



SINGAPORE O&G LTD.  
CARING FOR WOMEN'S & CHILDREN'S HEALTH

# Maintaining Stability And *Dedication To Care*

Annual Report 2020



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*This Annual Report has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.*

*The contact person for the Sponsor is Ms. Jennifer Tan, 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, sponsorship@ppcf.com.sg.*

# About SOG

Established since 2011, Singapore O&G Ltd. ("SOG"; the "Company" or collectively with its subsidiaries, the "Group") 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 healthcare services to include gynaecological and breast cancer, skin and aesthetic treatments, and paediatrics.



**Obstetrics & Gynaecology**



**Dermatology**



**Cancer-related**



**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.

SOG was listed on the Catalist board of the Singapore Exchange Securities Trading Limited since 4 June 2015.

## Our Mission, Vision & Values

### MISSION

To bring new life, health and wellness to our patients and their families through the provision of excellent healthcare.

### VISION

To be the premier specialist provider in holistic healthcare for women and children.  
To be the preferred choice for patients seeking private specialist healthcare.

### VALUES

**Accountability** - We are responsible for our actions and attitudes.

**Commitment to Excellence** - We are committed to do our best for the care of our patients and their families.

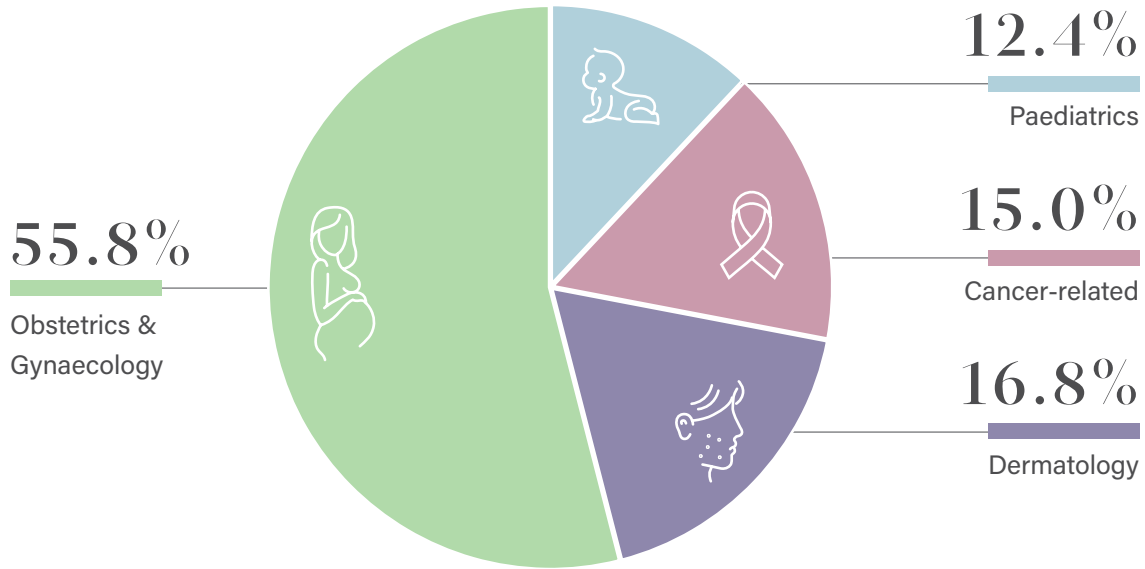
**Integrity** - We are open, honest and ethical.

