



醫美國際控股集團有限公司
AESTHETIC MEDICAL INTERNATIONAL HOLDINGS GROUP LIMITED.

Aesthetic Medical International Holdings Group Limited

Nasdaq: AIH



4Q and Fiscal Year 2019 Unaudited Earnings Presentation

April 24, 2020

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This document also contains non-IFRS financial measures, the presentation of which is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with accounting principles generally accepted in the United States of America. In addition, the Company's calculation of these non-IFRS financial measures may be different from the calculation used by other companies, and therefore comparability may be limited.

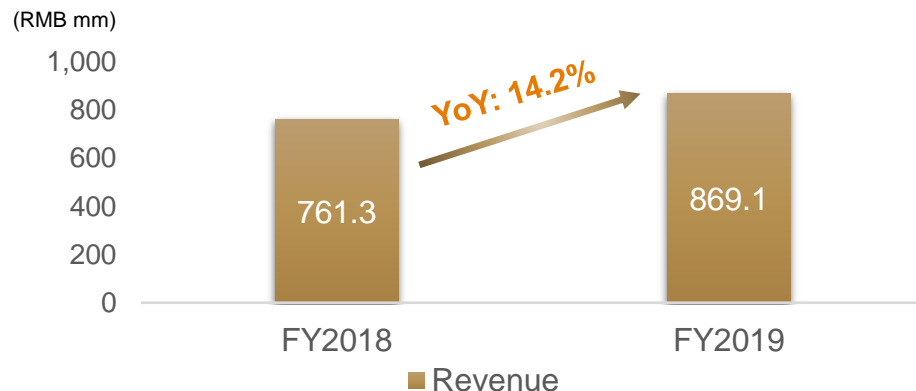
Unless otherwise indicated, this document speaks as of December 31, 2019. Neither the delivery of this document nor any further discussions of the Company with any of the recipients shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since that date.



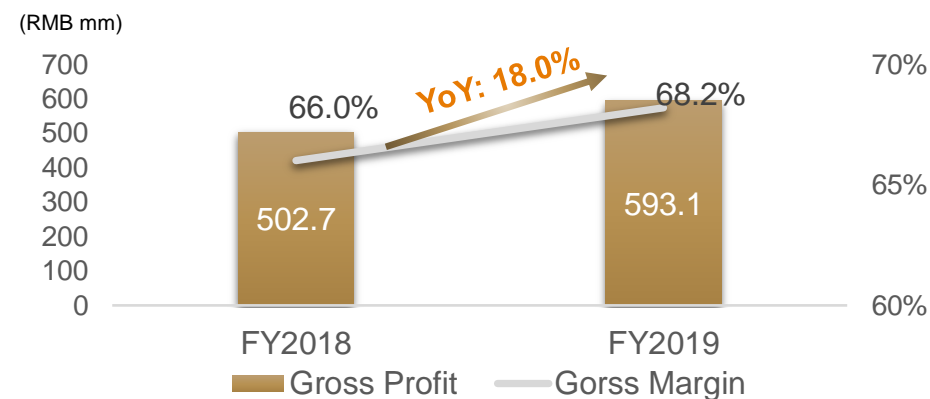
4Q and Fiscal Year 2019 Unaudited Financial and Operational Highlights

