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Singapore Paincare on track to achieve record year as 1H FY2022 net profit surges past FY2021

- Net profit attributable to shareholders leaps 235.9% to S\$2.3 million on the back of higher revenue of S\$8.3 million.
- Positive performance driven by increase in patients due to the Group's participation in the national vaccination programme, the establishment of Vaccinated Travel Lanes and two new clinic openings.

<i>Financial Highlights in S\$' million</i>	6 months ended 31 December ²		
	1H FY2022 ³	1H FY2021 ³	% Change
Revenue	8.3	4.9	70.9
EBIT	2.8	1.0	180.0
EBITDA	3.2	1.3	146.2
Profit for the period	2.3	0.6	274.2
Profit attributable to Shareholders	2.3	0.7	235.9
Earnings Per Share ¹ (Singapore cents)	1.3	0.4	200.0

Notes:

1. EPS was computed based on the weighted average number of shares of 179,623,416 shares and 159,545,684 shares in HY2022 and HY2021 respectively.
2. All financial figures have been rounded to one (1) decimal place.
3. 1H FY2022 and 1H FY2021 are defined below.

SINGAPORE, 14 February 2021 – Singapore Exchange Securities Trading Limited Catalist-listed Singapore Paincare Holdings Limited (“**Singapore Paincare**” or together with its subsidiaries, the “**Group**”) is on track to achieve a record financial year as its net profit attributable to shareholders for the six months ended 31 December 2021 (“**1H FY2022**”) has already surpassed the S\$2.2 million it achieved for the previous full financial year ended 30 June 2021 (“**FY2021**”).

Singapore Paincare’s net profit attributable to shareholders leapt 235.9% to S\$2.3 million in 1H FY2022 from the S\$674,887 recorded for the previous corresponding six months in 2020 (“**1H FY2021**”). This translates to an earnings per share of 1.3 Singapore cents in 1H FY2022, compared to 0.4 Singapore cents in 1H FY2021. The strong bottom line came on the back of higher revenue of S\$8.3 million, up 70.9% from the S\$4.9 million it achieved in 1H FY2021.

Singapore Paincare attributed its stellar 1H FY2022 financial performance to several factors. For one, the Group saw an increase in patients due to its participation in Singapore's national COVID-19 vaccination programme, the establishment of the Vaccinated Travel Lanes (“VTLs”) and the opening of two new clinics. This was despite a S\$317,000 reduction in the Group's other income in 1H FY2022 from S\$523,000 in 1H FY2021, owing mainly to the tapering of government grants. The Group's associates also contributed to higher share of profits of S\$128,000 in 1H FY2022 from S\$93,000 in 1H FY2021, underpinned by higher revenue generated by these clinics.

Although Singapore Paincare incurred higher year-on-year (“y-o-y”) expenses, these were in tandem with its expanded network and operations. Inventories and consumables used and changes in inventories increased S\$410,000 to S\$1.6 million in 1H FY2022 from S\$1.15 million in 1H FY2021, while employee benefits expenses also surged 70.4% y-o-y to S\$2.9 million in the half-year period from S\$1.7 million in 1H FY2021, as the Group expanded its total headcount to 72 from 42 previously. In addition, depreciation and amortisation expenses jumped 37.3% to S\$466,000 in 1H FY2022 from S\$340,000 in 1H FY2021, as the Group's right-of-use assets increased with the acquisition of new businesses.

The Group remained in a strong financial position with cash and cash equivalents of S\$15.6 million as at 31 December 2021 (as at 30 June 2021: S\$15.8 million). This gives it a sizeable war-chest to pursue suitable growth opportunities.

Dr Bernard Lee, Executive Director and Chief Executive Officer of Singapore Paincare, said: *“The Group's robust set of financial results for this reporting period can be attributed to two drivers. Notably, our GP clinics' participation in the national vaccination programme had contributed significantly to revenue growth. This was further boosted by the gradual return of medical tourists, thanks to the VTLs, which had also added patient footfalls at our specialist clinics.”*

Going forward, Singapore Paincare expects the next 12 months to remain challenging because of the prolonged COVID-19 situation and the possible emergence of new variants. However, the Group is cautiously optimistic that the Singapore government's stringent COVID-19 containment measures and aggressive vaccination programme will continue to provide stability and gradual improvement to the local situation. The Group is also cautiously optimistic that the government's expressed intention to launch VTLs with more countries¹ will lead to an increase in medical tourists from the region, which will bode well for the private healthcare industry, and for its business.

Meanwhile, the Group has expanded its services and revenue stream to include a traditional Chinese medicine (“TCM”) arm under its new Singapore Paincare TCM Wellness brand. Its first TCM clinic will be part of its new integrated pain care centre that is scheduled to open in Marina Square.

¹ The Business Times article “Singapore aims for quarantine-free travel for all vaccinated travellers: Iswaran”, 10 January 2022.

Dr Lee said: *“The addition of TCM to our suite of services enables us to offer alternative pain treatments and reflect the deliberate and intentional approach that we are taking to create a comprehensive pain care eco-system that will facilitate two-way referral of patients, which we believe will contribute positively to revenue growth in the long run.”*

To pursue sustainable growth, Singapore Paincare remains on the lookout for opportunities for organic growth through the incorporation of new clinics or the expansion of our existing clinics, or inorganically through franchising, joint ventures, acquisitions or strategic alliances. Since the Group’s listing in July 2020, the Group has expanded its Singapore network. As of 10 February 2022, the Group has 13 locations offering five main services including specialist pain care services, primary healthcare, health screening, physiotherapy and TCM.

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About Singapore Paincare Holdings Limited

Singapore Paincare Holdings (“SPCH”) is a medical services group engaged in pain care, primary care and other services. The Group focuses on the treatment of patients suffering from chronic pain and its pain care services include, among others, minimally invasive procedures, cancer pain treatment, specialised injections, pharmacotherapy, and cognitive behavioural therapy.

In addition to pain care treatment, SPCH’s suite of services includes general medical consultation, management of chronic and acute conditions, health screening and dermatology services. More information on the Company can be found at <https://sgpaincareholdings.com/>.

Issued for and on behalf of Singapore Paincare Holdings Limited

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*Singapore Paincare Holdings Limited (the “**Company**”) was listed on Catalist of Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) on 30 July 2020. The initial public offering of the Company was sponsored by Novus Corporate Finance Pte. Ltd. (the “**Sponsor**”).*

This press release has been prepared by the Company and reviewed by the Sponsor, in compliance with Rule 226(2)(b) of the SGX Listing Manual Section B: Rules of Catalist.

This press release has not been examined or approved by the SGX-ST and 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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