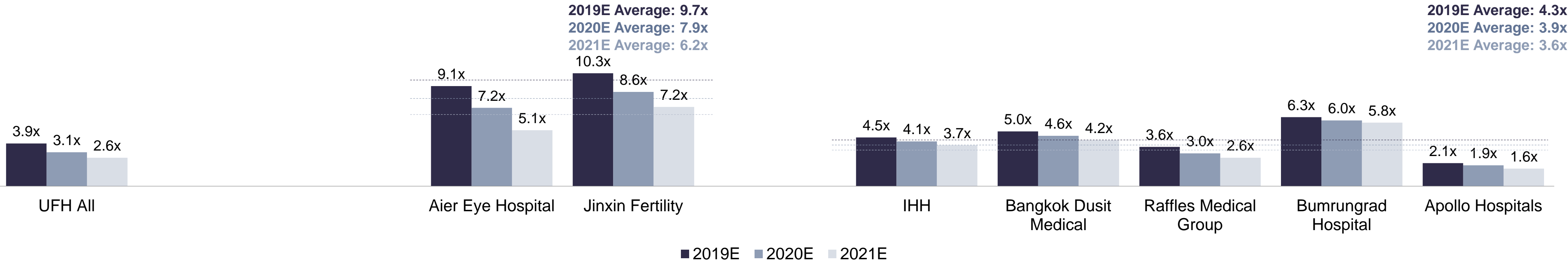
# BENCHMARKING ANALYSIS (CONT'D)