FY2019 Unaudited Financial Performance Overview

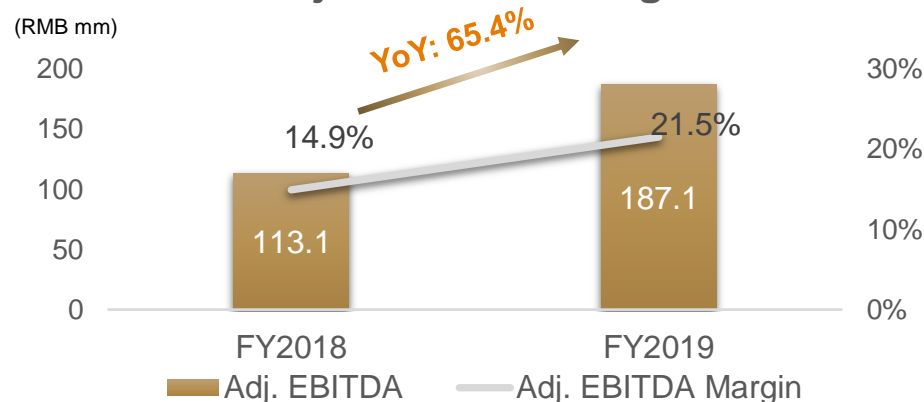
Revenue



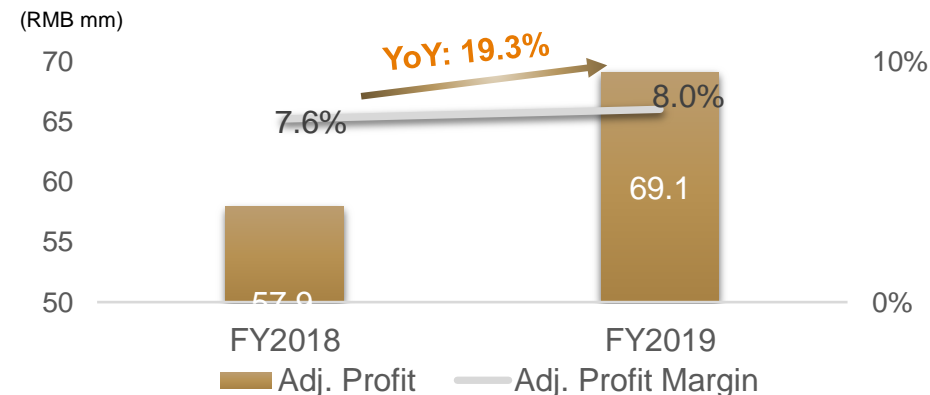
Gross Profit & Gross Margin



Adj. EBITDA & Margin



Adj. Profit & Margin

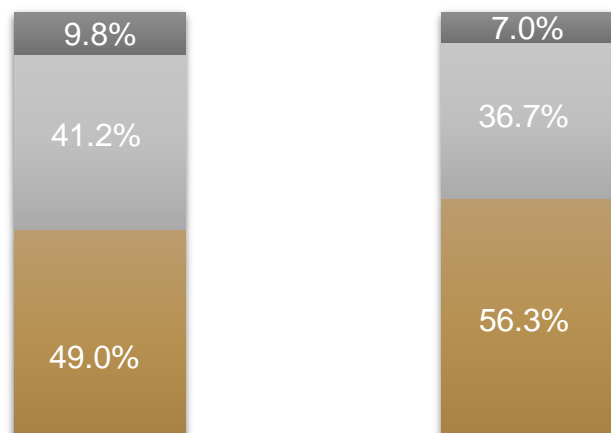


Notes: The YoY growth rates and margins calculated assume no impact of FX rates and are based off RMB figures.

(1) We recognized net effect of RMB 9.2 million expenses, including depreciation expense of RMB45.1 million for right-of-use asset, finance cost for lease liabilities of RMB12.8 million deducted by rental expenses of RMB48.6 million payable according to the contract, due to adoption of IFRS 16.

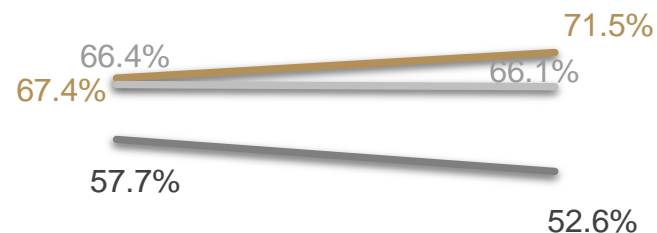
FY2019 Company Segment Performance

Segment Revenue Contribution Trend



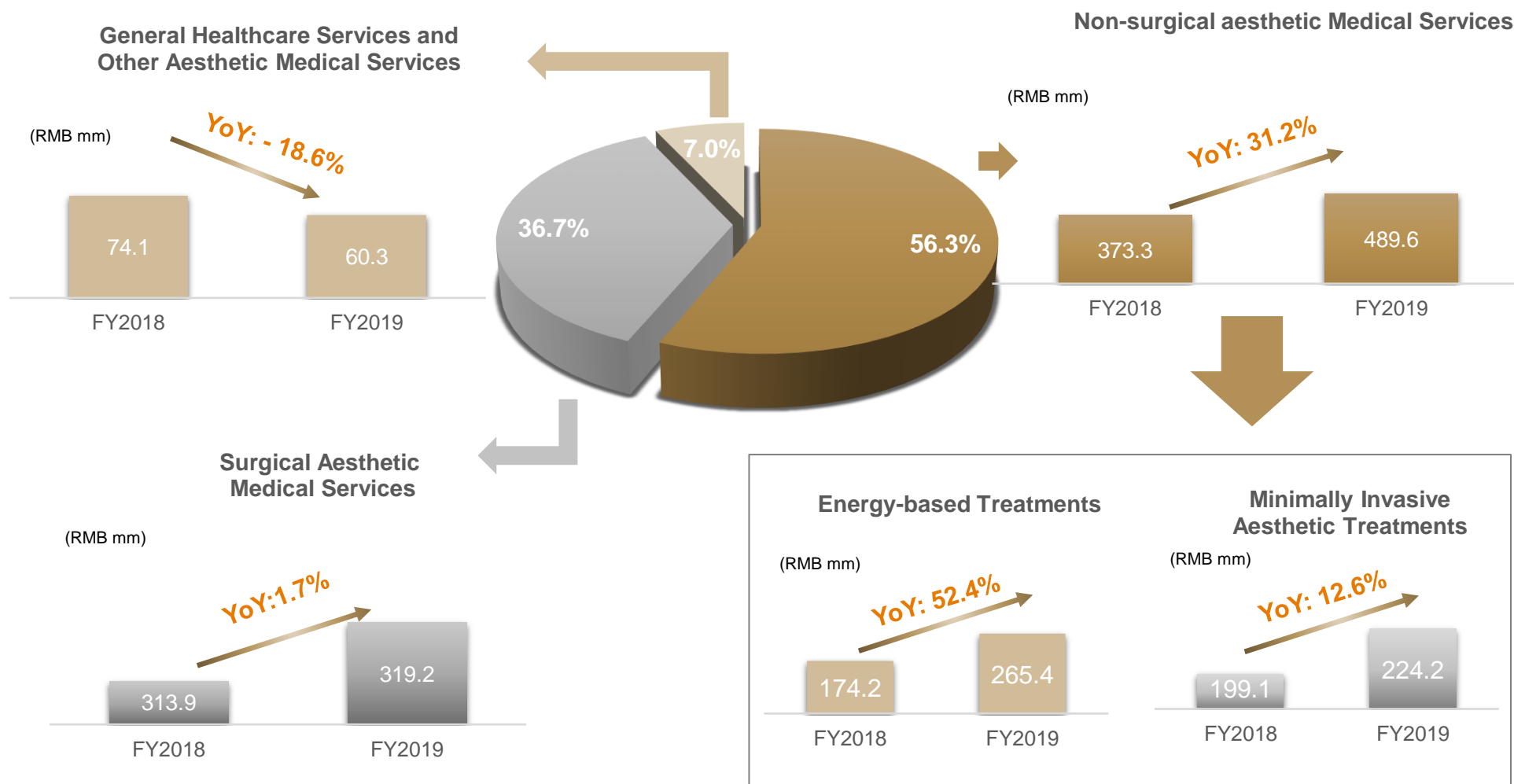
- General healthcare services and other aesthetic medical services
- Surgical Aesthetic Medical Services
- Non-surgical Aesthetic Medical Services

