NEW SILKROUTES
GROUP LIMITED

MEDIA RELEASE

New Silkroutes Group's healthcare focus remains on track, as division's FY2018 revenue and gross profit grew by 10 and 14 times, respectively

- **Group FY2018 revenue rose 59.9% to US$692.53 million, buoyed by healthcare numbers and increase in oil trading activities.**
- **NSG's Healthsciences International Pte Ltd ("HSI") to continue to expand regionally through acquisitions and strategic partnerships.**
- **International Energy Group Pte Ltd ("IEG") continues to underpin NSG with recurring oil trading income.**

Results for fourth quarter ended 30 June 2018

US$ ('000)	4QFY2018	4QFY2017	Change (%)	FY2018	FY2017	Change (%)
New Silkroutes Group						
Revenue	193,412	114,581	68.8	692,532	433,036	59.9
Gross Profit	1,068	999	6.9	9,518	4,183	127.5
Net Profit / (Loss)	(2,710)	(1,150)	135.7	(2,960)	(1,988)	48.9
International Energy Group						
Revenue	191,624	114,247	67.7	686,129	432,296	58.7
Gross Profit	47	878	(94.6)	3,896	3,772	3.3
Net Profit / (Loss)	2	(162)	N.M.	1,314	1,591	(17.4)
Healthsciences International						
Revenue	1,788	334	435.3	6,403	662	867.2
Gross Profit	1,592	123	1,194.3	5,622	409	1,274.6
Net Profit / (Loss)	15	(192)	N.M.	249	(291)	N.M.

N.M. – Not Meaningful

Singapore – 29 August 2018. SGX Mainboard-listed investment holding company **New Silkroutes Group Limited** ("**NSG**", or together with its subsidiaries the "**Group**"), today announced that it has achieved a 59.9% increase in revenue to US$692.53 million for the full-year ended 30 June 2018 ("**FY2018**") compared to FY2017.

Gross profit increased two-fold to US$9.52 million in FY2018 driven by the growth of its core healthcare division and steady performance of the oil trading business.

NSG's healthcare arm, HSI recorded a full-year net profit of US$0.25 million in FY2018, reversing a net loss of US$0.29 million in the previous year mainly due to contribution from the six dental clinics and two dental supplies companies acquired on 30 June 2017 and three additional dental clinics acquired on 30 October 2017.

For FY2018, IEG recorded 1.6 times increase in revenue to US$686.13 million and gross profit also grew to US$3.90 million. The rise in the revenue and gross profit was mainly due to an increase in oil trading activities and logistic capacities.

The Group performance was moderated mainly by the expenses of the newly acquired dental companies, as well as one-off expenses reflected in the FY2018 results amounting to US$2.34 million. These expenses included writing off of receivables and professional fees for corporate exercises. As a result, the Group incurred a net loss of US$2.96 million for the FY2018 compared to a net loss of US$1.99 million a year ago.

Excluding the one-off expenses, the Group would have generated a lower net loss of US$0.62 million in FY2018.

Dr Goh Jin Hian, NSG's Chief Executive Officer, said: "*We have been strengthening our healthcare portfolio through a mix of strategic acquisitions and collaborations, and we are greatly encouraged by the results achieved by the healthcare division in FY2018. NSG remains focused on healthcare as a core business and we expect our healthcare division to contribute even more significantly to our profitability.*

"We have taken in all our acquisition-related costs in the final quarter of FY2018, so that we can start the new financial year afresh. Once we have completed our planned acquisitions, we expect FY2019 to be a positive one for us."

Healthsciences International Pte. Ltd.

To further grow its healthcare business, NSG had on 2 August 2018 successfully acquired substantial stakes in six family medicine and aesthetic clinics in Singapore. With the completion of the acquisition of the family medicine and aesthetics clinics, the Group now owns 17 clinics comprising one dental specialist clinic, eight dental clinics, five family medicine clinics, one aesthetic clinic, two traditional Chinese medicine (TCM) clinics, and two dental supplies companies.

HSI had also entered into a joint venture agreement with Vietnam's Egroup on 7 August 2018 to set up a dental chain in Vietnam to cater to a growing demand for quality healthcare.

The Group had entered into a share sale and purchase agreement on 13 August 2018 to acquire 100% stake of Shanghai Fengwei Garment Accessory Co., Ltd. that manufactures healthcare consumables. This is to diversify its healthcare division beyond medical clinics, and is aligned with the Group's hospital development and management arm.

International Energy Group

Oil trading activities continue to grow but the rising oil prices and stronger USD may deplete the margin as financing costs are expected to increase accordingly. NSG will continue to seek for more trade lines and financiers to lower its financing cost and to improve the overall margin of the energy sector.

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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 29 August 2018

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.

For enquiries, please contact:
New Silkroutes Group Limited
Email: ipr@newsilkroutes.org