**Respect** - We embrace diversity and treat one another with dignity and empathy.





**Teamwork** - We work together in delivering the best medical outcomes and the highest quality of service.

# Our Business

## REVENUE CONTRIBUTION BY OPERATING SEGMENTS

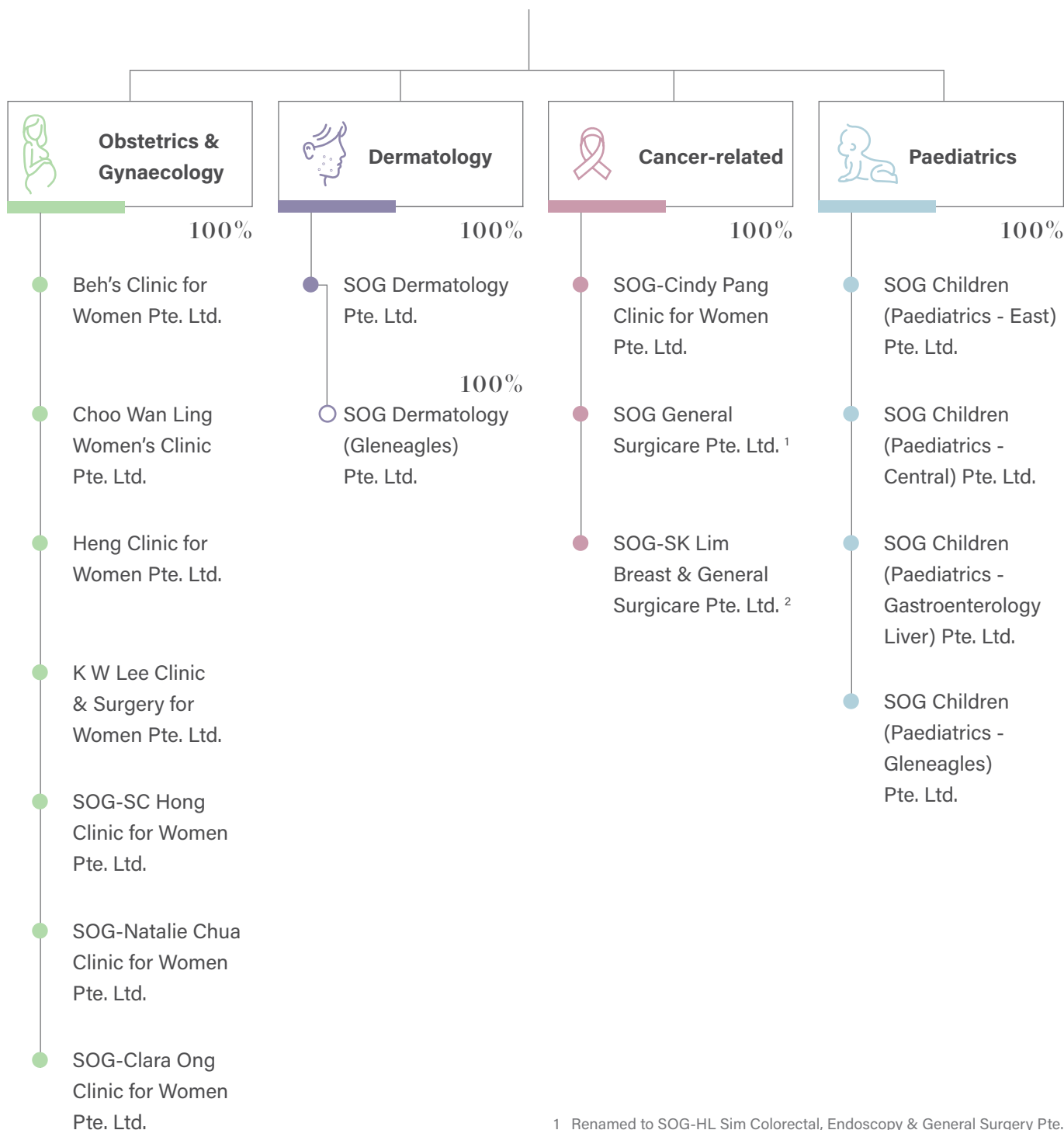


## OUR SERVICES

 <b>Obstetrics &amp; Gynaecology</b>	 <b>Dermatology</b>	 <b>Cancer-related</b>	 <b>Paediatrics</b>
<ul style="list-style-type: none"> <li>General obstetrics, labour &amp; delivery</li> <li>Medical problems during pregnancy</li> <li>Obstetrical complication &amp; its management</li> <li>General gynaecology</li> <li>Gynaecological surgery</li> <li>Female pelvic medicine/ Urogynaecology &amp; reconstruction surgery</li> <li>High Intensity Focused Ultrasound ("HIFU") treatment</li> </ul>	<ul style="list-style-type: none"> <li>General skin care</li> <li>Aesthetics &amp; dermatological procedures</li> <li>Dermatological surgery &amp; laser surgery</li> </ul>	<ul style="list-style-type: none"> <li>Gynae-oncological surgery</li> <li>Breast &amp; general surgery</li> <li>Colorectal Surgery</li> <li>Diagnostic &amp; therapeutic endoscopic procedures</li> </ul>	<ul style="list-style-type: none"> <li>Newborn &amp; well-baby checks</li> <li>Common childhood conditions</li> <li>Childhood immunisation routine &amp; vaccinations</li> <li>Child nutrition, growth &amp; developmental assessment</li> <li>Gastrointestinal conditions &amp; endoscopic procedures</li> <li>Respiratory &amp; behavioural sleep conditions</li> </ul>