Segment Gross Margin



- Non-surgical Aesthetic Medical Services
- Surgical Aesthetic Medical Services
- General healthcare services and other aesthetic medical services

FY2019 Unaudited Revenue Breakdown

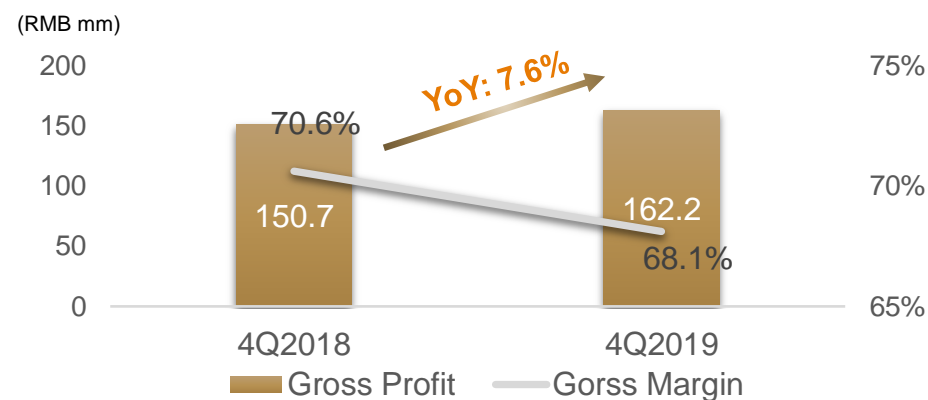


4Q2019 Unaudited Financial Performance Overview

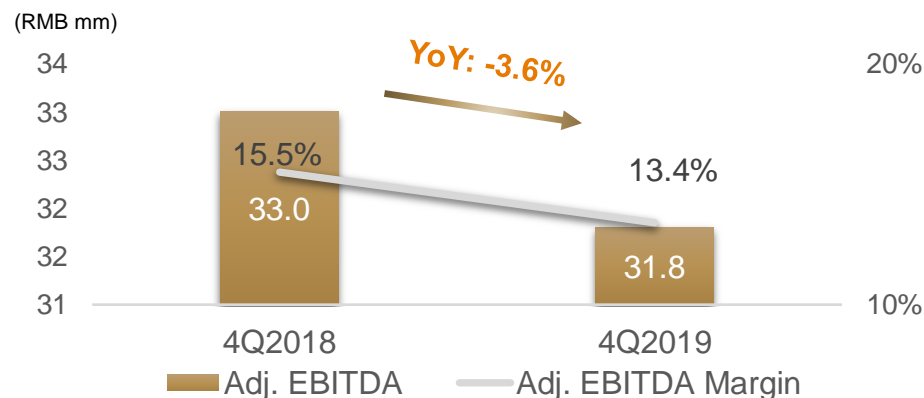
Revenue



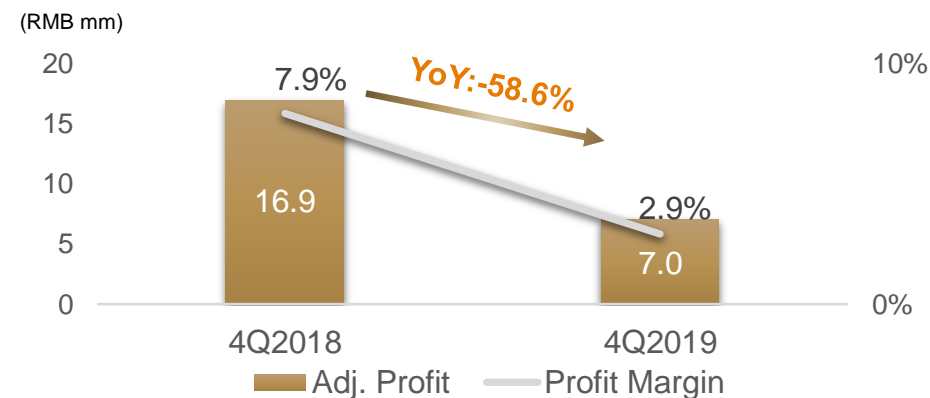
Gross Profit & Gross Margin



Adj. EBITDA & Margin



Adj. Profit & Margin

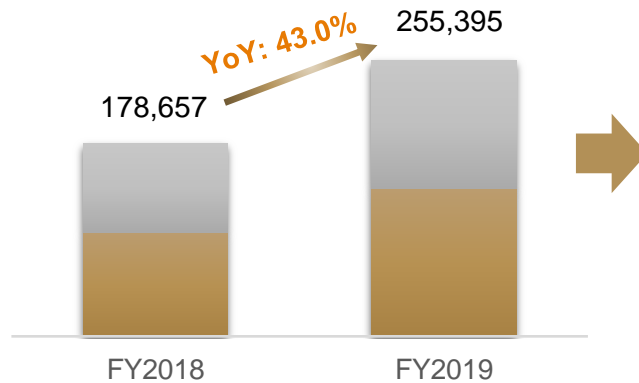


Notes: The YoY growth rates and margins calculated assume no impact of FX rates and are based off RMB figures.