## EV/REVENUE

TEV = US\$ 1.44bn

China Leaders

Ex-China Regional Leaders

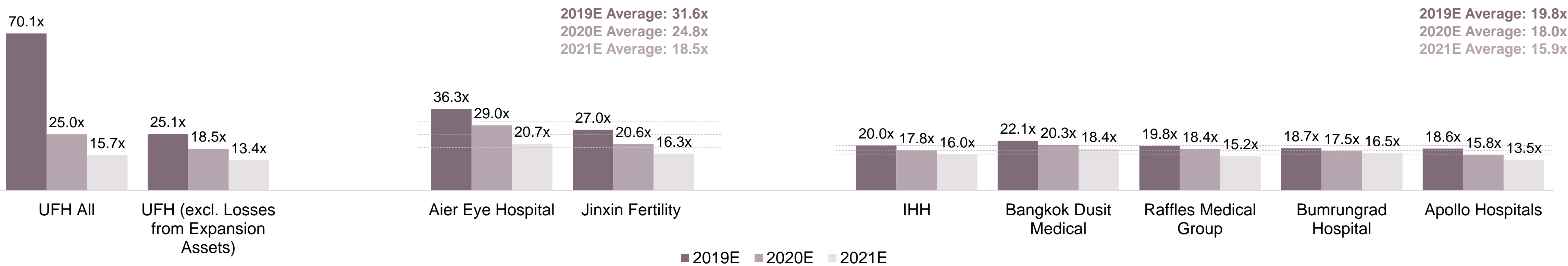


## EV/Adjusted EBITDA

TEV = US\$ 1.44bn

China Leaders

Ex-China Regional Leaders

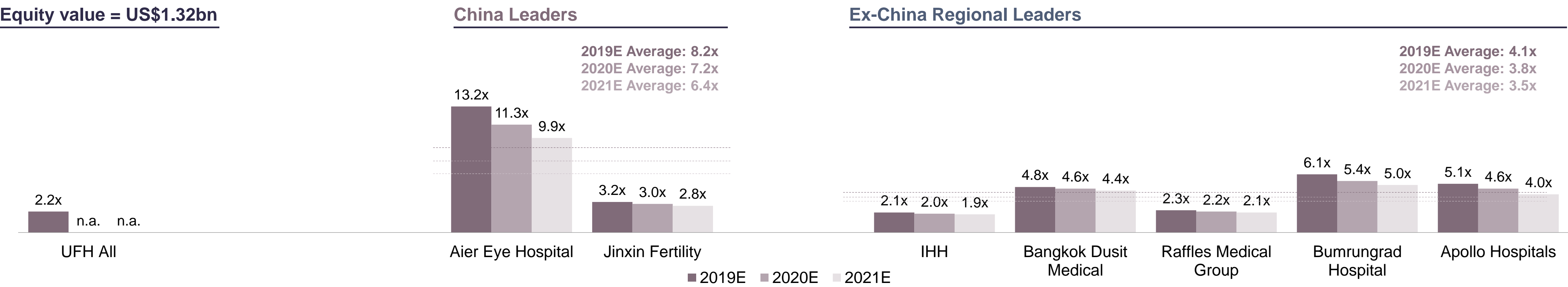




# BENCHMARKING ANALYSIS (CONT'D)

P/B<sup>1</sup>

Equity value = US\$1.32bn







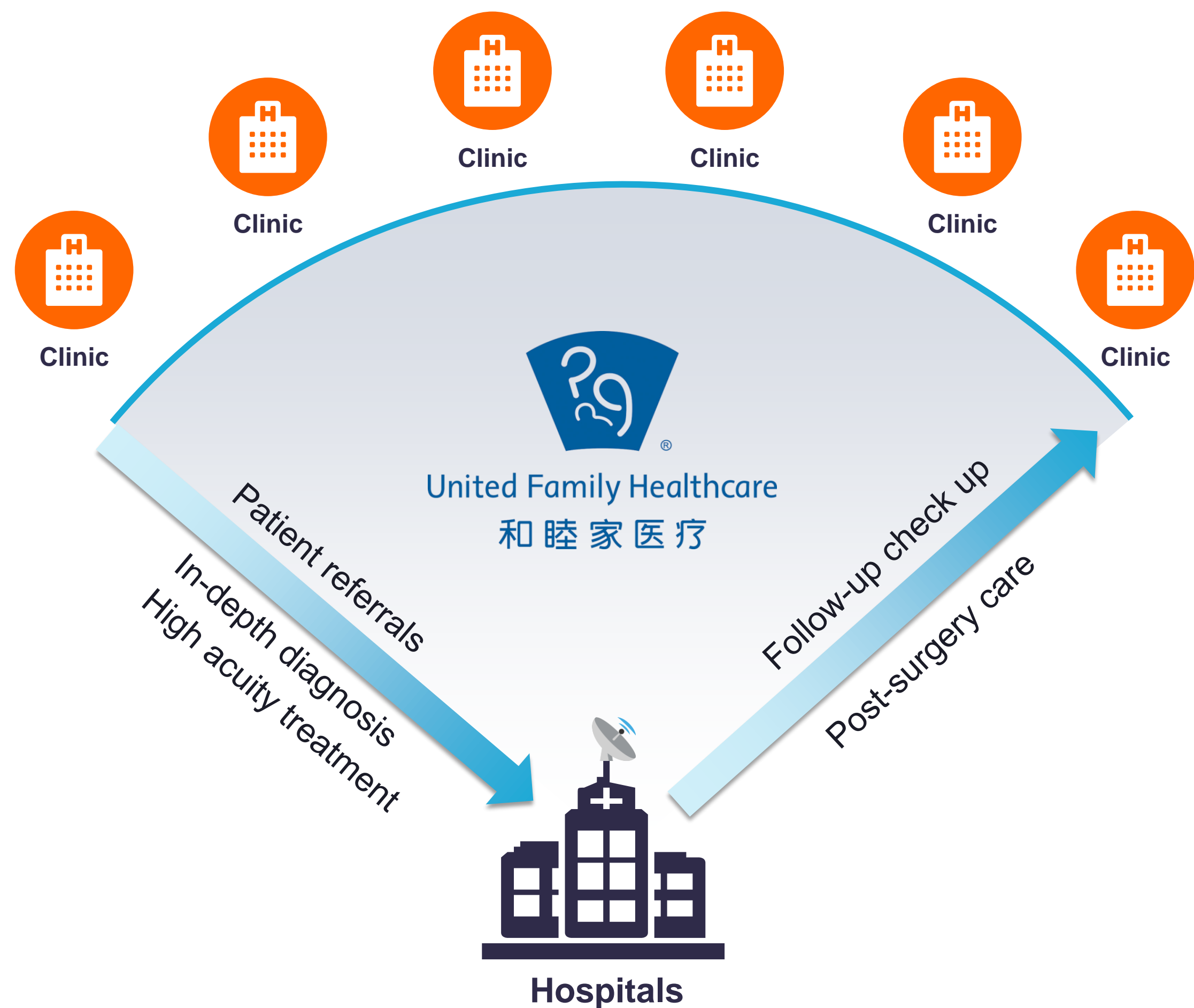
# APPENDIX B – ADDITIONAL MATERIALS



# UNIQUE HOSPITAL + CLINIC HUB & SPOKE NETWORK

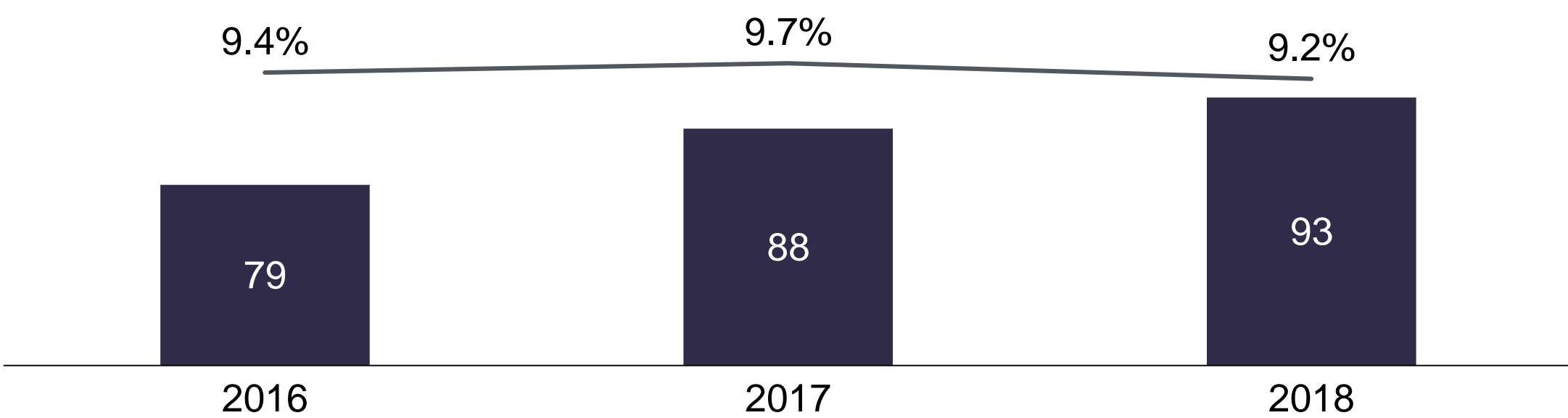
## INTEGRATED HEALTHCARE SERVICES MODEL GENERATING SIGNIFICANT SYNERGIES

THE **ONLY** HUB & SPOKE BUSINESS MODEL IN CHINA

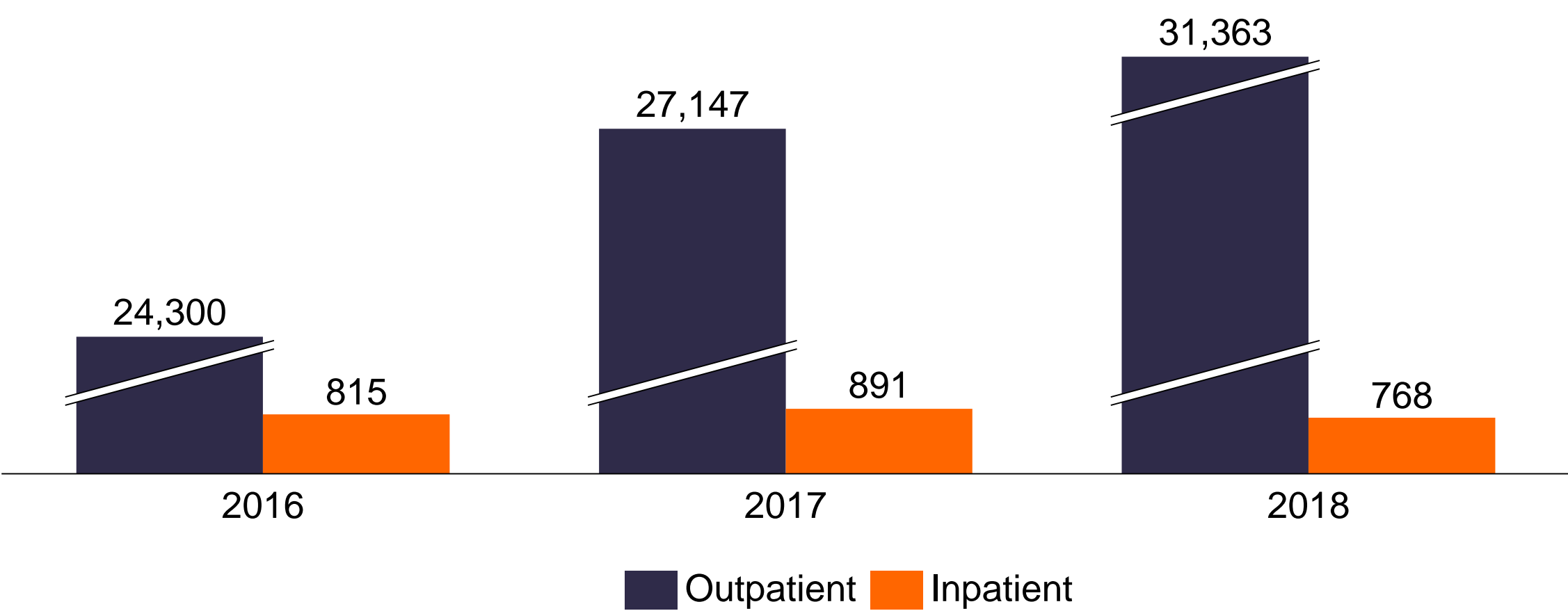


BEIJING HOSPITAL REFERRAL REVENUE FROM CLINICS AND CONTRIBUTION TO TOTAL HOSPITAL REVENUE

(RMB mm)



BEIJING HOSPITAL REFERRAL PATIENT VISITS FROM CLINICS





# OPERATING ASSET – HOSPITAL EXPANSION COMPARISON

	BJU EXPANSION PROJECTS				SHANGHAI PUXI EXPANSION PROJECTS			
	Pre-Expansion (2012)	Post Expansion (2014)	% Change	12-14 CAGR	Pre-Expansion (2018)	Post Expansion (2020E)	% Change	18-20 CAGR
Area (sqm)	4,831	11,136	130.5%		4,131	20,000	384.1%	
Bed Number	46	73	58.7%		41	71	73.2%	
Total Revenue	483	665	37.6%	17.3%	492	682	38.6%	17.7%

- Projected performance of SHU similar to that of BJU from 2012 to 2014 where the size of facility increased ~130%. Revenue in the same period increased by 38%
- Despite the facility size of SHU increased by more than 4x, current case conservatively assumes revenue increase by 39%