# Our Group Structure

AS AT 31 DECEMBER 2020



<sup>1</sup> Renamed to SOG-HL Sim Colorectal, Endoscopy & General Surgery Pte. Ltd. on 14 January 2021

<sup>2</sup> Renamed to SOG-CC Tan Breast, Thyroid & General Surgery Pte. Ltd. on 16 March 2021

# Chairman's Message

“On 4 June 2020, SOG celebrated its fifth year anniversary since our IPO listing on the Singapore Exchange Catalist board. This marked a significant milestone for the Group, as what started from a humble team of seven (7) doctors in 2015, has since grown to a team of 15 doctors.”

## DR. BEH SUAN TIONG

*Executive Chairman*



### Dear Shareholders,

The year in review has been an extraordinary one. An unprecedented time when the nation faced many challenges, brought about by the on-going coronavirus disease 2019 (“COVID-19”) global pandemic.

As the Chairman of SOG, it has been heart-warming to see the Group stand united as one, with every member of SOG doing his or her part, determined to overcome the challenges together. To all SOG doctors, nurses, clinical and management staff, thank you for your unwavering commitment, dedication and the personal sacrifices you have quietly made. I wish to convey my sincere appreciation to all our patients and their families, business partners and members of the public, whose kind words of encouragement and support have undoubtedly lent our medical healthcare team the strength to carry on and continue providing the best care for our patients.

It is on this promising note, that I am delighted to share that SOG achieved strong financial performance for the financial year ended 31 December 2020 (“FY 2020”).

### FY 2020 FINANCIAL PERFORMANCE

The Group achieved strong financial performance for FY 2020 amid the on-going COVID-19 pandemic and posted a revenue growth of S\$0.1 million or 0.3% from S\$39.8

million for FY 2019 to S\$39.9 million for FY 2020. The Group's net profit after tax increased by S\$10.6 million from a net loss after tax of S\$1.1 million for FY 2019 to net profit after tax of S\$9.5 million for FY 2020.

This achievement was a result of the team contribution made by all our doctors, nurses, clinical and management staff.

### MILESTONES AND ACHIEVEMENTS

On 4 June 2020, SOG celebrated its fifth year anniversary since our IPO listing on the Singapore Exchange Catalist board. This marked a significant milestone for the Group, as what started from a humble team of seven (7) doctors in 2015, has since grown to a team of 15 doctors.

Today, the Group's 15 clinics, under its four (4) operating segments of Obstetrics and Gynaecology (“O&G”), Cancer-related, Dermatology and Paediatrics, are strategically located throughout Singapore to provide easy access to our patients.

We kickstarted this year on an uplifting note. In recognition of this growth, we received news in January 2021 that The Straits Times and global research company, Statista, had listed SOG again as one of the Top 75 Fastest Growing Companies of 2021 (based on our revenue growth between 2016 and 2019).



**The Straits Times and global research company, Statista, had listed SOG again as one of the Top 75 Fastest Growing Companies of 2021.**

# Chairman's Message

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Winning this award in the midst of a global pandemic and volatile global political and economic challenges reaffirms our commitment to quality and service excellence for our patients and their families.

In March 2021, SOG marked our first foray overseas in a joint venture with LYC Healthcare Bhd to set up a postpartum confinement centre in Johor, Malaysia. This partnership is part of SOG's continuous efforts to provide affordable and quality holistic healthcare for women and children, and expand our footprint and service offerings beyond Singapore and into the region.

In line with SOG's continued efforts to recruit like-minded doctors to join our family and expand our range of healthcare services, I am very pleased to welcome Dr. Sim Hsien Lin to the SOG family. Dr. Sim joins us in April 2021 as a General Surgeon, specialising in colorectal surgery and endoscopic procedures. With her wealth of clinical experience, SOG will be able to further expand our range of healthcare services, particularly in the Cancer-related segment.

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## BUSINESS SUSTAINABILITY

In line with SOG's mission to provide a comprehensive and holistic suite of healthcare services for our patients and their families, we will constantly increase and adapt our service offerings, in order to cater to ever changing healthcare trends and patient needs.