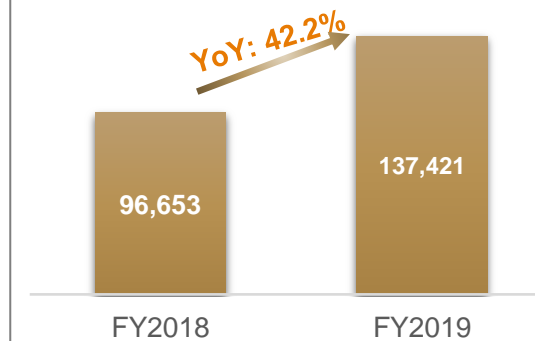
(1) We recognized net effect of RMB 2.4 million expenses, including depreciation expense of RMB11.1 million for right-of-use asset, finance cost for lease liabilities of RMB3.3 million deducted by rental expenses of RMB12.0 million payable according to the contract, due to adoption of IFRS 16.

Operation Performance Overview

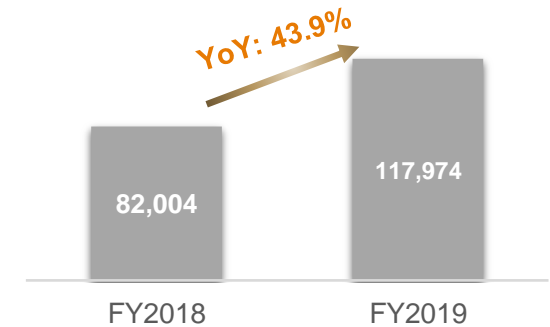
Active Customers



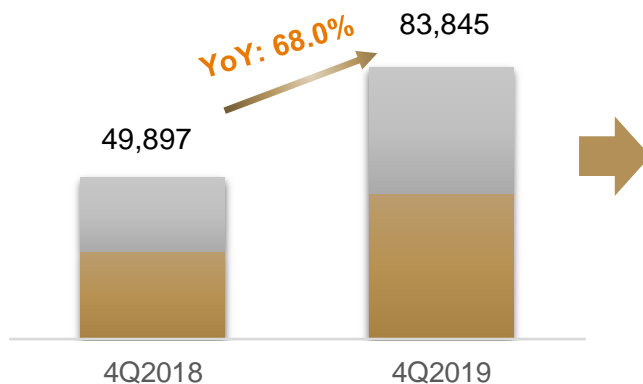
Repeat Customers



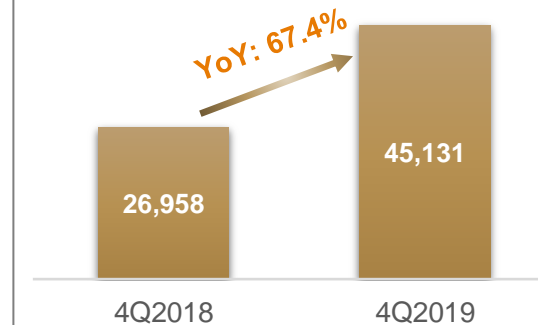
New Customers



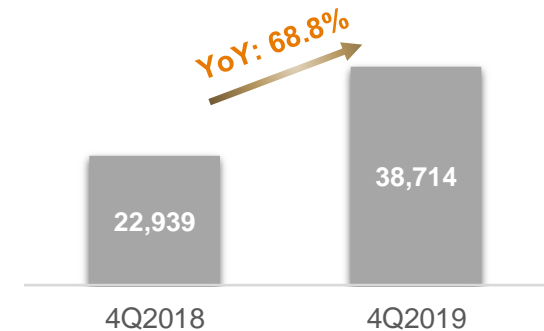
Active Customers



Repeat Customers



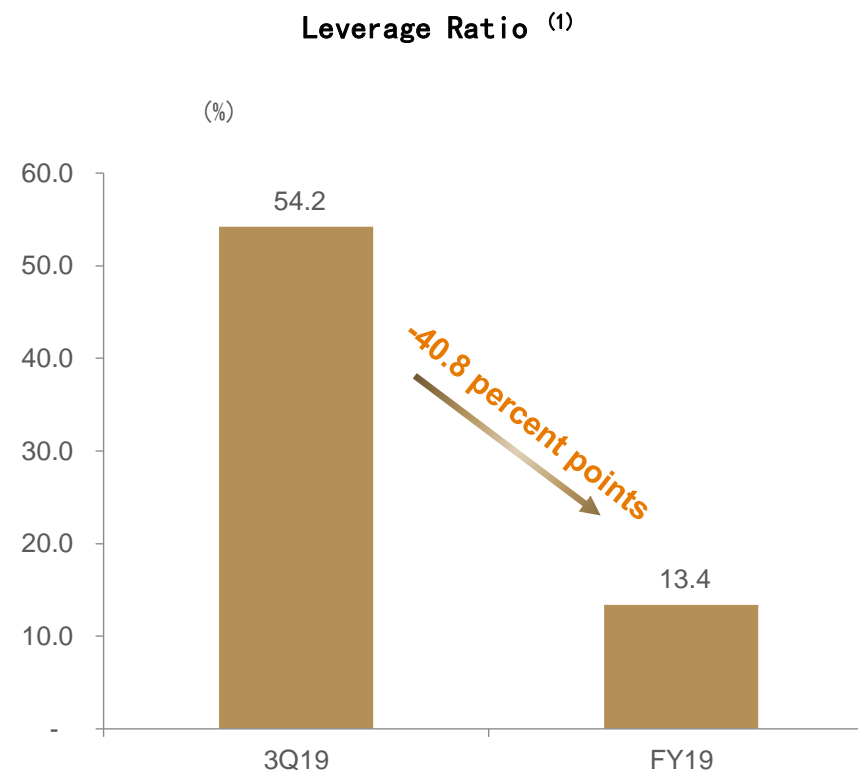
New Customers



Other Key Unaudited Financial and Operating Data

Selected Balance Sheet Items

(RMB mm)	Sep. 30, 2019	Dec.31,2019
Total assets	942.1	1,047.1
Total Liabilities	960.1	456.5
Non-current borrowings	8.5	12.9
Current borrowings	85.2	127.5
Non-current and current lease Liabilities	196.7	201.9
Convertible Redeemable Preferred Shares	339.5	0
Convertible Note	77.4	0
Exchangeable note liabilities	140.5	0
Total (Deficit) / Equity	(18.0)	590.6

