



MEDIA RELEASE

NEW SILKROUTES GROUP LIMITED's healthcare segment ends FY2020 strongly with 132% year-on-year revenue growth whilst its energy segment contracts 44% due to impact of Covid-19 pandemic.

- Group records FY2020 operating profit of USD1.76M with net loss after tax of USD1.14M due to one-off USD2.70M impairment loss on intangible assets and trade and other receivables.
- Healthcare segment's 4Q20 revenue of USD22.26M largely attributable to increased orders for Shanghai Fengwei's nonwoven products

Results for fourth quarter ended 30 June 2020

US\$ ('000)	4Q FY2020	4Q FY2019	Change (%)	FY2020	FY2019	Change (%)
New Silkroutes Group Limited						
Revenue	56,885	155,826	-63%	374,968	605,021	-38%
Operating (loss)/profit	(646)	1,199	N.M	1,757	2,339	-25%
Net (loss)/profit after tax	(2,337)	539	N.M	(1,143)	107	N.M
Healthcare & Healthcare Consumables Division						
Revenue	22,262	7,709	189%	49,529	21,306	132%
Operating profit	406	970	-58%	2,487	1,814	37%
Net (loss)/profit after tax	(60)	895	N.M	1,785	1,738	3%
Energy Division						
Revenue	34,623	148,117	-77%	325,439	583,715	-44%
Operating profit	297	996	-70%	1,944	3,129	-38%
Net (loss)/profit after tax	(325)	467	N.M	181	1,106	-84%

N.M - not meaningful

Singapore – 27 August 2020. SGX Mainboard-listed **New Silkroutes Group Limited** ("NSG" or the "**Company**", and together with its subsidiaries the "**Group**") announced today that the Group had achieved a full year net loss after tax of US\$1.14M as at 30 June 2020, as it recorded a one-off USD2.70M impairment loss on intangible assets and trade and other receivables. Net cash flow from operating activities was otherwise positive at USD6.97M for the full year.

The Group's healthcare segment, largely due to Shanghai Fengwei, which produces nonwoven material for the production of healthcare PPE, registered a fourth quarter revenue of USD22.26M, an increase of 189% when compared to the same quarter in 2019. However, there were increased expenses related to the refurbishment of the production lines as well as marketing and partnership expenses in China. Meanwhile, fourth quarter revenues from the medical and dental clinics declined by 38% when compared to the same quarter in the previous year. This was attributable to the lockdown measures imposed by the government due to the Covid-19 pandemic.

Healthsciences International also decided to stop providing its clinic management system to customers in China, which resulted in an impairment loss of USD1.00M. As a result of these factors, the Group's healthcare segment ended FY2020 with a net profit after tax of USD1.79M, an increase of 3% from FY2019.

The Group's energy business, driven by International Energy Group (IEG), reported a fourth quarter revenue of USD34.62M and a FY2020 revenue of USD325.44M. The weaker results were due to a drop in oil trading volumes secondary to the global economic downturn. IEG is currently in talks with various parties as it reviews its strategic positioning in view of the prevailing weak market conditions.

In the last quarter, the Group announced its intentions to focus on biomedical technologies and innovations. This was followed by the appointment of Dr Goh Jin Hian as Chairman in July 2020, who will step down as Group CEO in October 2020, paving the way for a new CEO to take over the reins.

"To seize the opportunities in the post-Covid world, we are moving quickly to refresh our Board and management capabilities," said Dr Goh Jin Hian, CEO of the Group. "We will bring onboard the expertise in technology and innovation in order to create new revenue streams for the company."

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This media release is to be read in conjunction with the Company's announcement posted on the website of the SGX-ST on 27 August 2020.

About New Silkroutes Group Limited

New Silkroutes Group (Reuters: NEWS.SI; Bloomberg: NSG SP) is a Singapore-incorporated investment holding company listed on the Mainboard of Singapore Exchange Securities Trading Ltd (SGX). The group, through its subsidiaries and associate companies, has businesses in the Healthcare and Energy/Resources sectors.