As such, building upon our core O&G segment, and further expansion of our other three (3) complementary healthcare segments will remain key to reflect the Group's commitment to providing quality healthcare and serving the needs of our patients and their families. At SOG, we actively invest in our specialists with the right tools and opportunities to constantly upgrade their skills and adopt the latest medical practices and technologies. With our mentorship programme in place, our junior specialist medical practitioners can leverage on our pool of experienced senior specialist medical practitioners to further strengthen their skills and expertise.

Together with good corporate governance and a solid support framework, this will allow our Group to remain relevant and competitive in the market, and further attract passionate and like-minded specialists to join SOG.

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## APPRECIATION

To our patients and their families, I would like to extend my gratitude for your continued trust in us for your healthcare needs.

I would like to place on record my appreciation to our fellow Board member, Independent Director Mr. Chan Heng Toong, for his efforts and contribution to the Group for the last five (5) years. He will be retiring at the conclusion of our forthcoming Annual General Meeting ("**AGM**") to be held on 23 April 2021.

On behalf of the Board, I would also like to thank all our doctors, nurses, clinical and management staff again for their commitment and dedication towards the growth of SOG.

Lastly, to our fellow shareholders, thank you for your continued support and faith in SOG.

**DR. BEH SUAN TIONG**

*Executive Chairman*

# CEO's Message

“We look forward to building upon our achievements from 2020 and together with your continued support and faith in the prospects of the Group, SOG forges ahead.”

**MR. ERIC CHOO**

*Chief Executive Officer*



## Dear Shareholders,

It has been over a year since my appointment as Chief Executive Officer of SOG. I would like to thank the Board of Directors (the “**Board**”) for entrusting me with the stewardship of the Group. I am grateful for the support of the management team, specialist medical practitioners and clinical staff, as we steer the Group to remain as the premier specialist provider in quality holistic healthcare for women and children.

I have been working closely with the Board and management team to achieve key strategic priorities to best support the Group's long-term business goals and strengthen both SOG's competitive edge and growth opportunities to maximise sustained returns for our shareholders. As a result, SOG has achieved strong financial performance for FY 2020 amid the on-going COVID-19 pandemic.

## FINANCIAL REVIEW

Despite these challenging times, the Group achieved an increase of S\$0.1 million or 0.3% in revenue from S\$39.8 million for FY 2019 to S\$39.9 million for FY 2020. This was due to the increase in revenue of S\$0.8 million and S\$0.3 million from our O&G and Paediatrics segment respectively. Our Cancer-related and Dermatology segment however recorded a decline in revenue of S\$0.3 million and S\$0.7 million respectively and this was due mainly to a dip in the number of clinic visitations caused by the deferment of all non-essential medical services and procedures during the first half of FY 2020 in response to the COVID-19 pandemic.

Due to the overall increase in revenue, consumables and medical supplies used increased by S\$0.2 million or 3.7% from S\$6.5 million for FY 2019 to S\$6.7 million for FY 2020.

Employee remuneration expense increased by S\$3.0 million or 18.1% from S\$16.5 million for FY 2019 to S\$19.5 million for FY 2020. This was attributed to the increase in employee remuneration expense of certain specialist medical practitioners which took effect from 1 January 2020 in view of talent retention and recognition of past performance contribution.

Other operating expense decreased by S\$0.3 million or 12.4% from S\$2.5 million for FY 2019 to S\$2.2 million for FY 2020. This was due mainly to a decrease in professional fees, loss on disposal and write-off of plant and equipment, together with marketing and administrative expenses of S\$0.1 million each.

There was no impairment of goodwill on the carrying amount of cash generating unit of our Dermatology segment as at 31 December 2020. In FY 2019, the Group recorded an impairment loss of S\$11.9 million.

As a result of the above, the Group's net profit after tax increased by S\$10.6 million from a net loss after tax of S\$1.1 million for FY 2019 to net profit after tax of S\$9.5 million for FY 2020.

The Group's financial position as at 31 December 2020 remains strong with a cash and cash equivalent balance of S\$35.5 million, with no borrowings or debt securities.

## BUSINESS SEGMENT REVIEW

### O&G

Our O&G segment continued to be the major contributor to the Group's earnings and accounted 55.8% of the Group's FY 2020 revenue. Revenue from our O&G segment increased by S\$0.8 million or 4.1% from S\$21.6 million for FY 2019 to S\$22.4 million for FY 2020, while profit from operations decreased by S\$2.0 million or 18.3% due mainly to the increase in employee remuneration expense of certain specialist medical practitioners as stated earlier. Our O&G specialists delivered a total of 2,053 babies in FY 2020 which was an increase of 68 babies or 3.4% as compared to 1,985 babies in FY 2019. In addition, we also saw an increasing demand for our gynaecological services where our O&G specialists had performed 894 procedures and surgeries in FY 2020.