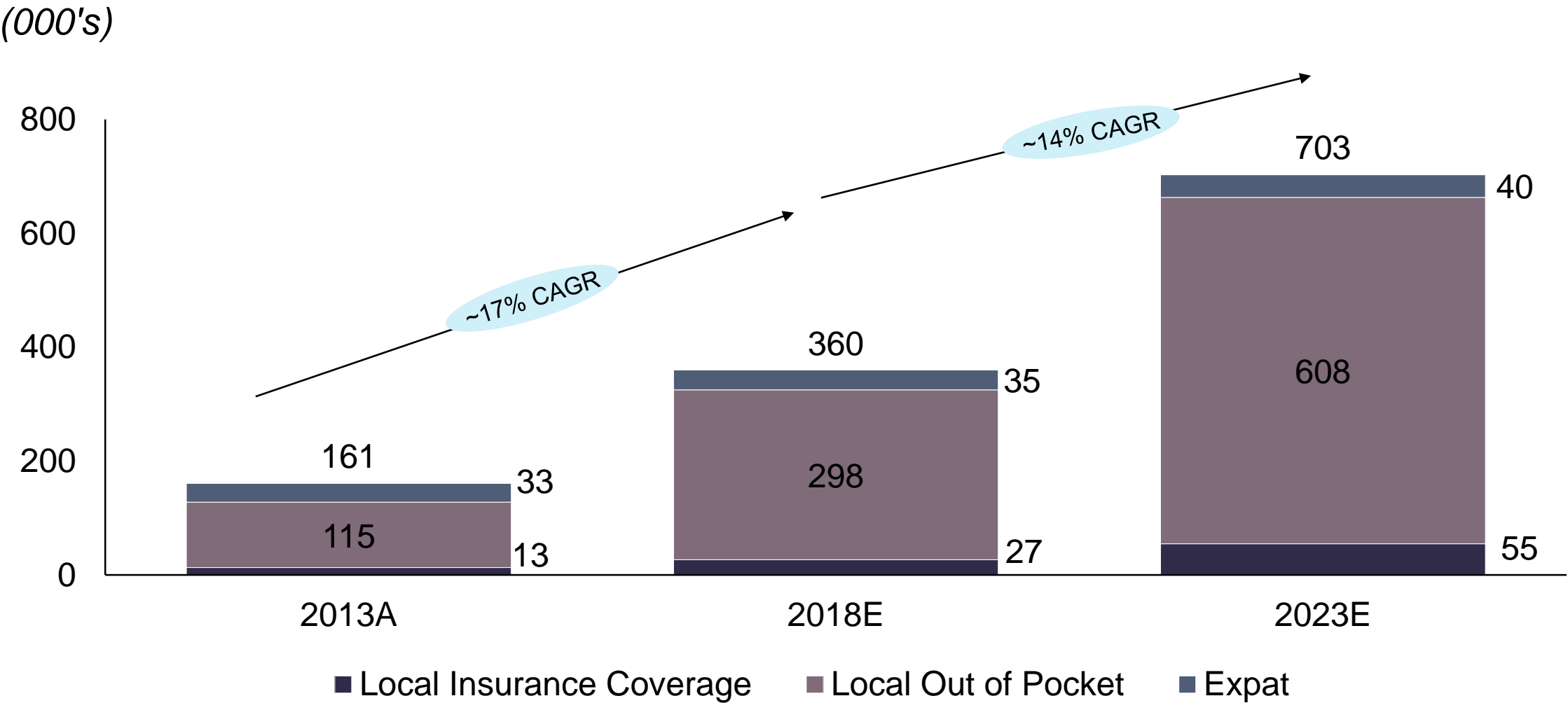


# APPENDIX C – DIVISIONAL DEEP DIVE

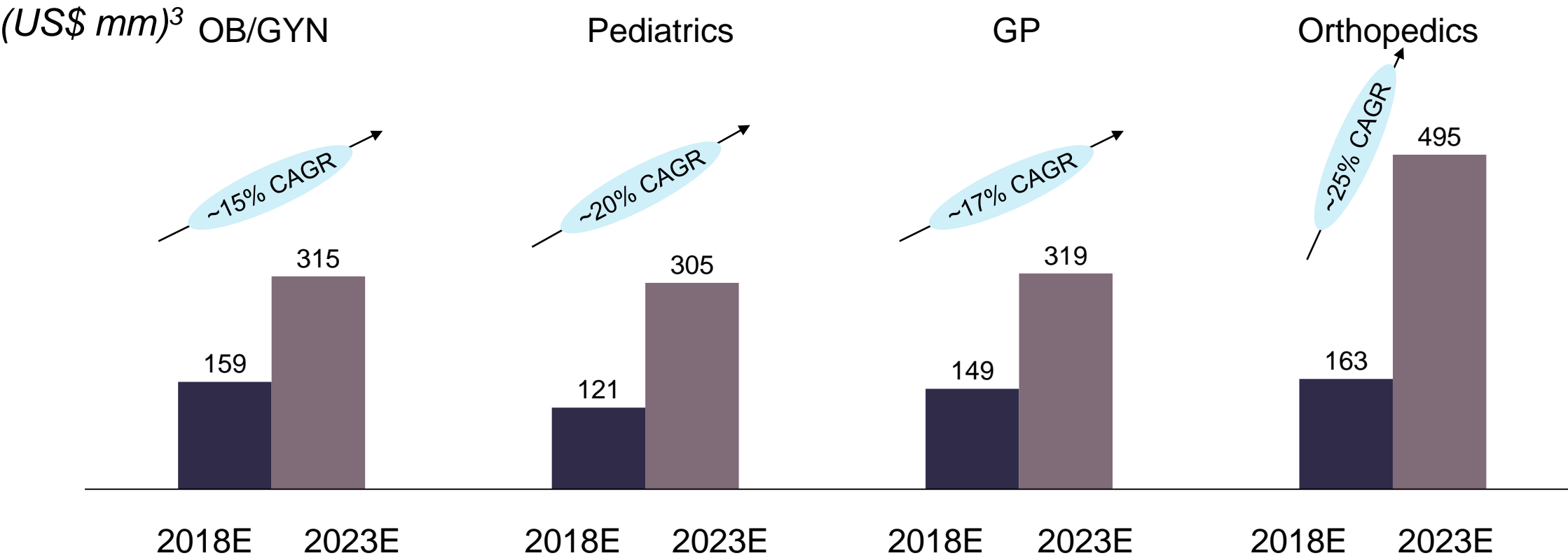


# BEIJING MARKET OVERVIEW

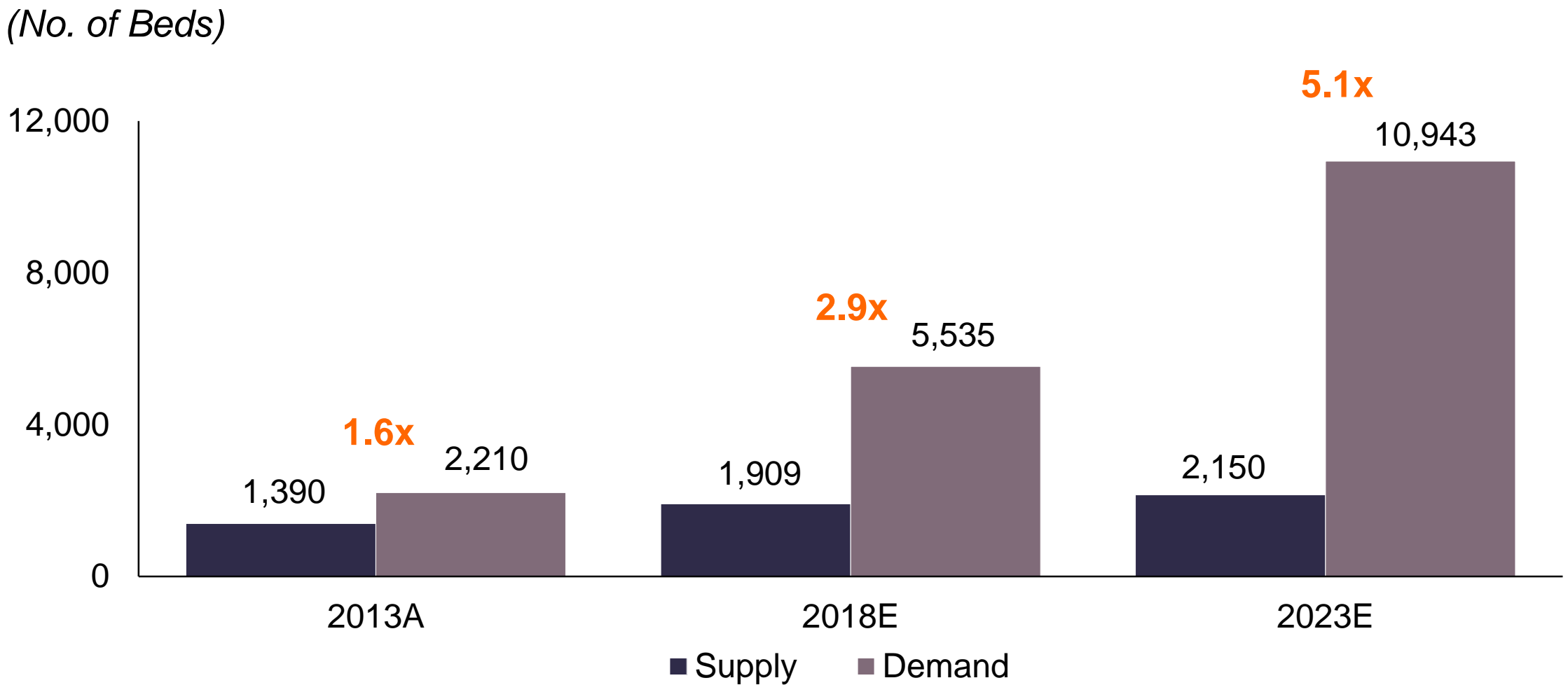
Beijing Market Size - Total No. of Addressable Households<sup>1</sup>



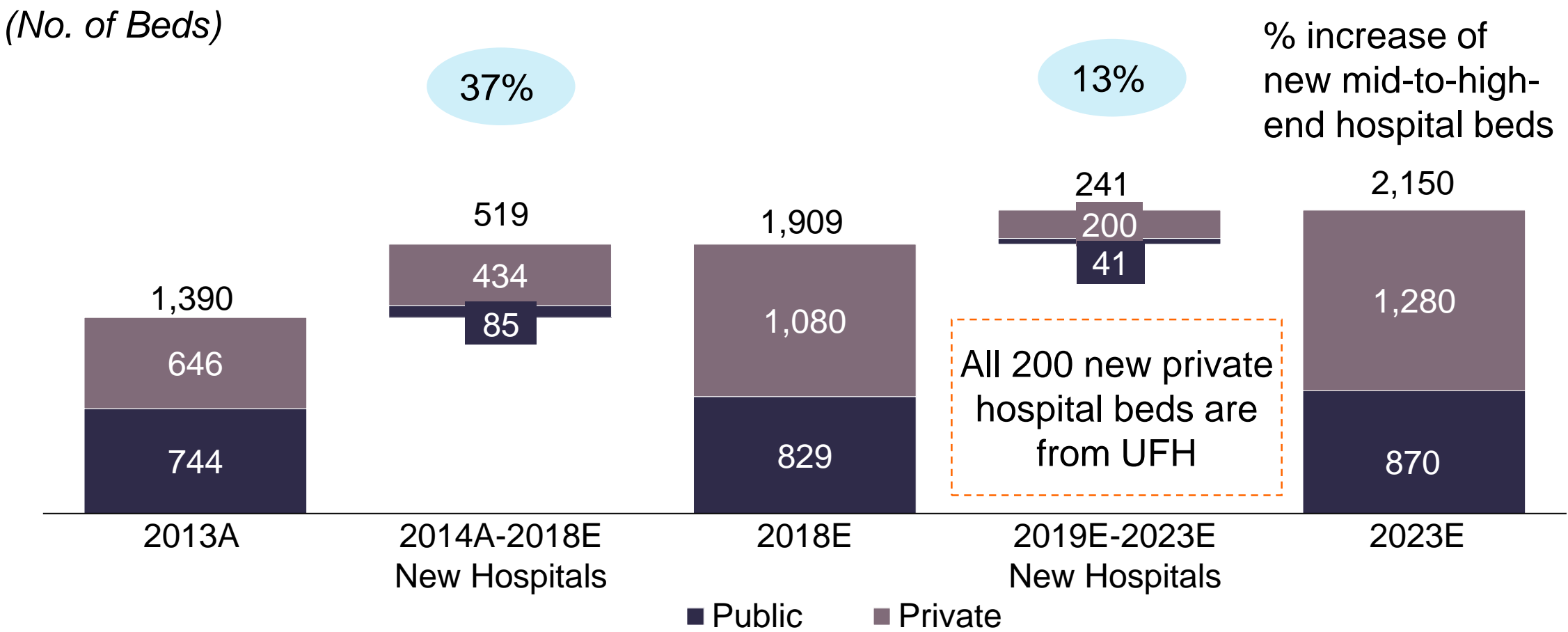
Beijing Market Size - By Specialty



Mid- to High-End Inpatient Supply and Demand Disparity<sup>2,4</sup>



Total No. of Mid- to High-End Hospital Beds Supply<sup>4</sup>



Source: NHFPC, Company Analysis

1. Total addressable households are calculated using the sum of expats, affluent households and local insurance coverage

Addressable households defined as households with annual income more than 324K RMB

2. Demand is calculated through addressable market size (# households 2018 in model x household size) and bed per population which is assumed to be 4.57 beds per thousand people in 2013 and 5.06 beds per thousand people in 2018-2023, according to CEIC stats; supply is based on # of beds for public hospital VIP wards and private premium hospitals in 2018

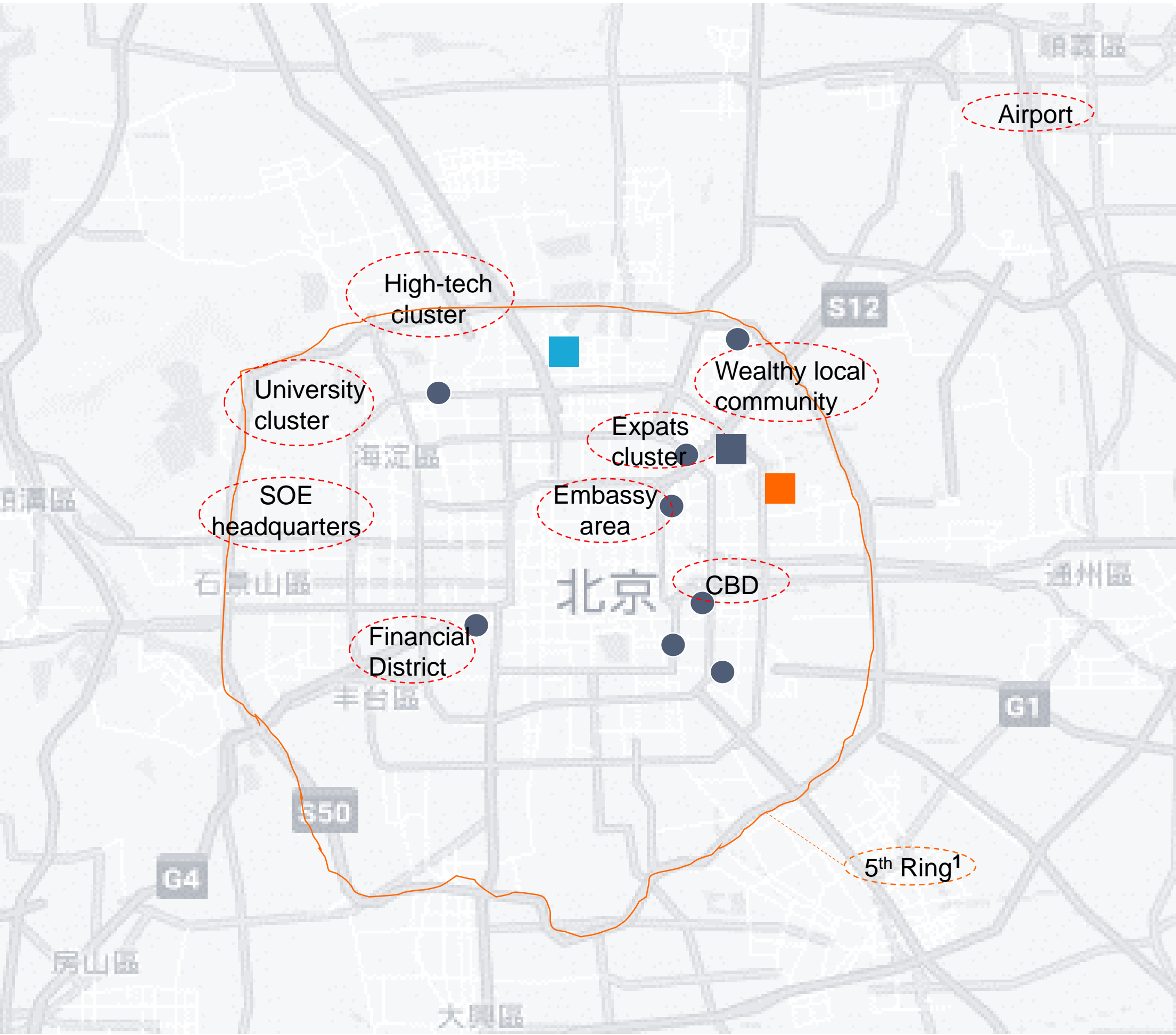
3. Exchange rate at USD:RMB = 1.00 : 6.80

4. Exclude AmCare / Beijing Children's Hospital in Daxing Huangcun (estimated opening in 2020) and PKUIH new international hospital (2014/2016)



