



**SINGAPORE O&G LTD.**  
**(Company Registration No. 201100687M)**

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**UNAUDITED FULL YEAR FINANCIAL STATEMENTS ANNOUNCEMENT  
FOR FINANCIAL YEAR ENDED 31 DECEMBER 2015**

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**PART I – INFORMATION REQUIRED FOR FULL YEAR RESULTS ANNOUNCEMENT**

**1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income for the Group, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	<u>Group</u>		
	2015 (Unaudited) S\$	2014 (Audited) S\$	Increase/ (Decrease) %
Revenue	16,412,739	13,546,906	21.2
Other operating income	182,016	145,563	25.0
Consumables and medical supplies used	(1,857,776)	(1,510,199)	23.0
Employee benefits expense	(6,283,428)	(4,835,122)	30.0
Depreciation of plant and equipment	(240,006)	(187,934)	27.7
Other operating expense	(2,158,519)	(2,119,003)	1.9
<b>Profit from operations</b>	<b>6,055,026</b>	<b>5,040,211</b>	<b>20.1</b>
Finance income	126,573	154	>100.0
Finance expense	-	(999)	NM
<b>Net finance income/(expense)</b>	<b>126,573</b>	<b>(845)</b>	<b>&gt;100.0</b>
<b>Profit before income tax</b>	<b>6,181,599</b>	<b>5,039,366</b>	<b>22.7</b>
Income tax expense	(840,274)	(791,316)	6.2
<b>Profit for the year</b>	<b>5,341,325</b>	<b>4,248,050</b>	<b>25.7</b>
<b>Other comprehensive income, at nil tax</b>	-	-	-
<b>Total comprehensive income for the year</b>	<b>5,341,325</b>	<b>4,248,050</b>	<b>25.7</b>

NM: Not meaningful for discussion purposes.

Note:

- Financial year ended 31 December 2014 ("FY2014" or "2014").
- Financial year ended 31 December 2015 ("FY2015" or "2015").

1(b)(i) A statement of financial position (for the issuer and Group), together with a comparative statement as at the end of the immediately preceding financial year.

	<u>Group</u>		<u>Company</u>	
	31/12/2015 (Unaudited) S\$	31/12/2014 (Audited) S\$	31/12/2015 (Unaudited) S\$	31/12/2014 (Audited) S\$
<b>ASSETS</b>				
<b>Non-current assets</b>				
Goodwill	842,295	842,295	-	-
Plant and equipment	678,680	601,383	141,719	188,589
Investment in subsidiaries	-	-	6,030,906	6,029,908
Investment in available-for-sale financial assets	148,411	-	148,411	-
	<b>1,669,386</b>	<b>1,443,678</b>	<b>6,321,036</b>	<b>6,218,497</b>
<b>Current assets</b>				
Inventories	278,452	204,860	23,632	13,139
Trade and other receivables	1,477,586	1,931,484	1,984,067	985,548
Cash and cash equivalents	24,209,144	11,276,114	16,423,903	3,965,625
	<b>25,965,182</b>	<b>13,412,458</b>	<b>18,431,602</b>	<b>4,964,312</b>
<b>Total assets</b>	<b>27,634,568</b>	<b>14,856,136</b>	<b>24,752,638</b>	<b>11,182,809</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Capital and reserves</b>				
Share capital	14,428,020	4,212,615	14,428,020	4,212,615
Reserves	9,583,969	7,643,444	8,522,951	6,495,198
<b>Total equity</b>	<b>24,011,989</b>	<b>11,856,059</b>	<b>22,950,971</b>	<b>10,707,813</b>
<b>Non-current liabilities</b>				
Deferred tax liabilities	85,536	12,696	-	2,000
	<b>85,536</b>	<b>12,696</b>	<b>-</b>	<b>2,000</b>
<b>Current liabilities</b>				
Trade and other payables	1,648,992	1,749,551	1,751,120	448,050
Deferred revenue	379,693	279,076	50,547	24,946
Current tax liabilities	1,508,358	958,754	-	-
	<b>3,537,043</b>	<b>2,987,381</b>	<b>1,801,667</b>	<b>472,996</b>
<b>Total liabilities</b>	<b>3,622,579</b>	<b>3,000,077</b>	<b>1,801,667</b>	<b>474,996</b>
<b>Total equity and liabilities</b>	<b>27,634,568</b>	<b>14,856,136</b>	<b>24,752,638</b>	<b>11,182,809</b>

1(b)(ii) In relation to the aggregate amount of the Group's borrowings and debt securities, specify the following as at the end of current financial period reported on with comparative figures as at the end of the immediately preceding financial year:

(A) the amount repayable in one year or less, or on demand:

None

(B) the amount repayable after one year:

None

(C) whether the amounts are secured or unsecured; and

None

(D) details of any collaterals.