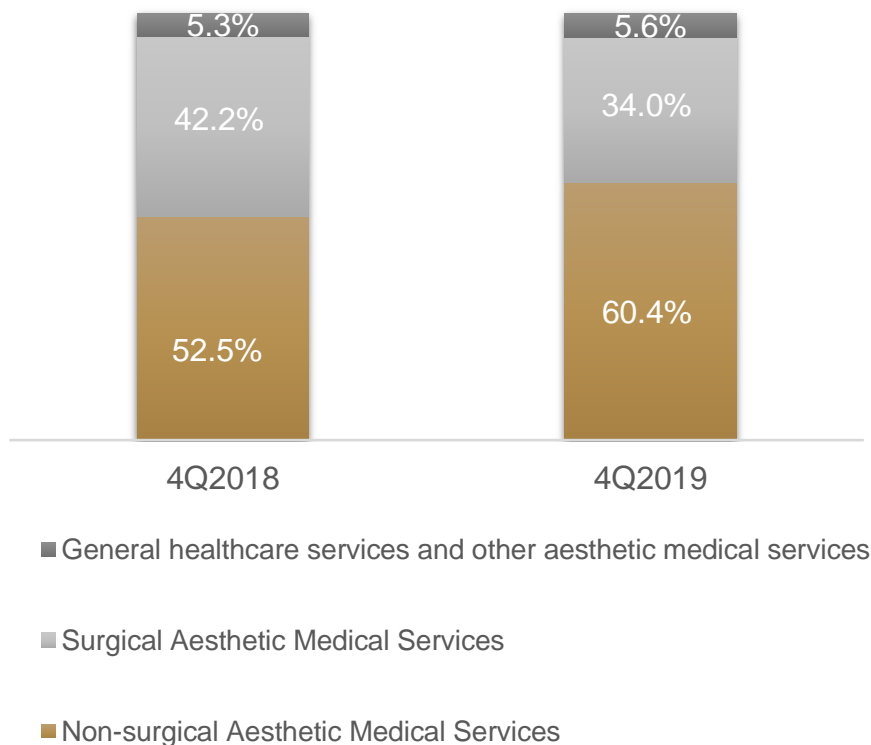


Note:

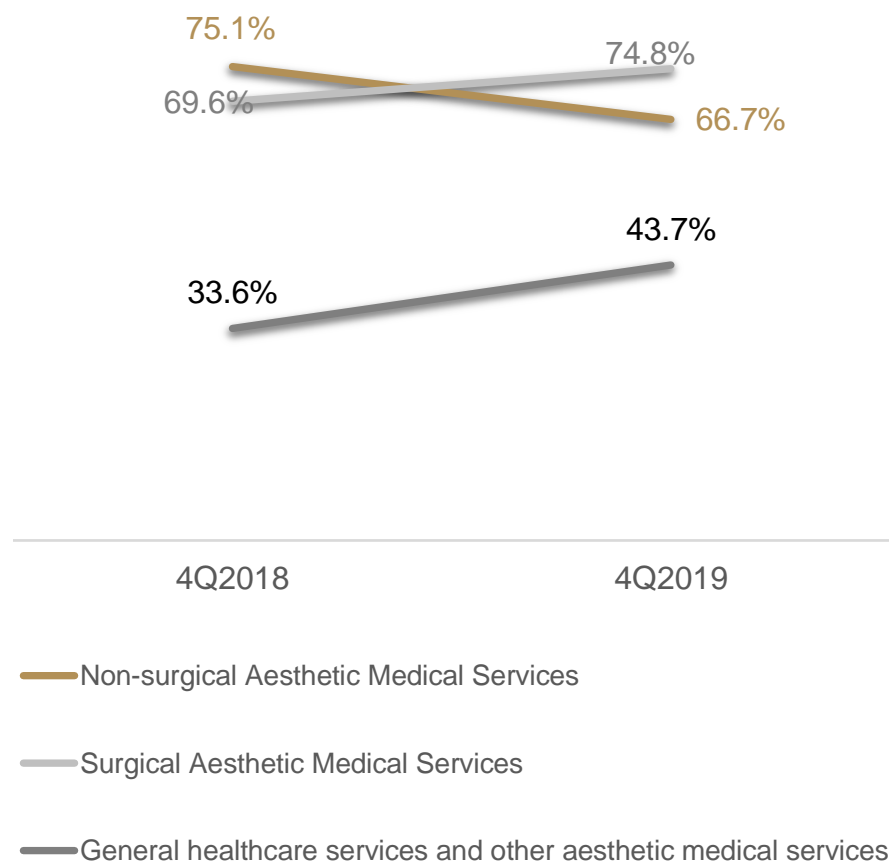
(1) Leverage ratio is defined as total interest-bearing debt divided by the total assets. Interest-bearing debt is the sum of borrowings, convertible redeemable preferred shares, convertible note and exchangeable note liabilities, which were outstanding as of December 31, 2019 on an actual basis and pro forma basis, respectively.