# OVERVIEW OF UFH IN BEIJING

## Overview of Beijing



## Beijing United Family Facilities

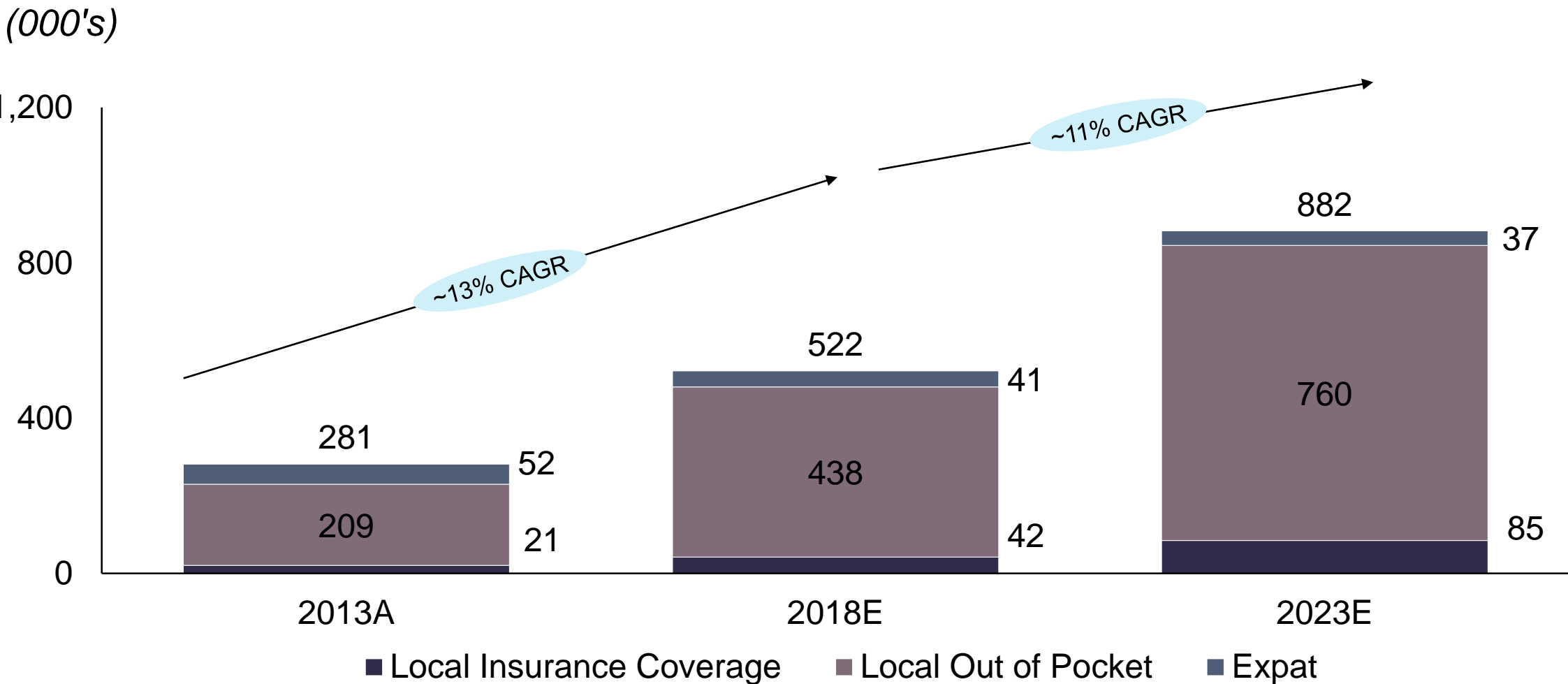


Existing hospital   Datun hospital   Rehab hospital   Clinics

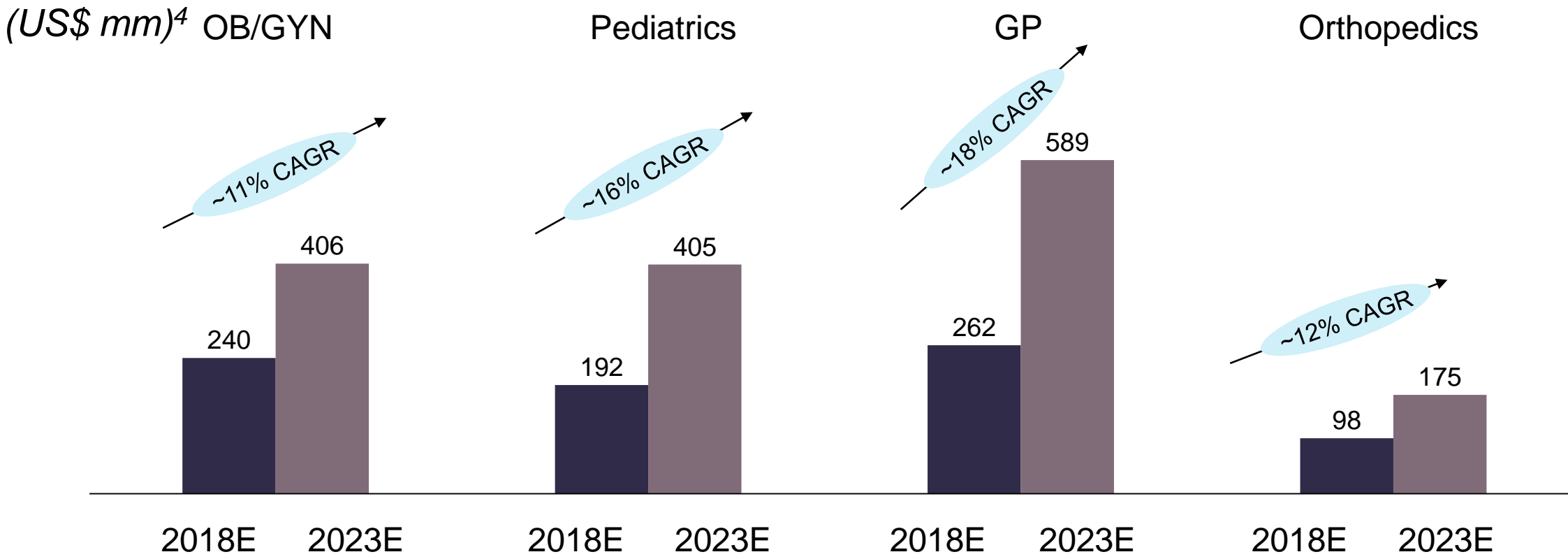


# SHANGHAI MARKET OVERVIEW

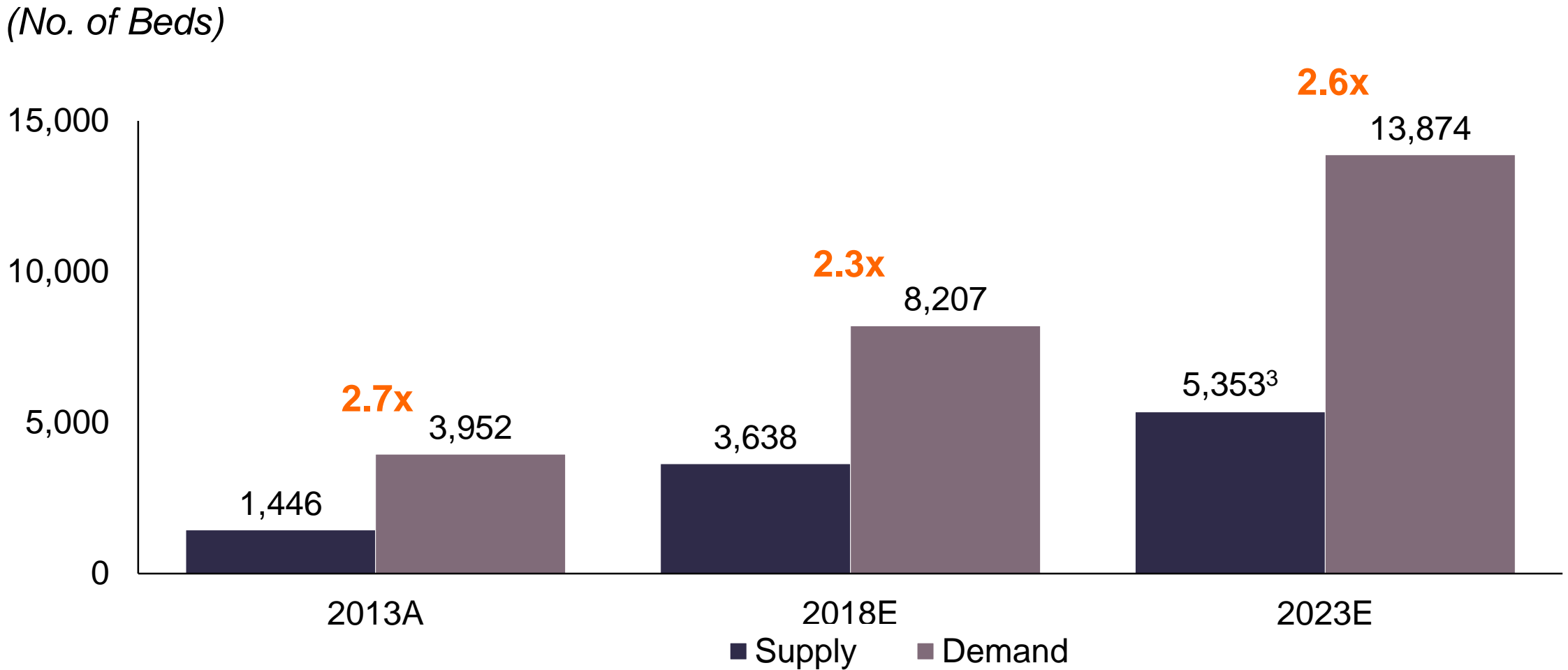
Shanghai Market Size - Total No. of Addressable Households<sup>1</sup>