None

1(c) A statement of cash flows (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	<u>Group</u>	
	2015 (Unaudited) S\$	2014 (Audited) S\$
<b>Cash Flows from Operating Activities</b>		
Profit before taxation	6,181,599	5,039,366
Adjustments for:		
Depreciation of plant and equipment	240,006	187,934
Share-based compensation	-	100,000
Plant and equipment written-off	1,880	350
Impairment of investment in available-for-sale financial assets	101,589	-
Impairment of subsidiary due to voluntary liquidation	2	-
Interest expense	-	999
Interest income	(126,573)	(154)
Operating profit before working capital changes	6,398,503	5,328,495
Changes in inventories	(73,592)	34,352
Changes in trade and other receivables	286,623	(447,487)
Changes in trade and other payables	(1,012)	550,880
Cash generated from operations	6,610,522	5,466,240
Income tax paid	(217,831)	(543,767)
<b>Net cash generated from operating activities</b>	<b>6,392,691</b>	<b>4,922,473</b>

	<u>Group</u>	
	2015 (Unaudited) S\$	2014 (Audited) S\$
<b>Cash Flows from Investing Activities</b>		
Acquisition of subsidiaries, net of cash acquired	-	2,506,686
Purchase of plant and equipment	(318,113)	(374,492)
Interest received	43,847	154
<b>Net cash (used in)/generated from investing activities</b>	<b>(274,266)</b>	<b>2,132,348</b>
<b>Cash Flows from Financing Activities</b>		
Repayment of finance leases	-	(11,889)
Net proceeds from share issuance at IPO <sup>1</sup>	10,215,405	-
Dividends paid to shareholders	(3,400,800)	-
Dividends paid to shareholders of former subsidiaries	-	(2,175,000)
Interest paid	-	(999)
<b>Net cash generated/(used in) financing activities</b>	<b>6,814,605</b>	<b>(2,187,888)</b>
<b>Net increase in cash and cash equivalents</b>	<b>12,933,030</b>	<b>4,866,933</b>
Cash and cash equivalents at beginning of year	11,276,114	6,409,181
<b>Cash and cash equivalents at end of year</b>	<b>24,209,144</b>	<b>11,276,114</b>

Note:

<sup>1</sup> In 2015, the Group incurred transaction costs of S\$961,458 relating to the initial public offering of shares, of which S\$276,863 have been included in other operating expenses in the Group's statement of comprehensive income and S\$684,595 was charged against share capital as share issuance cost in the Group's statement of changes in equity. Accordingly, the share issuance cost of S\$684,595 was set off against the IPO proceeds of S\$10.9 million.

**1(d)(i) A statement (for the issuer and Group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

<u>The Group</u> <u>(Audited)</u>	Share Capital S\$	Capital Reserve S\$	Merger Reserve S\$	Retained Earnings S\$	Total S\$
At 1 January 2014	20	-	1,266,790	5,494,635	6,761,445
<b>Total comprehensive income for the year</b>					
Profit for the year	-	-	-	4,248,050	4,248,050
Other comprehensive income, at nil tax	-	-	-	-	-
	-	-	-	4,248,050	4,248,050
<b>Transactions with owners of the Company, recognised directly in equity</b>					
<b>Contributions by and distributions to owners of the Company</b>					
Issue of ordinary shares related to business combination	4,256,839	1,771,070	(2,962,101)	-	3,065,808
Share-based compensation	100,000	-	-	-	100,000
Share issuance cost	(144,244)	-	-	-	(144,244)
Dividends paid to shareholders	-	-	-	(2,175,000)	(2,175,000)
	4,212,595	1,771,070	(2,962,101)	(2,175,000)	846,564
<b>At 31 December 2014</b>	<b>4,212,615</b>	<b>1,771,070</b>	<b>(1,695,311)</b>	<b>7,567,685</b>	<b>11,856,059</b>

## Singapore O&G Ltd.

<b>The Group (Unaudited)</b>	<b>Share Capital S\$</b>	<b>Capital Reserve S\$</b>	<b>Merger Reserve S\$</b>	<b>Retained Earnings S\$</b>	<b>Total S\$</b>
At 1 January 2015	4,212,615	1,771,070	(1,695,311)	7,567,685	11,856,059
<b>Total comprehensive income for the year</b>					
Profit for the year	-	-	-	5,341,325	5,341,325
Other comprehensive income, at nil tax	-	-	-	-	-
	-	-	-	5,341,325	5,341,325
<b>Transactions with owners of the Company, recognised directly in equity</b>					
<b>Contributions by and distributions to owners of the Company</b>					
Proceeds from share issuance at IPO	10,900,000	-	-	-	10,900,000
Share issuance cost	(684,595)	-	-	-	(684,595)
Dividends paid to shareholders	-	-	-	(3,400,800)	(3,400,800)
	10,215,405	-	-	(3,400,800)	6,814,605
<b>At 31 December 2015</b>	<b>14,428,020</b>	<b>1,771,070</b>	<b>(1,695,311)</b>	<b>9,508,210</b>	<b>24,011,989</b>