4Q2019 Company Segment Performance

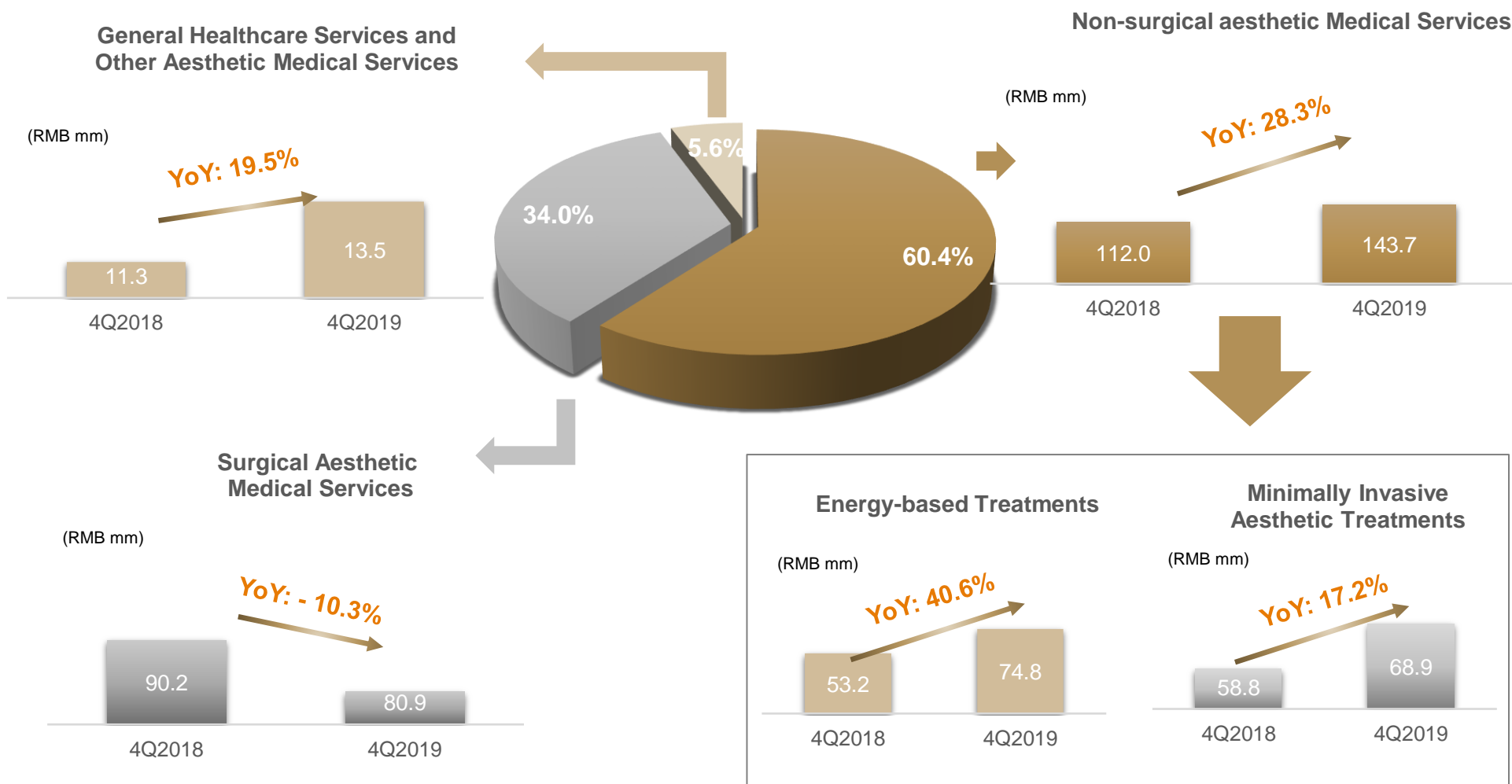
Segment Revenue Contribution Trend



Segment Gross Margin



4Q2019 Unaudited Revenue Breakdown





Business Updates & Recent Developments

Business Updates-Summary

During the shopping festival period from November 1 to November 11, the Company's total cash sales on various e-commerce platforms amounted to approximately **RMB28 million**.

On November 14, 2019, the Company redeemed the convertible note dated as of December 8, 2016, issued by it to Peak Asia Investment Holdings V Limited ("ADV").

Opened two new satellite clinics Fenghua + Deqing



Cooperate with service providers to customize aesthetic medical products

Strategic partnership with Yujia Entertainment + So-Young

Continuous integration of Jinan Pengai + SZ Yueji + SZ Yuexin

Business Updates-Grand Opening of two New Clinics



Setup Deqing Clinic



Setup Fenghua Clinic

Name	Address	Floorspace	Business Registration date	Ownership
Deqing Pengai Aesthetic Medica Clinic Co., Ltd.	Deqing County, Huzhou City, Zhejiang Province	129m ²	Oct. 18, 2019	51%
Ningbo Fenghua Pengai Aesthetic Medica Clinic Co., Ltd.	Fenghua District, Ningbo City, Zhejiang Province	138m ²	Oct. 15, 2019	51%

Recent Developments-Acquisition of Treatment Centers



Shanghai Mingyue Aesthetic Medical Clinic

Late March, AIH announced that Company plans to acquire 80% equity interest in Shanghai Mingyue Aesthetic Medical Co., Ltd., a high-end aesthetic medical service provider in Shanghai, and acquire, through several tranches of payments.

Shanghai Mingyue has a floorspace of 1097m².



Xi'an New Pengai Yueji Aesthetic Medical Clinic

Late March, AIH announced that Company plans to acquire 70% equity interest in Xi'an New Pengai Yueji Aesthetic Medical Clinic Co., Ltd., an aesthetic medical service provider in Xi'an, Shaanxi.

Xi'an New Pengai Yueji has a floorspace of 827 m².

