



PRESS RELEASE

Alpha IVF Group IPO to raise RM466.5 million

- *Fertility care specialist group aims to expand both domestically and internationally, marking new chapter in its growth strategy*
- *Sets dividend policy to distribute at least 60% of annual audited profit after tax attributable to shareholders*
- *Applications for Alpha IVF Group's IPO open on 1st March, close on 8th March 2024*

KUALA LUMPUR, Malaysia, 1 March 2024 - Fertility care specialist, Alpha IVF Group Berhad (“Alpha IVF Group”) and its subsidiaries (collectively referred to as “the Group” or “阿儿法国际辅助生殖集团”) aim to raise RM466.5 million from its Initial Public Offering (IPO) on the ACE Market of Bursa Malaysia Securities Berhad (Bursa Malaysia).

The IPO exercise entails a total of 1,458.0 million ordinary shares in Alpha IVF priced at RM0.32 per share, comprising 364.5 million new shares and 1,093.5 million offer-for-sale shares from eight offerors.

At the IPO prospectus launch today, Alpha IVF Group Executive Director and Group Managing Director, Dato’ Dr. Colin Lee Soon Soo stated that the IPO marked the initiation of a new phase in the Group’s growth strategy.

Of the targeted RM466.5 million IPO proceeds, RM116.6 million will be accrued to Alpha IVF Group, while the balance RM349.9 million will be accrued entirely to the offerors. Out of the total proceeds of RM116.6 million received by Alpha IVF Group, RM72.8 million will be allocated to establish new IVF centres, satellite clinics, and sales representative offices as part of their expansion plan domestically and internationally.

A further RM15.7 million will be allocated for expansion and upgrade of existing specialist centres, facilities, and corporate office; RM2.2 million for research and development (R&D), as well as the remaining RM25.9 million for general working capital, general corporate purposes, and defraying of listing expenses.



“Since our inception, we have experienced remarkable growth, evolving from 11 staff to our current team of more than 140 staff. From a single centre, we have expanded to operate three specialist centres, each dedicated to providing unparalleled care and expertise. Most importantly, our hard work has resulted in the birth of over 7,000 precious babies in Malaysia, and around the world.

Through this IPO, we are looking to raise approximately RM116.6 million in total proceeds for Alpha IVF Group, which will help to support our capital expenditure and working capital requirements for future growth. The first pillar of our growth strategy is focused on domestic expansion, as we aim to establish three full-fledged fertility centres in Malaysia by the financial year ending 31 May 2026 (FYE 2026).

Secondly, leveraging on our success and experience, we intend to expand internationally by setting up additional IVF specialists centre and four satellite clinics in Indonesia. The four satellite clinics will be set-up in various cities in Indonesia as an extension of our specialist centre. In addition, we plan to expand our reach by setting up another specialist centre elsewhere in Southeast Asia and two sales representative offices in China.

Finally, we plan to expand our research and development (R&D) initiatives, including expanding our R&D team and purchasing laboratory equipment to aid in R&D. Our R&D initiatives will be mainly focused on technology and procedures to improve our pregnancy success rates. The increase in R&D resources will certainly allow us to stay current with the latest developments in IVF and help with our business growth.”

Dato' Dr Colin Lee Soon Soo (拿督 李顺树医生)
Group Managing Director, Alpha IVF

Tracy Chen Wee Keng (陈惠琼), Chief Executive Officer of AmInvestment Bank Berhad said, “Alpha IVF’s entrance into Bursa Malaysia enriches the dynamics of the Malaysian healthcare landscape, presenting investors a rare opportunity to invest in a leading player within a thriving industry. The global demand for IVF treatment accentuates Alpha IVF’s strategic market positioning and its expansive growth potential, making its listing a pivotal asset to the vibrancy of the healthcare industry.

The strong endorsement from 8 top-tier insurance funds and renowned asset management firms in Malaysia, Singapore and Hong Kong, as cornerstone investors in Alpha IVF’s IPO, underscores the exceptional investment opportunity Alpha IVF presents. The commitment from such esteemed financial institutions speaks volumes about Alpha IVF’s promising prospects in the years to come.”

The IPO structure comprises an Institutional Offering of 1,239.3 million shares to institutional and selected investors, including 607.5 million shares allocated to Bumiputera investors approved by the Ministry of Investment, Trade, and Industry (Malaysia). Among the total institutional offering, 145.8 million are newly issued shares.

The remaining 218.7 million new shares constitute the Retail Offering, with 194.4 million shares available to the Malaysian public through balloting. Additionally, 24.3 million shares are allocated to eligible directors, employees, and individuals who have contributed to the success of Alpha IVF.



Speaking on the growth prospects, Dato' Dr. Colin Lee added, "Looking ahead, we see a surge in demand for IVF, driven by increasing trend of starting a family late and by government IVF incentives. Our expansion aligns perfectly with the current landscape, allowing us to capitalise on these opportunities."

The confidence of Alpha IVF Group's management in its prospects sets the backdrop for its dividend policy. The group aims to distribute at least 60% of the annual audited profit after tax attributable to shareholders to reward the shareholders.

With the prospectus launched, applications for Alpha IVF Group's IPO will be accepted starting today and will close on 8 March 2024 at 5:00 p.m. Barring unforeseen circumstances, Alpha IVF Group is scheduled to list on the ACE Market of Bursa Malaysia on 22 March 2024.

AmInvestment Bank Berhad serves as the principal adviser, sponsor, lead bookrunner, and sole underwriter for the Group's IPO exercise.

About Alpha IVF Group Berhad ("Alpha IVF Group")

Alpha IVF Group is one of the largest fertility care specialists, currently operating in Malaysia and Singapore. The group primarily focuses on Assisted Reproductive Services (ARS), with a strong emphasis on In-vitro Fertilisation (IVF). Presently, the group operates two specialist centres in Malaysia - Alpha International Women's Specialists Sdn Bhd ("Alpha KL") in Kuala Lumpur and Genesis Specialists Sdn Bhd ("Genesis") in Penang - and one in Singapore known as Alpha International Women's Specialists (Singapore) Pte Ltd ("Alpha Singapore").

In addition to IVF, Alpha IVF Group provides various assisted reproductive procedures, including intracytoplasmic sperm injection, intrauterine insemination, diagnostics, testing, screening procedures, and cryopreservation of eggs, sperms, and embryos.

Since its inception in 2011, Alpha IVF Group has earned a strong reputation, with its brand synonymous with exceptional success rates in IVF. The high pregnancy rates are attributed to the group's robust foundation, known as the "system of systems," and its five strategic pillars: leading medical specialists, highly skilled embryologists, continuous research and development, innovative techniques, and cutting-edge laboratory equipment.

Alpha IVF Group's operations have provided IVF services to international patients from Indonesia, China, Singapore, the Middle East, Australia, and other countries. The group has also pioneered numerous innovations leading to improved pregnancy rates and is actively involved in utilizing Artificial Intelligence technology to enhance embryo selection for higher IVF success rates.

**Issued for and on behalf of ALPHA IVF GROUP BERHAD by Aquilas Advisory (Malaysia) Sdn Bhd.
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