<b>The Company (Audited)</b>	<b>Share Capital S\$</b>	<b>Capital Reserve S\$</b>	<b>Merger Reserve S\$</b>	<b>Retained Earnings S\$</b>	<b>Total S\$</b>
At 1 January 2014	20	-	-	571,476	571,496
<b>Total comprehensive income for the year</b>					
Profit for the year	-	-	-	6,327,652	6,327,652
Other comprehensive income, at nil tax	-	-	-	-	-
	-	-	-	6,327,652	6,327,652
<b>Transactions with owners of the Company, recognised directly in equity</b>					
<b>Contributions by and distributions to owners of the Company</b>					
Issue of ordinary shares related to business combination	4,256,839	1,771,070	-	-	6,027,909
Share-based compensation	100,000	-	-	-	100,000
Share issuance cost	(144,244)	-	-	-	(144,244)
Dividends paid to shareholders	-	-	-	(2,175,000)	(2,175,000)
	4,212,595	1,771,070	-	(2,175,000)	3,808,665
<b>At 31 December 2014</b>	<b>4,212,615</b>	<b>1,771,070</b>	<b>-</b>	<b>4,724,128</b>	<b>10,707,813</b>

<b>The Company (Audited)</b>	<b>Share Capital S\$</b>	<b>Capital Reserve S\$</b>	<b>Merger Reserve S\$</b>	<b>Retained Earnings S\$</b>	<b>Total S\$</b>
At 1 January 2015	4,212,615	1,771,070	-	4,724,128	10,707,813
<b>Total comprehensive income for the year</b>					
Profit for the year	-	-	-	5,428,553	5,428,553
Other comprehensive income, at nil tax	-	-	-	-	-
	-	-	-	5,428,553	5,428,553
<b>Transactions with owners of the Company, recognised directly in equity</b>					
<b>Contributions by and distributions to owners of the Company</b>					
Proceeds from share issuance at IPO	10,900,000	-	-	-	10,900,000
Share issuance cost	(684,595)	-	-	-	(684,595)
Dividends paid to shareholders	-	-	-	(3,400,800)	(3,400,800)
	10,215,405	-	-	(3,400,800)	6,814,605
<b>At 31 December 2015</b>	<b>14,428,020</b>	<b>1,771,070</b>	<b>-</b>	<b>6,751,881</b>	<b>22,950,971</b>

**1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

	<b>Number of Ordinary Shares</b>	<b>Issued and Paid-up Share Capital S\$</b>
At 1 January 2015	174,400,000	4,212,615
Issuance of shares on 4 June 2015	43,600,000	10,900,000
Share issuance costs <sup>2</sup>	-	(684,595)
<b>At 31 December 2015</b>	<b>218,000,000</b>	<b>14,428,020</b>

Note:

<sup>2</sup> In 2015, the Group incurred transaction costs of S\$961,458 relating to the initial public offering of shares, of which S\$276,863 have been included in other operating expenses in the Group's statement of comprehensive income and S\$684,595 was charged against share capital as share issuance cost in the Group's statement of changes in equity.

**1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	Number of Ordinary Shares	
	31/12/2015	31/12/2014
Issued ordinary shares	<u>218,000,000</u>	<u>174,400,000</u>

The Company does not have any treasury shares as at 31 December 2015 and 31 December 2014.

**1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable.

**2 Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by auditors.

**3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

**4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

Except as disclosed in Section 5 below, the accounting policies and methods of computation used in the consolidated financial statements for FY2015 are consistent with those applied in the financial statements for FY 2014.

**5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The Group adopted a number of new or revised FRS and INT FRS that are effective for annual periods beginning on or after 1 January 2015. The adoption of these FRS and INT FRS has no significant impact on the Group's consolidated financial statements.

**6 Earnings per ordinary share of the Group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	<b>2015</b> <b>(Unaudited)</b>	<b>Group</b>	<b>2014</b> <b>(Audited)</b>
Profit attributable to equity holders of the Company (S\$)	5,341,325		4,248,050
Weighted average number of ordinary shares	199,833,333		152,283,358
Basic and diluted earnings per share based on the weighted average number of ordinary shares (Cents)	2.67		2.79
<u>For illustrative purposes<sup>3</sup></u> <u>(Based on 218,000,000 shares)</u>			
Basic and diluted earnings per share (Cents)	2.45		1.95

Note:

Basic and diluted earnings per share for the financial years ended 31 December 2014 and 2015 have been computed by dividing the net profit by the ordinary shares issued and outstanding at the end of each financial year.

The Company did not have any stock options or dilutive potential ordinary shares during the financial years ended 31 December 2014 and 2015.

<sup>3</sup> Earnings per share is calculated based on the profit after tax for the financial years ended 31 December 2014 and 2015 based on 218,000,000 shares of the Company for illustration purposes only.