Recent Developments-The Effects of COVID-19



Impact of COVID-19 on the Company's Business

- In January 2020, COVID-19 epidemic broke out globally, and a series of domestic measures were taken to prevent death and prevent the spread of the epidemic. Many offline operating agencies, including plastic surgery hospitals, responded to the call and closed for business
- As of the end of March 2020, all treatment centers of the group have resumed business, and the epidemic has limited impact on the company's business

January 23rd, 2020,
Wuhan was closed

January 24th, 2020,
the Spring Festival
holiday began

On February 28th,
2020, Shenzhen
Pengai resumed
business

On March 16th,
2020, most
treatment centers
resumed business

Late March, 2020,
all treatment
centers resumed
business

- As a result of the coronavirus pandemic outbreak, we have lowered our expectations for growth in the first quarter of 2020. While the duration of the current COVID-19 and its negative impact to market demand and our business cannot be reasonably estimated at this time, we currently expect our revenue for the first quarter of 2020 to decrease year-over-year by approximately 50%, which, subject to change, reflects current and preliminary view based on best information available at the time. We will continue to monitor and evaluate the financial impacts to us.

Recent Developments-Unique M & A Opportunities



Unique M & A opportunities at special times

- In January 2020, COVID-19 broke out globally, and a series of domestic measures were taken to prevent death and prevent the spread of the epidemic. Many offline operating agencies, including plastic surgery centers, responded to the requirement and closed business

Fixed cash expense composed high percentage of revenue, cause newly opened hospitals problems; while mature hospitals' cash expense constitute small percentage of revenue, suffer a smaller impact

In a period of transition from low-frequency non-standard market to high-frequency standardization market, there are inevitably opportunities for industry integration, which will inevitably produce brand recognition

Taking the Company's new treatment centers as an example, due to its small size and small number of old customers, fixed costs accounted for a higher proportion of revenue.

Mature treatment centers have accumulated many customers for years, and the rent and labor costs only account for a relatively small amount.

Currently, the Company's centers have all been resumed business given its past in compliance with regulatory requirements.



Depressed demand after epidemic needs to be released



Each branch strictly implements the epidemic prevention requirements of the National Health and Safety Commission



APPENDIX

About Us

A leading provider of aesthetic medical treatment centers in China



- **3rd** largest private aesthetic medical services provider in China, **2nd** largest in southern China and the **largest** in Shenzhen, based on revenue in 2018⁽¹⁾
- **255,395 active customers** for the 12 months ended Dec. 31, 2019, of which 53.8% are repeat customers



- **574 medical staff** as of Dec. 31, 2019, including **211 doctors**
- Doctors have an average experience of approximately **10 years**



“The most prestigious aesthetic medical services beauty brand in 2016”
— by the Tencent Network



- Network of **23** aesthetic medical treatment centers (including 19 wholly or majority owned centers) located across **17 cities in mainland China**, and **Hong Kong and Singapore**
- As of Dec. 31, 2019, **2** new medical institutions are under



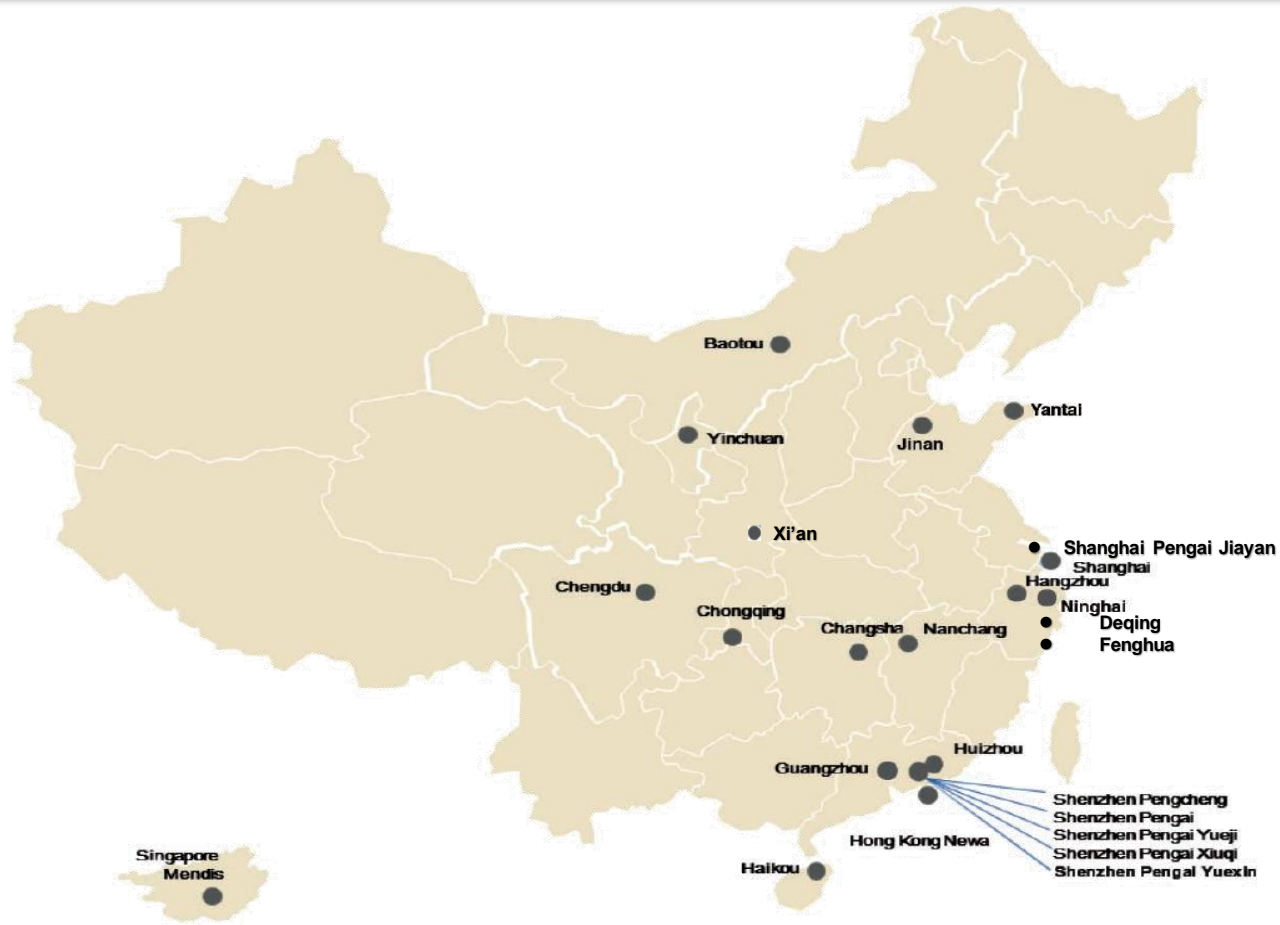
- Established in **1997**
- Founded and actively managed by **a plastic surgeon and a personal image consultant**



