

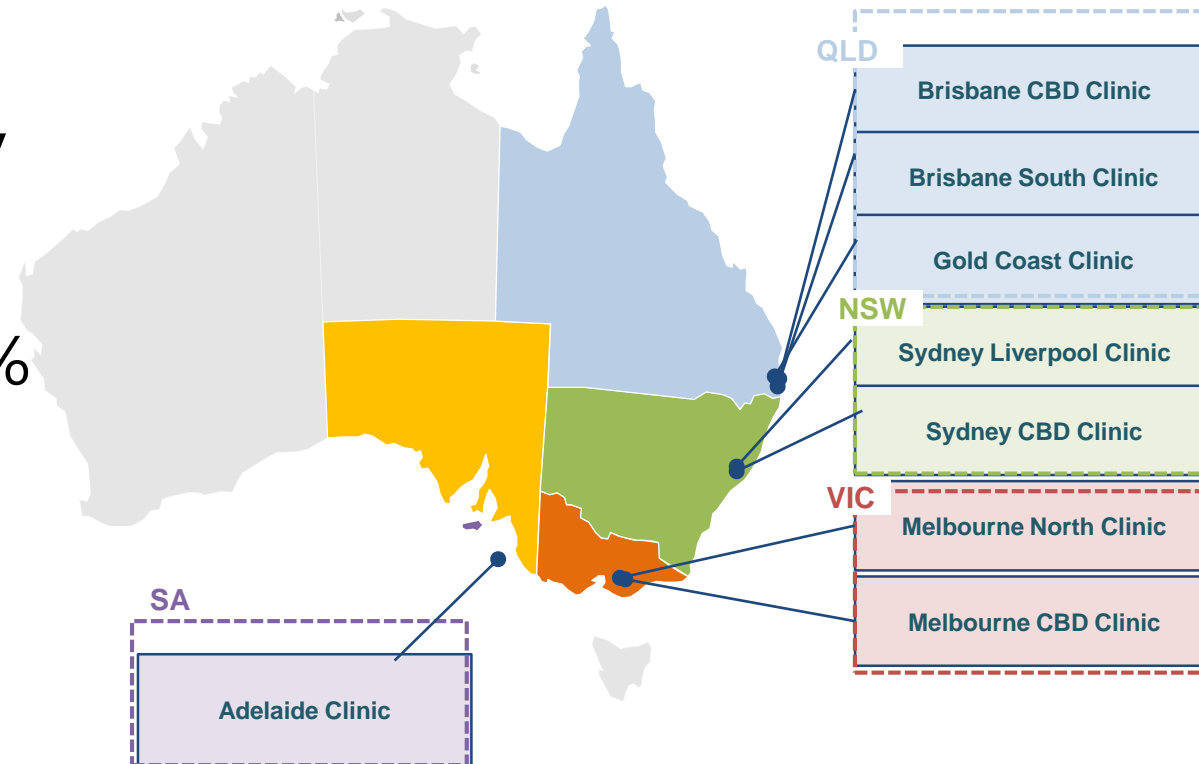
Why did City Fertility choose a CHA led consortium as its majority investor?

Presented by David Nathan, Chairman of City Fertility



Who is City Fertility Centre?

- Market shares by state ranging from 2.5% to 10%
- 50 clinicians



Why was City Fertility looking for an investor?

- The four founding shareholders who owned 84% wanted a liquidity event
- Business needed more investment to realise potential
- Sensed there were opportunities to add value across Asia

Where did we look for investors?

With PwC's help we targeted:

- International - IVF
- Domestic and International - non IVF
- Domestic and International - PE



What criteria did we use to assess bidders?

- Domestic growth agenda
- Asia growth agenda
- Medical leadership
- Reputation
- Approach to management
- Compatibility
- Transaction experience
- Synergies



Who are CHA?

CHA has operations in Korea, Japan, Singapore and US including:

- 9,000 deliveries and 16,000 IVF cases annually
- 14 general and specialty hospitals treating 2.5m patients annually
- 27 research and educational institutions
- 2 publicly listed companies on the Korean Exchange with a market cap of \$1b plus



What did the CHA led consortium offer beyond price?

- Strong track record in R&D in IVF
- Commitment to first mover in diagnostic enhancements
- Potential to share knowledge and experience
- Saw value in EDA, SDA and Rainbow Fertility
- Geographic footprint to be Asia Pac leader in fertility
- Global potential to be a leader in both IVF and women's health
- Appetite to grow and appetite to do better

Personal observations so far

- Taxi journey from Seoul airport to city is very far.
- Signing ceremony tradition is quaint.
- Membership of CHAUM Life Centre is first prize.
- Korea needs more babies.
- Cultures different but in a good way.