**7 Net asset value (for the issuer and Group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:  
(A) current financial period reported on; and  
(B) immediately preceding financial year.**

	<b>Group</b>		<b>Company</b>	
	<b>30/12/2015</b> <b>(Unaudited)</b>	<b>31/12/2014</b> <b>(Audited)</b>	<b>30/12/2015</b> <b>(Unaudited)</b>	<b>31/12/2014</b> <b>(Audited)</b>
Net assets value (S\$)	24,011,989	11,856,059	22,950,971	10,707,813
Net assets value per ordinary share based on the total number of issued shares as at end of the year reported on <sup>4</sup> (Cents)	11.01	6.80	10.53	6.14

Note:

<sup>4</sup> The calculation of net asset value per ordinary share was based on 218,000,000 shares as at 31 December 2015 (31 December 2014: 174,400,000).



8 A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. It must include a discussion of the following:

(A) any significant factors that affected the turnover, costs and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

(B) any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.

**Review of the Group's Performance**

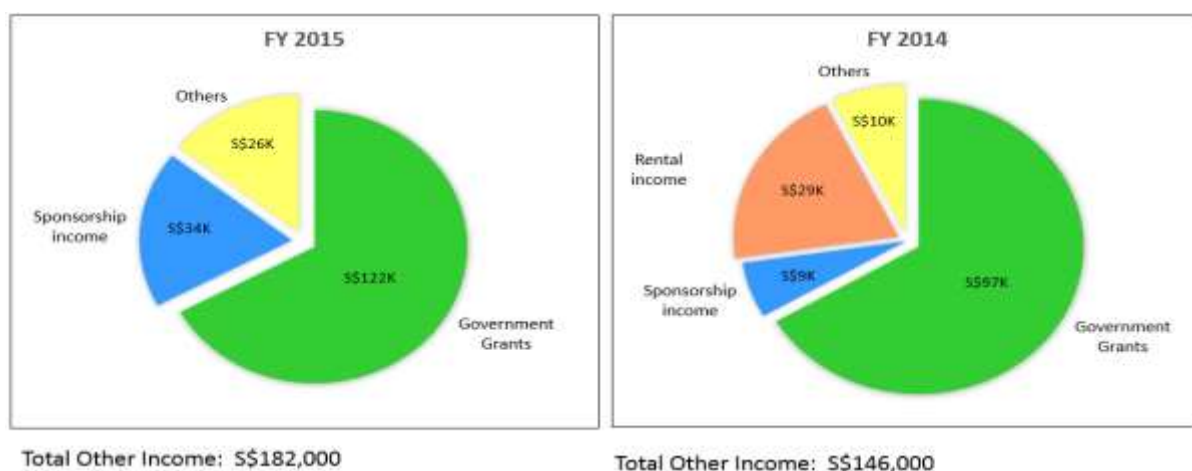
	FY 2015 (S\$)	FY 2014 (S\$)	Increase/ (Decrease) (S\$)	%	The increase or decline in FY 2015 as compared to FY 2014 was mainly due to:
Revenue	16,412,739	13,546,906	2,865,833	21.2%	<ul style="list-style-type: none"> <li>The full-year revenue contribution of S\$1.5 million from our new Cancer Specialists clinics; and</li> <li>The increase in patient loads.</li> </ul>
Other Operating Income	182,016	145,563	36,453	25.0%	More government grants (PIC and WCS) received.
Consumables and Medical Supplies Used	(1,857,776)	(1,510,199)	347,577	23.0%	<ul style="list-style-type: none"> <li>Change in revenue mix. Cancer treatment uses more consumables; and</li> <li>Rise in patient loads.</li> </ul>
Employee Benefits Expense	(6,283,428)	(4,835,122)	1,448,306	30.0%	<ul style="list-style-type: none"> <li>The full-year salary and benefits expense of the two new Cancer Specialists clinics; and</li> <li>The increase in headcount from 28 in 2014 to 32 in 2015.</li> </ul>
Depreciation	(240,006)	(187,934)	52,072	27.7%	The increase is mainly due to the acquisition of three new ultrasound machines.
Other Operating Expenses	(2,158,519)	(2,119,003)	39,516	1.9%	<ul style="list-style-type: none"> <li>Rental expenses of S\$0.2 million for our new Cancer Specialist clinics; and</li> <li>Impairment charge of investment in available-for-sale financial assets of S\$0.1 million; offset by</li> <li>A S\$0.3 million decline in professional &amp; legal expenses.</li> </ul>
<b>Profit from Operations</b>	<b>6,055,026</b>	<b>5,040,211</b>	<b>1,014,815</b>	<b>20.1%</b>	
Net Finance Income/(Expense)	126,573	(845)	127,418	>100%	Interest income earned from the placement of cash surplus with financial institutions including placement of our IPO proceeds into fixed deposit arrangements.
<b>Profit before Income Tax</b>	<b>6,181,599</b>	<b>5,039,366</b>	<b>1,142,233</b>	<b>22.7%</b>	
Income Tax Expense	(840,274)	(791,316)	48,958	6.2%	The increase is due to higher profits in 2015.
<b>Profit for the Year</b>	<b>5,341,325</b>	<b>4,248,050</b>	<b>1,093,275</b>	<b>25.7%</b>	