“The aesthetic medical services brand of technological innovation in 2016”
— by Hong Kong WenWeiPo newspapers

Notes:
(1) Source: Frost & Sullivan report.

A Leading Provider of Aesthetic Medical Services in China



Notes:

(1) Xi'an Pengai and Shanghai Pengai Yueji are acquired on March, 2020

Outstanding and Experienced Management Team

Dr. Zhou Pengwu – Chairman and CEO



- Co-Founder, Plastic Surgeon, Adjunct Professor
- Over 30 years of experience in aesthetic medicine and over 20 years of experience managing aesthetic medical hospitals
- Vice-chairman of the Second Council of the Private Aesthetic Medical Treatment Institution of Chinese Cosmetic Surgery Association
- Participated in the drafting seminar of the National Health and Family Planning Commission

Ms. Ding Wenting – Vice Chairwoman and Chief Marketing Officer



- Co-founder, Image Consultant
- Over 20 years of experience in leadership position in the Company
- Received one-to-one training by Miki Takasaka in Japan, and obtained a certificate in make-up artistry from Christian Chauveau's Technical School of Artistic Make-up in Paris

Ms. Hu Qing – Director and Chief Operating Officer



- Over 25 years of experience in the medical industry with 13 years in Japan
- Joined AIH in 2002, previously served as the Director and the Secretary for the Beijing University of Traditional Chinese Medicine, Japanese Branch
- Bachelor degree from South China University of Technology

Mr. Zhou Yitao – Director and Chief Medical Technique Officer



- Over 15 years of experience in the medical industry
- Practiced as doctor at several hospitals or clinics in China and South Korea
- Bachelor degree from Hubei Medical University
- Master degree from Australia La Trobe University

Mr. Fan Peng – Chief Strategy Officer



- Over 10 years of investment banking experience, mostly with Deutsche Bank, including listing, cross-border mergers and acquisitions and corporate finance
- Previously worked for Dali Foods Group Company Limited (HK:3799), responsible for financing and mergers & acquisitions
- Bachelor and master degrees from Tsinghua University

Mr. Wu Guanhua – Chief Financial Officer



- Over 10 years in international corporate accounting, operations, financial and strategic management
- Joined the company in 2012 and served as Chief Financial Officer since 2018
- Chartered Certified Accountant Fellow
- Bachelor degree from University of Oxford Brooks

Investment Highlights



- A long track record and leading market position in the high growth aesthetic medical services market in China with a strategic nationwide network and international footprint



- Offering one-stop aesthetic driven solution through the combination of high-quality medical care with image consultant services



- Rigorous clinical standards, high quality services and a well-established brand driving high customer satisfaction



- Scalable business model, with highly standardized operating procedures across a centralized network



- Significant experience in successfully identifying, acquiring and integrating treatment centers



- A dedicated management team deeply rooted in the healthcare industry with international experience and a proven track record



Medical Institutions Summary

	Treatment Center	Date of Establishment / Acquisition / Investment	Classification ¹	Floor Area (sqm)	Beneficial Interest
1	Pengcheng Hospital	Dec-03	Hospital	8,391	100%
2	Shenzhen Pengai	Nov-05	Hospital	5,650	100%
3	Haikou Pengai	Mar-11	Hospital	2,169	87%
4	Huizhou Pengai	Jun-11	Hospital	1,670	66%
5	Nanchang Pengai	Sep-11	General outpatient clinic	2650	51%
6	Changsha Pengai	Jun-13	Hospital	2,459	79%
7	Shanghai Pengai	Jan-14	General outpatient clinic	1,048	80%
8	Hangzhou Pengai	Jul-14	General outpatient clinic	1,446	100%
9	Hong Kong Newa	Oct-15	N/A	127	100%
10	Chongqing Pengai	Nov-15	Hospital	7,070	100%
11	Guangzhou Pengai	May-17	Hospital	2,600	91%
12	Shenzhen Pengai Xiuqi	May-17	Hospital	1,902	89%
13	Shenzhen Pengai Yueji	Jul-17	Hospital	420	60%
14	Singapore Mendis	Nov-17	N/A	125	44%
15	Baotou Pengai	Dec-17	General outpatient clinic	732	46%
16	Yinchuan Pengai	Dec-17	General outpatient clinic	N/A	51%
17	Chengdu Pengai	Dec-17	General outpatient clinic	1,800	70%
18	Shenzhen Pengai Yuexin	Apr-18	Hospital	4,242	60%
19	Yantai Pengai Jiayan	Jun-18	Hospital	1,983	89%
20	Jinan Pengai	Jan-19	Hospital	2,200	95%
21	Ninghai Pengai	Apr-19	General outpatient clinic	670	51%
22	Xi'an Pengai	Apr-20	Hospital	827	70%
23	Shanghai Pengai Jiayan	Apr-20	Hospital	1,097	80%
24	Fenghua Pengai	Dec-19	General outpatient clinic	138	51%
25	Deqing Pengai	Dec-19	General outpatient clinic	129	51%

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