



MEDIA RELEASE

NEW SILKROUTES GROUP LIMITED (“NSG”) RETURNS TO PROFITABILITY FOR THE FIRST TIME IN 3 YEARS

- NSG registers a net profit of US\$107,000 for financial year ended 30 June 2019 (“FY2019”) overturning a deficit of US\$2,960,000 for financial year ended 30 June 2018.
- Healthcare businesses now contribute more than 60% of the Group’s profits, with net profit of US\$1,738,000 in FY2019.
- The Group remains focused on growing its Healthcare business throughout Asia.

Results for fourth quarter ended 30 June 2019						
US\$ ('000)	4Q FY2019	4Q FY2018	Change	FY2019	FY2018	Change
New Silkroutes Group Limited						
Revenue	155,826	193,412	-19%	605,021	692,532	-13%
Gross Profit	5,234	1,068	390%	17,075	9,518	79%
Net Profit/(Loss) After Tax	539	(2,710)	N.M	107	(2,960)	N.M
Healthcare & Healthcare Consumables Division						
Revenue	7,709	1,788	331%	21,306	6,403	233%
Gross Profit	3,593	1,592	126%	11,587	5,622	106%
Net Profit/(Loss) After Tax	895	15	5867%	1,738	137	1170%
Energy Division						
Revenue	148,117	191,624	-23%	583,715	686,129	-15%
Gross Profit	1,639	47	3387%	5,488	3,896	41%
Net Profit/(Loss) After Tax	467	223	109%	1,106	1,535	-28%

Singapore – 27 August 2019. SGX Mainboard-listed **New Silkroutes Group Limited** (“**NSG**” or the “**Company**”, and together with its subsidiaries the “**Group**”) announced today that the Group has achieved a net profit of US\$107,000 and has turned profitable for FY2019.

This turn around for the Group was attributed mainly to the strong contributions from its acquisition of the six family medicine and aesthetics clinics as well as Shanghai Fengwei during FY2019. The healthcare and healthcare related division achieved a 5867% jump in 4Q19 net profit to US\$895,000 and a 1170% jump in FY2019 net profit to US\$1,738,000.

The commitment of the Group to focus on developing its healthcare and healthcare related business has proven fruitful. Contributions from the healthcare and healthcare related division is now 61% of the overall Group’s profit for FY2019 as compared to 8% in FY2018. This is in line with the intention of the Group to be transformed into a healthcare-focused company.

The Group’s energy division also had a strong quarter and registered a net profit of US\$467,000 in 4Q19. The aborted divestment exercise in the third quarter had nonetheless weighed down on the aggregate profits of the energy division. The energy division registered a net profit of US\$1,106,000, which was 28% lower as compared to the net profit of US\$1,535,000 in FY2018.

Dr Goh Jin Hian, NSG’s Chief Executive Officer, said:

“The Group’s primary care and dental clinics, held under Healthsciences International (HSI), experienced stable revenue growth in FY2019 and we expect this to continue in FY2020. The next phase of growth for the healthcare division will be to scale up regionally through both network acquisitions and organic growth, pursue greater cost efficiencies, reduce over-dependence on a single country’s economy and to leverage technology in the delivery of quality patient care. We will subsequently expand into specialist care and integrate this with our primary care network.”

In China, our wholly-owned subsidiary, Shanghai Fengwei, has not been affected by the US-China trade tensions as it mainly serves the domestic market, which currently remains stable. Our short to medium term strategy for China will focus on the sale of healthcare consumables and products, both for the western medicine and traditional Chinese medicine sectors.

We will continue to nurture International Energy Group until we secure a credible offer. Meanwhile, IEG is expected to continue to contribute to the Group's profitability, albeit in a decreasing capacity as the contribution from the healthcare business grows."

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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 2019.

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 Energy/Resources and Healthcare sectors.