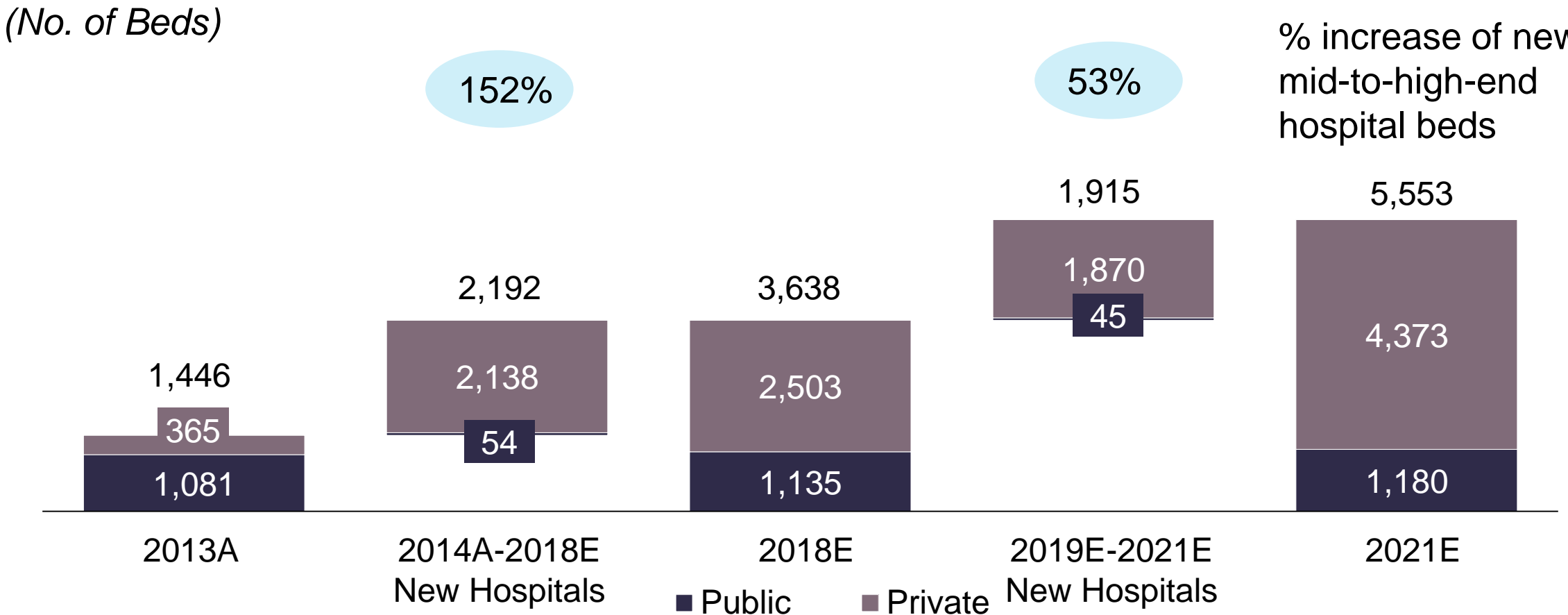
Shanghai Market Size - By Specialty



Mid- to High-End Inpatient Supply and Demand Disparity<sup>2</sup>



Total No. of Mid- to High-End Hospital Beds Supply



Source: NHFPC, Company Analysis

1. Total addressable households are calculated using the sum of expats, affluent households and local insurance coverage

Addressable households defined as households with annual income more than 324K RMB

2. Demand is calculated through addressable market size (# households 2018 in model x household size) and bed per population which is assumed to be 4.68 beds per thousand people in 2013 and 5.24 beds per thousand people in 2018 in Shanghai, according to CEIC stats; supply is based on #of beds for public hospital VIP wards and private premium hospital in 2018