## Revenue

Revenue increased by S\$2.9 million or 21.2% from S\$13.5 million for FY 2014 to S\$16.4 million for FY 2015. The increase is mainly attributed to:

- The full-year revenue contribution of S\$1.5 million from our Cancer Specialists clinics (SOG-Cindy Pang Clinic for Women and SOG-Radhika Breast & General Surgicare), and
- The increase in patient loads in FY 2015.

## Other Operating Income



Sponsorship income relates to income received from sponsors for public events and activities organised by the Company.

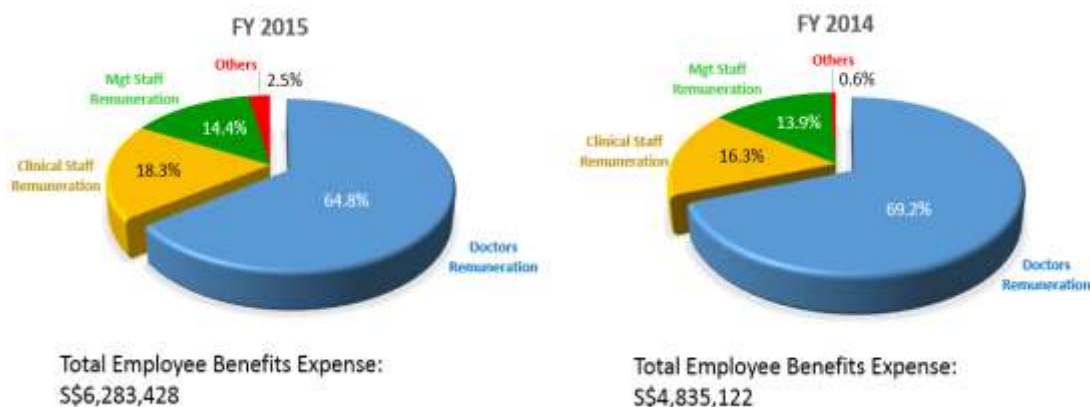
Other operating income increased by S\$36,000 or 25.0% from S\$146,000 for FY 2014 to S\$182,000 for FY 2015. The increase is mainly due to more government grants received in FY 2015. The government grants received in FY 2015 were mainly for Productivity and Innovation Credits (“PIC”) and Wage Credit Scheme (“WCS”).

## Consumables and Medical Supplies Used

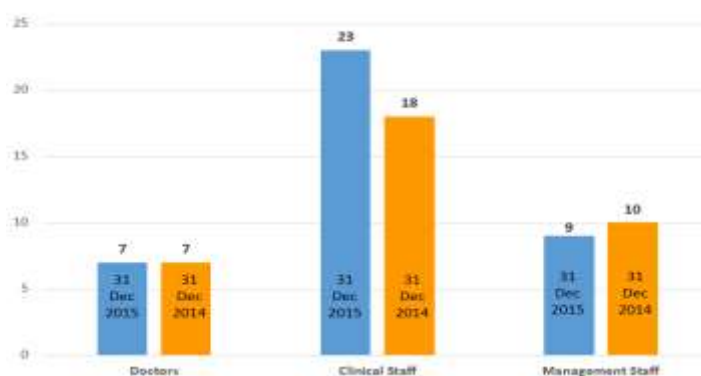
Consumables and medical supplies used increased by S\$0.3 million or 23.0% from S\$1.5 million for FY 2014 to S\$1.8 million for FY 2015. The increase in consumables and medical supplies used is attributed to the consumables and medical supplies used of S\$0.2 million in our Cancer Specialists clinics, and an additional of S\$0.1 million of consumables and medical supplies used in our Obstetrics and Gynaecology (“O&G”) clinics.

Consumables and medical supplies used as a percentage of the Group’s revenue rose by 0.2% from 11.1% in FY 2014 to 11.3% in FY 2015 as more consumables and medical supplies were used by our Cancer Specialists clinics.

## Employee Benefits Expense



### Headcount as at 31 Dec 2015 vs. 31 Dec 2014



Employee benefits expense increased by S\$1.5 million or 30.0% from S\$4.8 million for FY 2014 to S\$6.3 million for FY 2015. The increase is mainly due to the full-year salary and benefits expense of the two Cancer Specialists, and the increase in clinical and management staff headcount from 28 in FY 2014 to 32 in FY 2015.

Employee benefits expense as a percentage of the Group's revenue rose by 2.6% from 35.7% in FY 2014 to 38.3% in FY 2015 as the salary and benefits expense of our two Cancer Specialists were lower than the average salary and benefits expense of our O&G Specialists who are more senior.

