

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

FOR IMMEDIATE RELEASE

Singapore O&G posted revenue of S\$17.9M and achieved a net profit after tax of S\$3.8M for 1H 2020 amidst the COVID-19 pandemic

- *All our clinics were operational during the Circuit Breaker period and all our healthcare services (including aesthetics services) have resumed in Phase Two of post Circuit Breaker on 19th June 2020*
- *Achieved a net profit after tax of S\$3.8 million on a revenue of S\$17.9 million for 1H 2019 amidst the COVID-19 pandemic*
- *Maintaining a dividend payout ratio of about 62% of the Group's net profit after tax, an interim dividend of 0.50 Singapore cents per share will be payable on 1st September 2020*

Financial highlights for the half year ended 30th June 2020

(S\$'000)	1H 2020	1H 2019	Change	
Revenue	17,865	18,650	(785)	(4.2%)
Profit from operations	4,528	5,805	(1,277)	(22.0%)
Net profit before tax	4,565	5,756	(1,191)	(20.7%)
Net profit after tax	3,792	4,827	(1,035)	(21.4%)

Singapore, 6th August 2020 – Singapore O&G Ltd. (“SOG”, the “Company” or collectively with its subsidiaries, the “Group”), a SGX Catalist listed company specialising in women’s and children’s health and wellness, announced today its unaudited financial results for the half year ended 30th June 2020 (“1H 2020”).

Despite the COVID-19 pandemic, coupled with the suspension of non-essential medical services, the Group is pleased to post a revenue of S\$17.9 million for 1H 2020 which is a slight decline of S\$0.8 million or 4.2% as compared to S\$18.7 million in the corresponding period a year ago (“1H 2019”).

Our Paediatrics segment posted an increase of S\$0.4 million in revenue due to the increase in patient load for our new clinics i.e. SOG – Christina Ong Clinic for Children and Gastroenterology and SOG – Petrina Wong Clinic for Children Respiratory and

Sleep which started their operations in November 2018 and February 2019 respectively. The revenue from the other three business segments of the Group registered a decrease in revenue due to a dip in the number of clinic visitations as we had to defer all non-essential medical services and procedures. As a result, the revenue for our Dermatology, Cancer-related and Obstetrics & Gynaecology (“O&G”) segment decreased by S\$0.7 million, S\$0.3 million and S\$0.2 million respectively.

Other operating income increased by S\$0.5 million from S\$0.3 million for 1H 2019 to S\$0.8 million for 1H 2020. This is largely due to the COVID-19 government grants support such as the Jobs Support Scheme, Foreign Workers Levy Rebate and Property Tax Rebate.

Consumables and medical supplies used remained consistent at S\$3.0 million as the increase of S\$0.1 million in consumables and medical supplies used by our Paediatrics segment arising from the increase in patient load was offset by the same amount of decrease in consumables and medical supplies used by the other three business segments.

The Group recorded a higher employee remuneration expense of S\$1.1 million or 14.0% or from S\$7.9 million for 1H 2019 to S\$9.0 million for 1H 2020. The increase is due mainly to the increase in employee remuneration expense for certain specialist medical practitioners which took effect from 1st January 2020 for talent retention and recognition of past performance contribution.

Depreciation remained consistent at S\$1.1 million due to lower depreciation of S\$43,000 from the right-of-use assets attributed by lower rental rates for our clinic leases renewal which was offset by a higher depreciation charge of S\$38,000 from the addition of medical equipment in 1H 2020.

Other operating expense decreased by S\$0.1 million or 8.0% from S\$1.2 million for 1H 2019 to S\$1.1 million for 1H 2020. The decrease is due mainly to the decrease in administrative and professional fees.

As a result, the Group’s net profit after tax attributable to shareholders decreased by S\$1.0 million or 21.4% from S\$4.8 million for 1H 2019 to S\$3.8 million for 1H 2020. The Group’s earnings per share decreased by 0.21 Singapore cents from 1.01 Singapore cents for 1H 2019 to 0.80 Singapore cents for 1H 2020.

The Group maintained a strong financial position with a net asset value of S\$40.0 million as at 30th June 2020. Net asset value per share increased by 0.79 Singapore cents from 7.59 Singapore cents as at 31st December 2019 to 8.38 Singapore cents as at 30th June 2020.

The Group continues to generate a healthy net operating cash flows of S\$5.0 million for 1H 2020 and recorded a cash and cash equivalents balance of S\$29.6 million as at 30th June 2020.

In view of the Group's performance, the Board of Directors is pleased to declare an interim one-tier tax exempt dividend for 1H 2020 of 0.50 Singapore cents per share, maintaining a dividend payout ratio of about 62% of the Group's net profit after tax.

Mr. Eric Choo, Chief Executive Officer of SOG said, "The COVID-19 global pandemic has brought unprecedented challenges. Since the outbreak of COVID-19, and even during the Circuit Breaker period, all our clinics remain operational to serve our patients and their families.

We have implemented precautionary measures and guidelines from the Ministry of Health for all our clinics to ensure the safety of our patients and their families, specialist medical practitioners and clinical staff. We have also introduced tele-consultation and delivery of medication services to our patients to avoid having them to commute.

With the COVID-19 pandemic and challenges, we are pleased with the Group's performance for the half year ended 30th June 2020. Accordingly, an interim dividend of 0.50 Singapore cents per share for 1H 2020 is declared to thank all shareholders for their continued support during these unprecedented times. We would also like to commend our frontline staff for their continued dedication and hard work in delivering patient care to our patients and their families during this difficult time."

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ABOUT SINGAPORE O&G LTD.

(“**SOG**” or collectively with its subsidiaries, the “**Group**”)

Established since 2011, SOG is a leading healthcare service provider dedicated towards delivering premier medical services to women’s and children’s health and wellness at affordable prices.

With a long and established track record in the Obstetrics and Gynaecology (“**O&G**”) segment in Singapore, which provides pre-pregnancy counselling, delivery, pregnancy and post-delivery care, the Group has expanded its spectrum of services to include gynaecological and breast cancer, skin and aesthetic treatments, and paediatrics.

The Group’s clinics, under its four operating segments of O&G, Cancer-related, Dermatology and Paediatrics, are strategically located throughout Singapore to provide easy access to its patients.

For more information about the Group, please visit SOG’s website at www.sog.com.sg and follow us on the following social media platforms:



For media and analyst queries, please email to ir@sog.com.sg. Alternatively, you may contact:

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*This press release has been prepared by the Company and its contents have been reviewed by the Company’s sponsor, PrimePartners Corporate Finance Pte. Ltd. (the “**Sponsor**”) in accordance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) Listing Manual Section B: Rules of Catalyst.*

This press release has not been examined or approved by the SGX-ST. The SGX-ST assumes no responsibility for the contents of this press release, including the correctness of any of the statements or opinions made or reports contained in this press release.

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