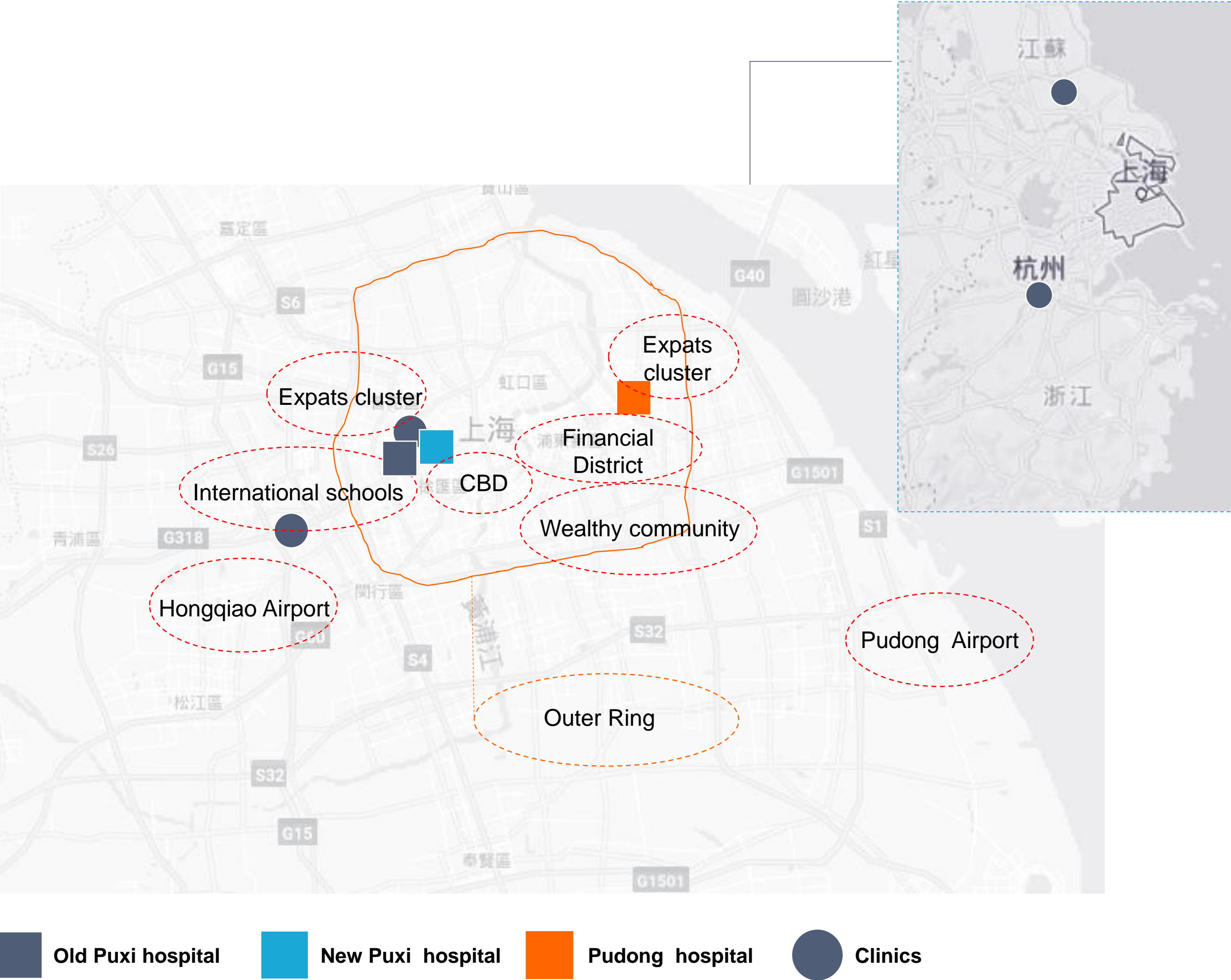
3. Forward looking until 2021

4. Exchange rate at USD:RMB = 1.00 : 6.80



# OVERVIEW OF UFH IN SHANGHAI

## Overview of Shanghai



## Shanghai United Family Facilities



Shanghai United Family Hospital



Shanghai United Family Pudong Hospital

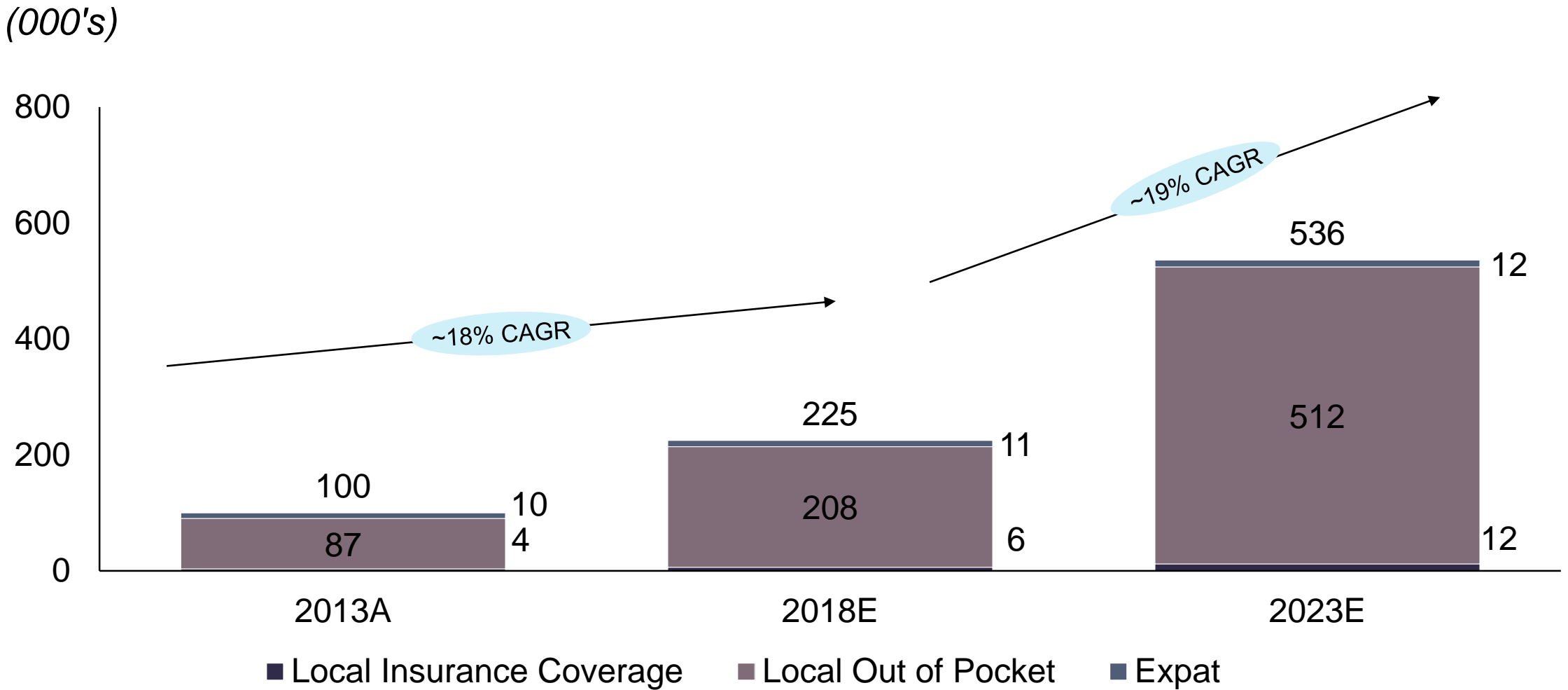


United Family Fengshang Clinic

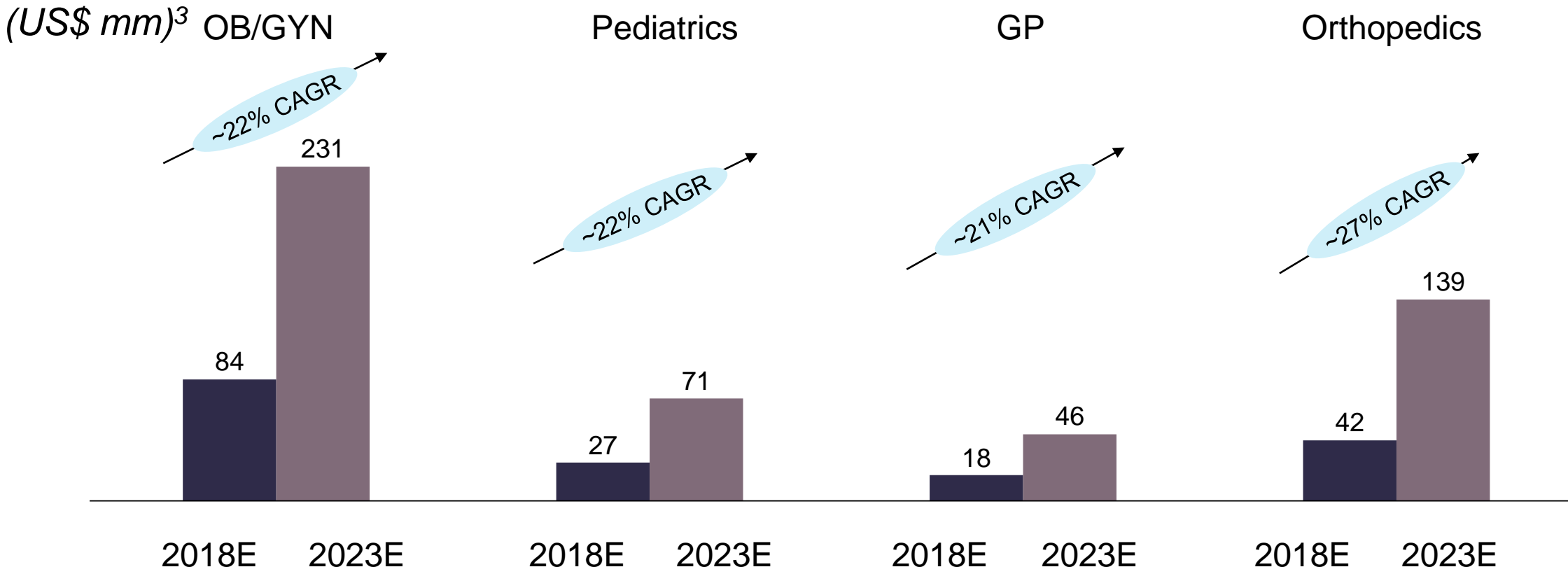


# GUANGZHOU MARKET OVERVIEW

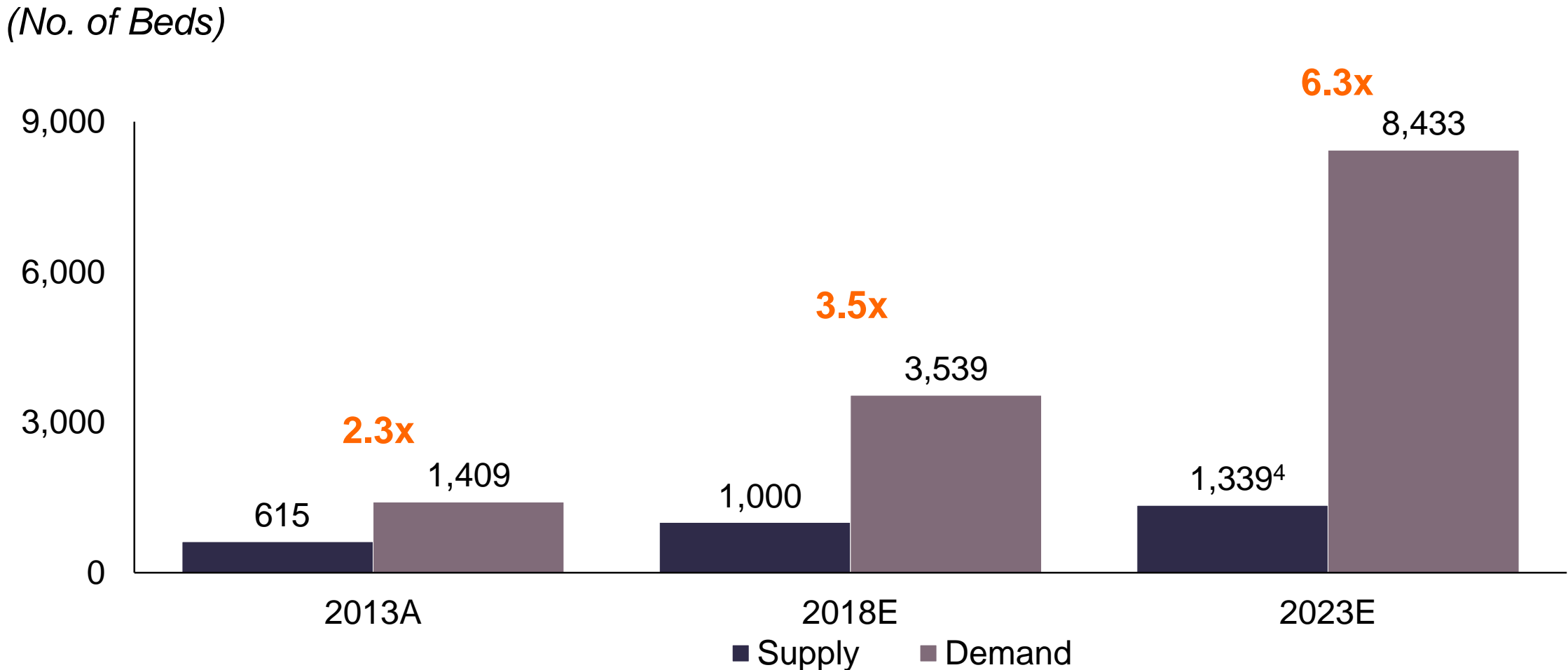
Guangzhou Market Size - Total No. of Addressable Households<sup>1</sup>



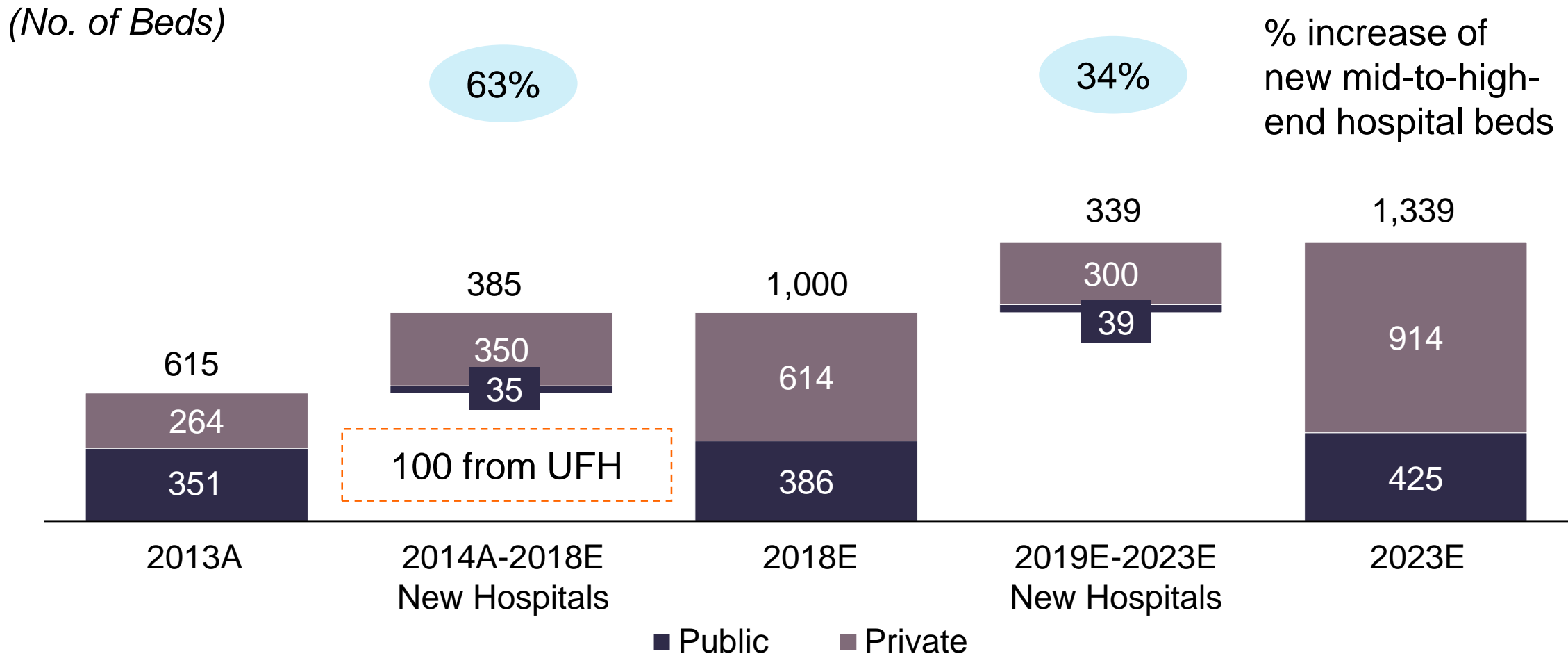
Guangzhou Market Size - By Specialty



Mid- to High-End Inpatient Supply and Demand Disparity<sup>2</sup>



Total No. of Mid- to High-End Hospital Beds Supply



Source: NHFPC, Company Analysis

1. Total addressable households are calculated using the sum of expats, affluent households and local insurance coverage

Addressable households defined as households with annual income more than 324K RMB

2. Bed demand calculated by addressable market size (number of households x average household size) and bed per population (4.68 in 2013 and 5.24 in 2018-2023)