## Depreciation of Plant and Equipment

Depreciation of plant and equipment increased by S\$52,000 or 27.7% from S\$188,000 for FY 2014 to S\$240,000 for FY 2015. The increase is mainly due to the acquisition of three new ultrasound machines in early 2015.

Depreciation as a percentage of the Group's revenue rose by 0.1% from 1.4% in FY 2014 to 1.5% in FY 2015 mainly due the depreciation charge from the three new ultrasound machines.

### **Other Operating Expense**

Other operating expense increased by S\$40,000 or 1.9% from S\$2.1 million for FY 2014 to S\$2.2 million for FY 2015. The slight increase is mainly due to rental expense of S\$0.2 million attributed to our Cancer Specialists clinics, impairment charge of investment in available-for-sale financial assets of S\$0.1 million, offset by a decrease in professional and legal expenses of S\$0.3 million.

Other operating expense as a percentage of the Group's revenue decreased by 2.4% from 15.6% in FY 2014 to 13.2% in FY 2015 mainly due to lesser listing expenses incurred in FY 2015.

### **Profit from Operations**

Profit from operations increased by S\$1.0 million or 20.1% from S\$5.0 million for FY 2014 to S\$6.0 million for FY 2015.

Profit margin from operations decreased slightly by 0.3% from 37.2% for FY 2014 to 36.9% for FY 2015 mainly due to the impairment charge of investment in available-for-sale financial assets in FY 2015.

### **Finance Income**

Finance income relates to the interest income earned from the placement of cash surplus with financial institutions. The increase is mainly due to the placement of our IPO proceeds into fixed deposit arrangements in FY 2015.

### **Profit Before Taxation**

As a result of the above, profit before tax increased by S\$1.1 million or 22.7% from S\$5.0 million for FY 2014 to S\$6.1 million for FY 2015.

### **Income Tax Expense**

Income tax expense increased by S\$49,000 or 6.2% due to higher profits in FY 2015.

## **Review of the Group's Financial Position**

### **Non-Current Assets**

As at 31 December 2015, non-current assets amounted to S\$1.7 million or 6.0% of the Group's total assets. Non-current assets consist of the following:

- Goodwill of S\$0.8 million or 50.5% of the Group's total non-current assets, arising from the acquisition of Beh's Clinic for Women and Choo Wan Ling Women's Clinic in 2014;

- Plant and equipment of S\$0.7 million or 40.6% of the Group's total non-current assets. The increase of S\$0.1 million or 12.9% is mainly due to the acquisition of three new ultrasound machines in early 2015; and
- Investment in available-for-sale financial assets of S\$0.1 million or 8.9% of the Group's total non-current assets. The balance represents the cost of investment in SG Meditech Pte. Ltd. of S\$0.2 million less impairment charge of \$0.1 million as at 31 December 2015.

### **Current Assets**

As at 31 December 2015, current assets amounted to S\$25.9 million or 94.0% of the Group's total assets. Current assets consist of the following:

- Inventories of S\$0.3 million or 1.1% of the Group's total current assets;
- Trade and other receivables of S\$1.4 million or 5.7% of the Group's total current assets. The decrease of S\$0.5 million or 23.5% is mainly due to our step-up effort in following up on the outstanding doctor's professional fees due from the hospitals and insurance companies; and
- Cash and cash equivalents of S\$24.2 million or 93.2% of the Group's total current assets. The increase of S\$12.9 million or 114.7% is mainly due to the IPO proceeds received in June 2015.

### **Non-Current Liabilities**

As at 31 December 2015, non-current liabilities amounted to S\$85,000 or 2.4% of the Group's total liabilities. Non-current liabilities consist of deferred tax liabilities. Deferred tax liabilities arose from the timing differences in tax payables.

### **Current Liabilities**

As at 31 December 2015, current liabilities amounted to S\$3.5 million or 97.6% of the Group's total liabilities. Current liabilities consist of the following:

- Trade and other payables of S\$1.6 million or 46.6% of the Group's total current liabilities. The decrease of S\$0.1 million or 5.7% is mainly due to more prompt payment to suppliers;
- Deferred revenue of S\$0.4 million or 10.7% of the Group's total current liabilities, relates to antenatal package fees collected upfront from patients for consultation that have yet to be performed. The increase of S\$0.1 million or 36.1% is due to the increase in antenatal package fees received; and

- Current tax liabilities of S\$1.5 million or 42.7% of the Group's total current liabilities, comprises of income tax payables of S\$0.7 million for FY 2014, and current year's tax provision of S\$0.8 million.