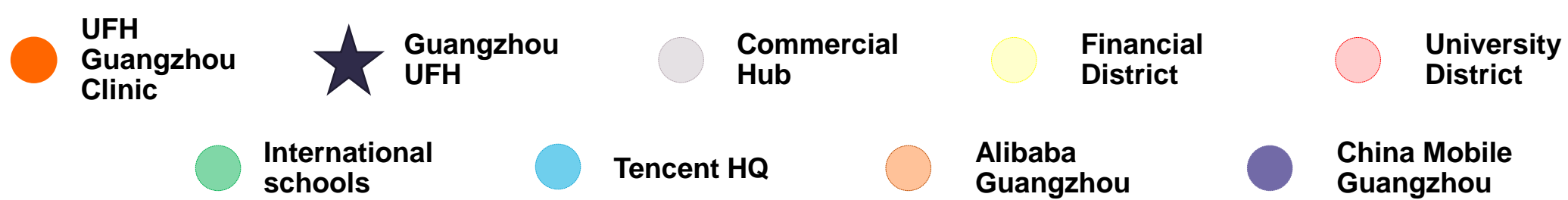
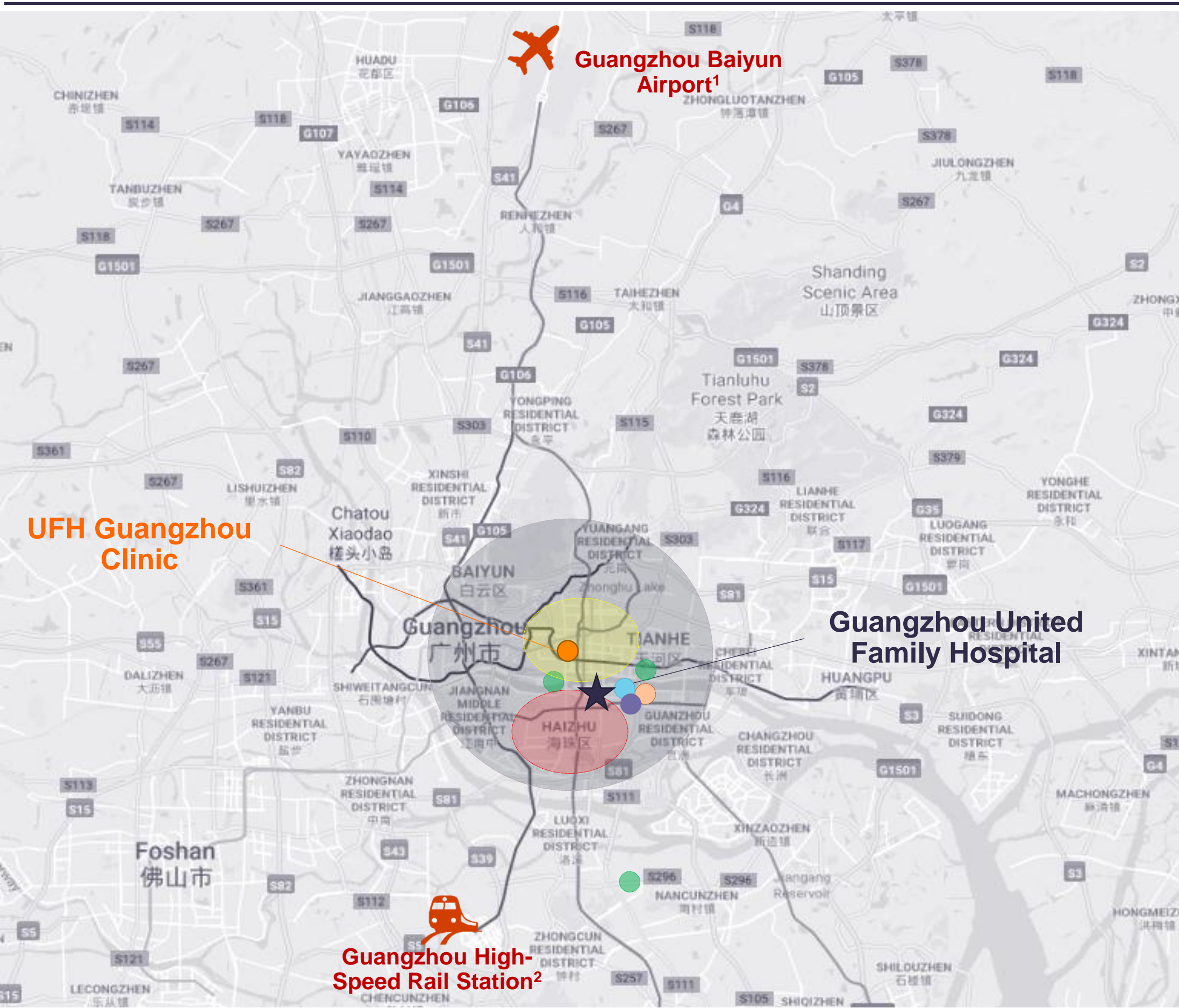
3. Exchange rate at USD:RMB = 1.00 : 6.80

4. Forward looking until 2020



# OVERVIEW OF UFH IN GUANGZHOU

Overview of Guangzhou



Guangzhou United Family Hospital



Guangzhou UFH Clinic

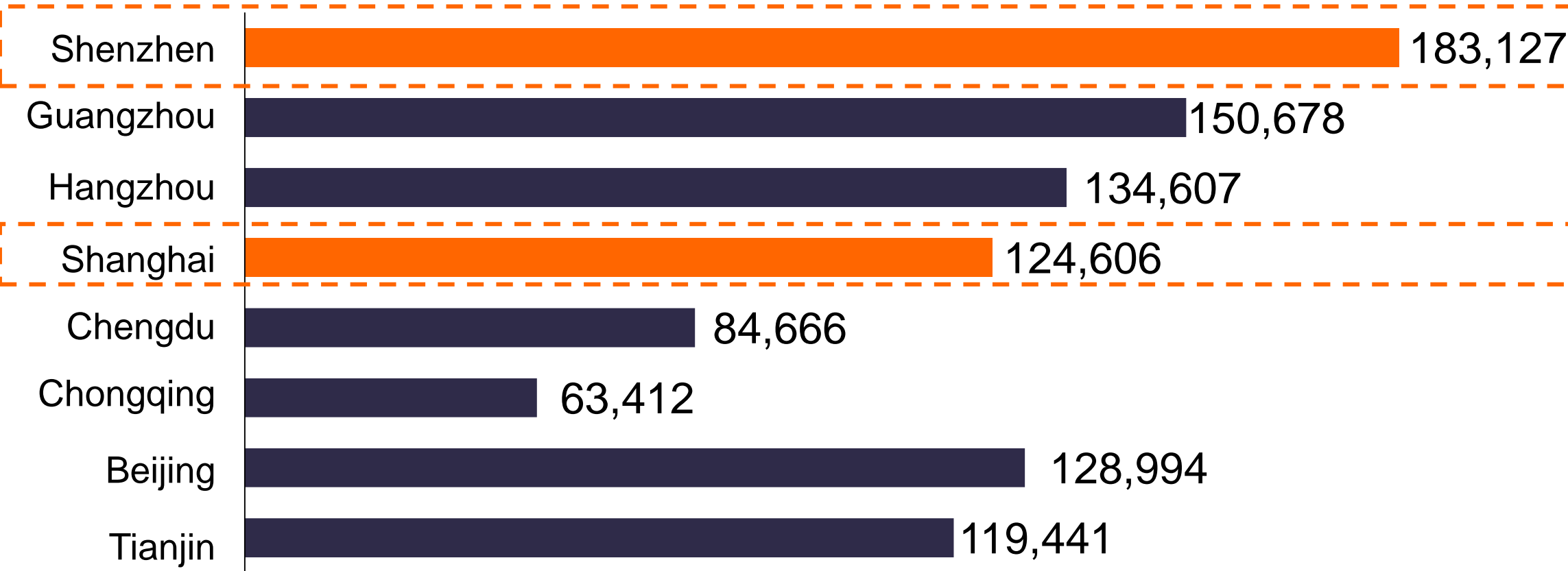




# SHENZHEN MARKET OVERVIEW

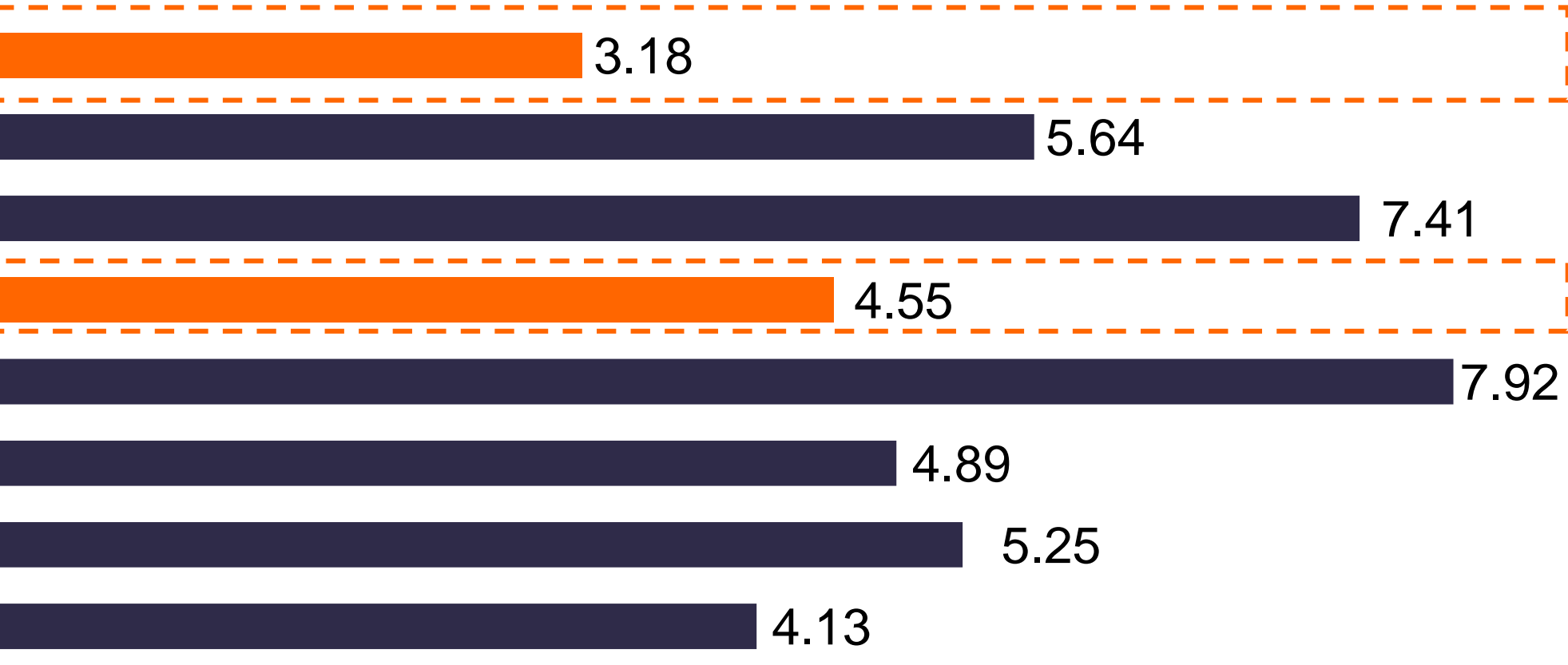
GDP per capita

RMB



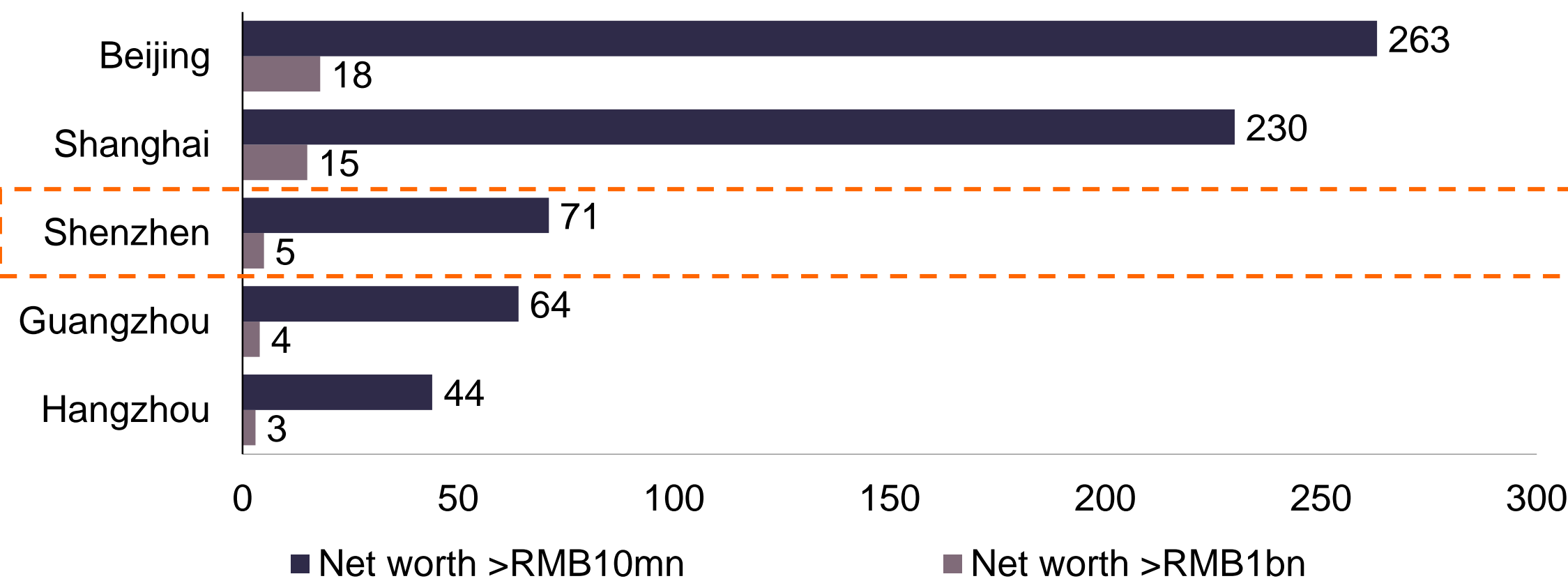
Average number Beds per 1,000 citizens

# Beds

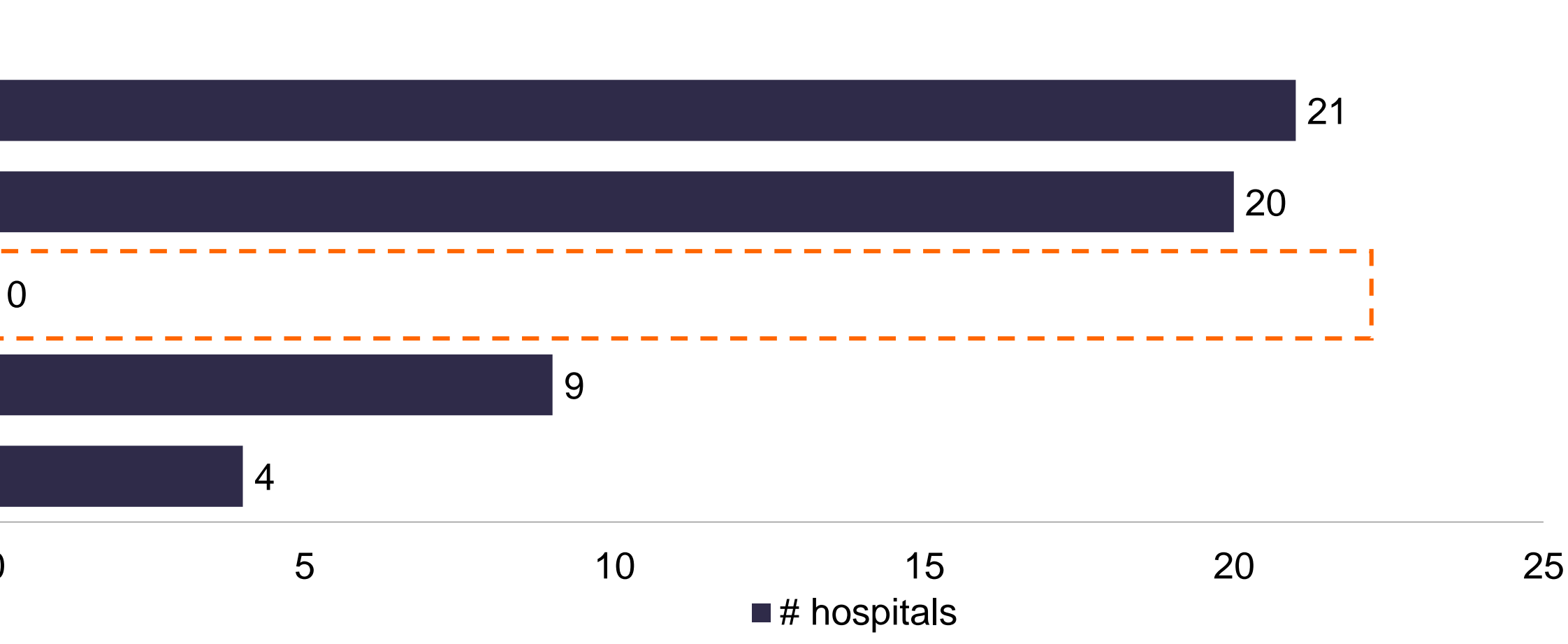


High Net Worth Population

(000's)



No. of Hospitals in the Top 100 Rankings





# OVERVIEW OF UFH IN SHENZHEN

## UFH in Shenzhen



### Overview

- Strategically located in Shenzhen CBD (above downtown metro station). 5 minutes drive from Hong Kong border and high speed rail
- The only large-scale private hospital in Shenzhen CBD (no new supply of large private hospital in downtown Shenzhen planned in the next 5 years)
- 65,000 sqm; ~250-300 planned licensed bed count
- High-end specialty services focused, offering services such as high-end OB/GYN, orthopaedics, pediatrics, oncology, dermatology / cosmetology and more

### Business Model

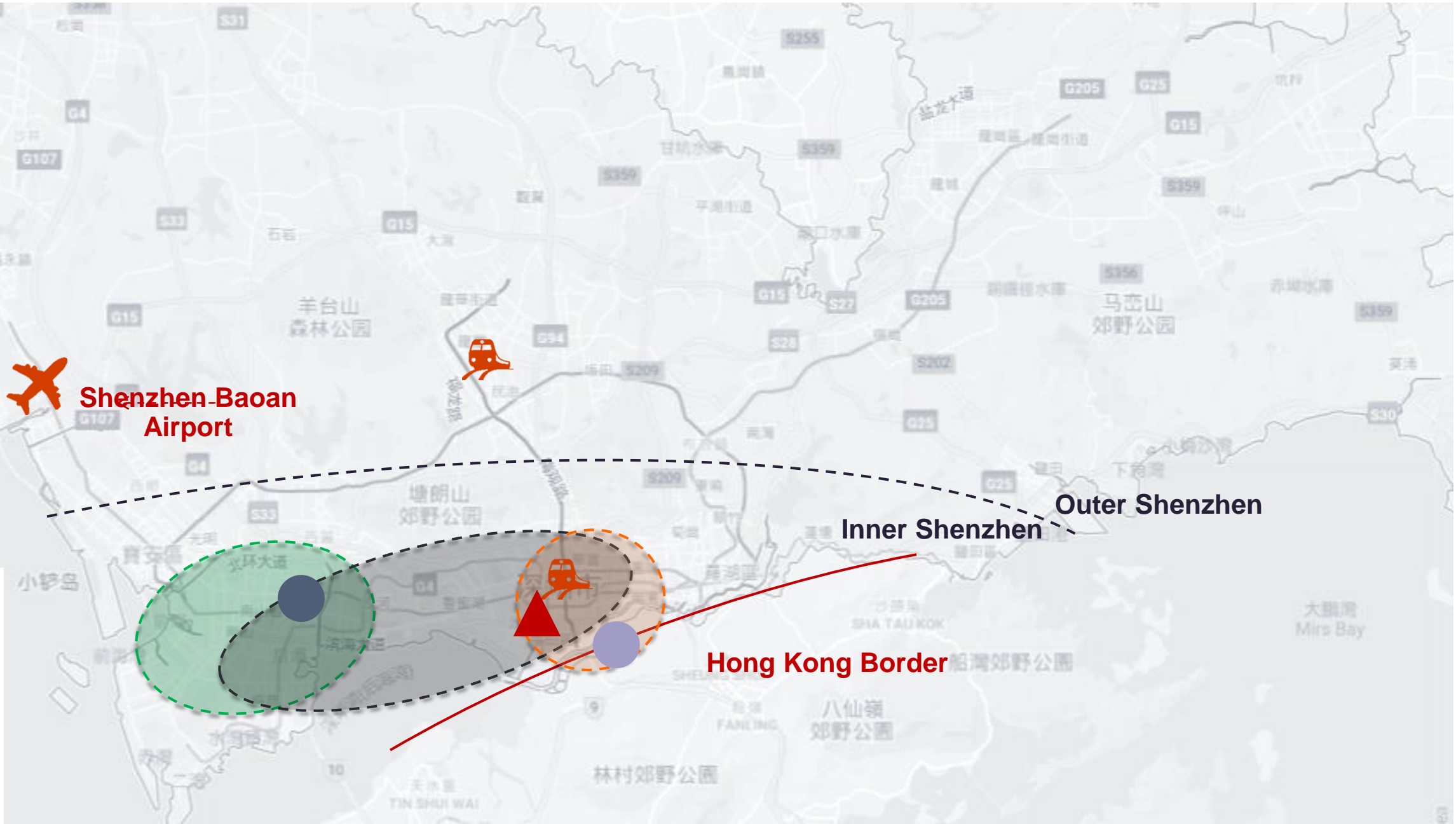
- Management contract model which reduces investment risk while providing quicker returns on capital (New Frontier majority owns the Propco (land and building) and will invest an additional ~US\$ 100mm to build up the hospital)

### Timetable

- New Frontier completed Propco acquisition in Jan 19
- Construction will commence in Q1 19 with operations commencing in 2021

## Shenzhen Hospital Landscape

- A total of 10 new hospitals are expected to open in Shenzhen by 2021
- Most of these hospitals will be located in the outskirts of Shenzhen (none in Inner Shenzhen)



- Planned UFH Hospital
- Commercial Centre
- Futian Port
- High-Speed Railway Station
- Tencent HQ
- High End Residential Area
- Tech Center





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# APPENDIX D - EBITDA RECONCILIATION



# RECONCILIATION OF HISTORICAL ADJ. EBITDA TO NET INCOME / (LOSS)

<i>(RMB mm)</i>	2015A	2016A	2017A	2018A
<b>Revenue</b>	<b>1,395</b>	<b>1,675</b>	<b>1,828</b>	<b>2,059</b>
<b>Net income / (loss)</b>	<b>(129)</b>	<b>(10)</b>	<b>(22)</b>	<b>(177)</b>
<b>Adjustments</b>				
A1) Depreciation and amortization	110	113	129	150
A2) Share based compensation	39	36	23	18
A3) Income tax expense	3	60	59	70
A4) Finance expenses, net	27	30	14	66
A5) Miscellaneous income, net <sup>1</sup>	3	12	(19)	(37)
B1) One-off Rental in Shanghai New Puxi Hospital	-	-	-	15
B2) Management Fee to TPG & Fosun <sup>2</sup>	3	3	3	3
<b>Subtotal of adjustments</b>	<b>185</b>	<b>254</b>	<b>209</b>	<b>300</b>
<b>Adjusted EBITDA</b>	<b>57</b>	<b>244</b>	<b>187</b>	<b>110</b>

Notes:

1. Miscellaneous income, net are other income and expense not attributable to operating expenses and finance expenses, such as gains on disposal of held-to-sale assets

2. Management fee paid to TPG and Fosun each year are not related to business operation