### **Shareholders' Equity**

As at 31 December 2015, shareholder's equity of S\$24.0 million comprises of the following:

- Issued and fully paid share capital of S\$14.4 million. The increase of S\$10.2 million is due to the IPO proceeds received, net of share issuance costs of S\$0.7 million;
- Capital reserve of S\$1.8 million represents the difference between the fair value of the purchase consideration paid by the Company and the net assets of Choo Wan Ling's Clinic for Women Pte. Ltd. and Beh's Clinic for Women Pte. Ltd. acquired by the Company in 2014; and
- Retained earnings of S\$9.5 million; offset by
- Merger reserve of S\$1.7 million represents the difference between the consideration paid by the Company and the net assets of K W Lee Clinic & Surgery for Women Pte. Ltd. and Heng Clinic for Women Pte. Ltd acquired by the Company.

### **Review of the Group's Cash Flows**

#### **Net Cash Generated from Operating Activities**

There was a net cash inflow of S\$6.4 million from operating activities for FY 2015. This comprises of operating cash inflows before changes in working capital of S\$6.4 million, net working capital inflows of S\$0.2 million and income tax paid of S\$0.2 million. The net working capital inflows of S\$0.2 million is mainly due to more prompt payment for our doctor's professional fees due from the hospitals and insurance companies.

#### **Net Cash Used in Investing Activities**

Net cash used in investing activities amounted to S\$0.3 million which was mainly attributed to the purchase of three new ultrasound machines.

#### **Net Cash Generated from Financing Activities**

Net cash generated from financing activities amounted to S\$6.8 million which was attributed to the net IPO proceeds of S\$10.2 million, offset by the dividend paid to shareholders of S\$3.4 million.

- 9 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Not applicable.

- 10 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months.**

As at the date of this Announcement, the Board of Directors are not aware of any significant change in trends and competitive conditions that will significantly affect the Group's operations and businesses. The Singapore Government has not changed its tact on encouraging population growth and there has not been any macro health risks that could severely affect private healthcare visitations.

Barring any unforeseen circumstances, the Board of Directors expects the Group to remain profitable in 2016.

- 11 If a decision regarding dividend has been made, the required information has been disclosed.**

**(A) Whether an interim (final) ordinary dividend has been declared or recommended.**

Pursuant to the Dividend Policy as set out on Page 54 of the Company's Offer Document dated 26 May 2015, the Group targets to distribute up to 90% of our net profit after tax to our shareholders for FY 2015. In view of our performance of the Group in FY 2015, the Board of Directors has recommended a final one-tier tax exempt dividend of 1.15 Singapore cents per share in respect of FY 2015 ("Final Dividend"), together with an interim dividend of 0.88 Singapore cents per share had been paid on 3 September 2015, will constitute 87.2% of FY 2015 net profit after tax.

**(B)(i) Amount per share**

1.15 Singapore cents per share (based on 238,401,501 shares which takes into consideration 20,401,501 shares issued to Dr. Joyce Lim Teng Ee for the acquisition of her business and medical practices of JL Laser & Surgery Centre Pte. Ltd., JL Esthetic Research Centre Pte. Ltd. and JL Dermatology Pte. Ltd.)

**(B)(ii) Previous corresponding period**

0.85 Singapore cents per share (based on 174,400,000 shares)



**(C) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax and the country where the dividend is derived. (If the dividend is not taxable in the hands of the shareholders, this must be stated)**

The dividend is one-tier tax exempt.

**(D) The date the dividend is payable**

The proposed Final Dividend, if approved by the shareholders of the Company at the Annual General Meeting to be held on 8 April 2016, will be paid on 4 May 2016.

**(E) The date on which Registrable Transfers received by the Company (up to 5.00pm) will be registered before entitlements to the dividend are determined.**

**NOTICE IS HEREBY GIVEN** that, subject to the approval of the shareholders of the Company to the proposed Final Dividend at the Annual General Meeting to be held on 8 April 2016, the Share Transfer Books and Register of Members of the Company will be closed at 5:00 p.m. on 18 April 2016 for the purpose of determining entitlements of ordinary shareholders to the tax exempt (one-tier) Final Dividend of 1.15 Singapore cents per ordinary share for FY 2015.

Duly completed registrable transfers received by the Company's Share Registrar, Tricor Barbinder Share Registration Services at 80 Robinson Road #02-00, Singapore 068898, up to 5:00 p.m. on 18 April 2016 will be registered before entitlements to the Final Dividend are determined. Members whose securities accounts with The Central Depository (Pte) Ltd. are credited with the Company's ordinary shares as at 5:00 p.m. on 18 April 2016 will be entitled to the Final Dividend. Payment of the Final Dividend, if approved by the members at the Annual General Meeting to be held on 8 April 2016, will be made on 4 May 2016.

**12 If no dividend has been declared (recommended), a statement to that effect.**

Not applicable.

**13 If the Group has obtained a general mandate from the shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Group does not have a general mandate from its shareholders for Interested Person Transactions pursuant to Rule 920(1)(a)(ii).



## 14 Use of IPO proceeds

Pursuant to the IPO on 4 June 2015, the Company received net proceeds of S\$9.2 million (after deducting listing and processing fees, professional fees and placement commission and other expenses) from the placement of new shares. As at the date of this announcement, the use of IPO proceeds are as follows:

	Amount Allocated S\$'000	Amount Utilised S\$'000	Amount Unutilised S\$'000
<b>Use of IPO proceeds</b>			
Expansion of business operations	3,000	-	3,000
Investments in healthcare professionals and synergistic businesses <sup>5</sup>	6,000	(6,000)	-
Working capital purposes	200	-	200
<b>Total</b>	<b>9,200</b>	<b>(6,000)</b>	<b>3,200</b>

Note:

<sup>5</sup> The amount of S\$6.0 million from the investments in healthcare professionals and synergistic businesses category has been utilised to pay the first tranche of the purchase consideration of S\$6.0 million for the acquisition of the business and medical practices of JL Laser & Surgery Centre Pte. Ltd., JL Esthetic Research Centre Pte. Ltd. and JL Dermatology Pte. Ltd. in accordance with the terms and conditions of the Framework Agreement dated 4 November 2015 and the Sale and Purchase Agreement dated 31 December 2015.

## PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR RESULTS ANNOUNCEMENT

### 15 Segmented revenue and results for operating segments (of the Group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

Prior to 1 January 2015, the core business of the Group is Obstetrics and Gynaecology ("O&G"). With our recruitment of two Cancer Specialists towards end of 2014, namely Dr. Cindy Pang and Dr. Radhika Lakshmanan, the Group has successfully formed a Cancer-related segment.

<u>2015</u>	O&G S\$	Cancer- Related S\$	Adjustment & Elimination S\$	Total S\$
<b>Revenue</b>				
External	14,876,884	1,535,855	-	16,412,739
Inter-segment	-	-	-	-
Total revenue	14,876,884	1,535,855	-	16,412,739
<b>Segment Results</b>				
Segment profit from operations	6,125,664	(70,638)	-	6,055,026
Finance income				126,573
Finance expense				-
Profit before income tax				6,181,599
Income tax expense				(840,274)
Profit for the year				5,341,325

<u>2014</u>	O&G S\$	Cancer- Related S\$	Adjustment & Elimination S\$	Total S\$
<b>Revenue</b>				
External	13,452,728	94,178	-	13,546,906
Inter-segment	-	-	-	-
Total revenue	13,452,728	94,178	-	13,546,906
<b>Segment Results</b>				
Segment profit from operations	5,094,305	(54,094)	-	5,040,211
Finance income				154
Finance expense				(999)
Profit before income tax				5,039,366
Income tax expense				(791,316)
Profit for the year				4,248,050

**16 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.**

Please refer to item 8.

**17 A breakdown of revenue as follows:**

	<u>Group</u>		Increase/ (Decrease)
	2015 (Unaudited) S\$	2014 (Audited) S\$	%
Revenue reported for the first half year	7,724,336	6,625,295	16.6%
Operating profit after tax reported for the first half year	2,712,238	2,539,704	6.8%
Revenue reported for the second half year	8,688,403	6,921,611	25.5%
Operating profit after tax reported for the second half year	2,629,087	1,708,346	53.9%

**18 A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:**

Please refer to item 11 for the Final Dividend declared in respect of FY 2015.

		Dividends declared and paid to	
		The Company's shareholders	The shareholders of former subsidiaries
		2015 (Unaudited) S\$	2014 (Audited) S\$
Interim dividend	One-tier tax exempt	1,482,400	-
Interim dividend	One-tier tax exempt	1,918,400	-
Final dividend	One-tier tax exempt	-	2,175,000
		3,400,800	2,175,000

		Proposed dividends to the Company's shareholders but not recognised as a liability as at	
		31 December 2015 (Unaudited) S\$	31 December 2014 (Audited) S\$
Final dividend	One-tier tax exempt	2,741,617	1,482,400

**19 Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13).**

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Company confirms that the person occupying managerial position in the Company are as follows:

Name	Age	Family relationship with any director, CEO and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Heng Tong Bwee	61	Sister of Dr. Heng Tung Lan (our Executive Director and substantial shareholder)	<ul style="list-style-type: none"> <li>• Chief Administrative Officer</li> <li>• 2014</li> </ul>	No change

**21 Confirmation pursuant to Rule 720(1)**

Singapore O&G Ltd. confirms that undertakings under Rule 720(1) have been obtained from all its directors and executive officers in the format set out in form Appendix 7H.

**BY ORDER OF THE BOARD**

DR NG KOON KENG  
CHIEF EXECUTIVE OFFICER  
3 FEBRUARY 2016

*This announcement has been prepared by the Company and its content have been reviewed by the Company's sponsor, Hong Leong Finance Limited (the "Sponsor"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "SGX-ST"). The Sponsor has not independently verified the contents of this announcement. This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement including the correctness of any of the statements or opinions made or reports contained in this announcement.*

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