### PAEDIATRICS

Our Paediatrics segment continued to grow in FY 2020. Revenue from our Paediatrics segment increased by S\$0.3 million or 5.7% from S\$4.7 million for FY 2019 to S\$5.0 million for FY 2020; and



# CEO's Message

also posted its second year of profit from operations of S\$1.0 million since the inception of our Paediatrics segment in FY 2017.

## CANCER-RELATED

Due to the deferment of all non-essential medical services and procedures during the first half of FY 2020, our Cancer-related segment posted a decline in revenue of S\$0.3 million or 4.1% from S\$6.2 million in FY 2019 to S\$6.0 million in FY 2020. Profit from operations however remained consistent at about S\$2.3 million for FY 2020, as compared to prior year.

With the ageing population and cancer cases on the rise, we hope to continue to strengthen our Cancer-related segment, deepen our specialist talent pool and expand on our list of medical services offerings for our patients and their families.

In April 2021, we welcomed our new female Colorectal Surgeon, Dr. Sim Hsien Lin ("**Dr. Sim**"), on board. Dr. Sim was formerly a senior consultant with Khoo Teck Puat Hospital in the Department of General Surgery. Her expertise and key interests are colorectal surgery, proctology, minimally invasive surgery and surgical management of inflammatory bowel diseases. Dr. Sim currently practises at SOG-HL Sim Colorectal, Endoscopy and General Surgery clinic, located at Mount Elizabeth Novena Specialist Centre #06-53.

## DERMATOLOGY

Due to the COVID-19 pandemic which affected the economy and medical tourism in Singapore, our Dermatology segment had been impacted. Revenue decreased by S\$0.7 million or 9.8% from S\$7.4 million for FY 2019 to S\$6.7 million for FY 2020, while profit from operations decreased by S\$0.3 million or 28.1% from S\$0.9 million for FY 2019 to S\$0.6 million for FY 2020.

Our Dermatology segment is helmed by Dr. Joyce Lim. The Group currently has two Dermatologists to provide medical diagnosis of skin conditions and comprehensive medical dermatological care for our patients and their families.

Highly synergistic and complementary to our O&G segment, we launched our first ever SOG Dermatology Collection – Stretch Mark Control Cream and Skin Firming Oil in August 2020. These two products were specially formulated by Dr. Joyce Lim for pre-natal and post-partum mothers. Since the launch of these products, we have sold over 400 bottles and received a lot of positive feedback from our customers. These products are available at our SOG clinics, website, and major online shopping platforms.



## LOOKING AHEAD

On 18 March 2021, we announced the Group's first foray overseas in our latest joint venture with LYC Healthcare Berhad via its wholly-owned subsidiary, LYC Mother & Child Centre Sdn Bhd

("LYCMC"), to incorporate a Special Purpose vehicle ("**SPV**"), provisionally to be called LYC-SOG Mother & Child Centre Sdn Bhd, to set up a postpartum confinement centre in Johor, Malaysia ("**Johor Confinement Centre**") offering confinement care and related services (the "**Joint Venture**"). The SPV to be incorporated will be 51% and 49% owned by LYCMC and SOG respectively.

The facility will be located near the Singapore-Malaysia border to provide postpartum confinement care and related services catering to both Malaysian and Singaporean customers who wish to spend their post childbirth confinement period in Johor. The Johor Confinement Centre is expected to commence operations with an initial capacity of 60 beds, eventually ramping up to 130 beds.

The Joint Venture is an expansion of our current services premised on our vision 'To be the premier specialist provider in holistic healthcare for women and children.' It also enables the Group to expand our footprint and service offerings beyond Singapore and into the region.

Moving forward, we will continue to actively pursue new investment opportunities in both developed and emerging markets, seek organic growth through recruitment of specialist medical practitioners and inter-segment referrals, and maintain engagement with stakeholders such as our patients and their families to improve the quality of our healthcare services.

Despite the challenges ahead, SOG is well placed for growth as we increase our brand recognition and service quality. We will continue to improve and remain competitive to better serve our patients and their families.

## APPRECIATION

On behalf of the Board, I would like to extend our appreciation to our valued shareholders and business partners for your continued trust and support during this challenging economic climate.

In view of the Group's commendable performance for FY 2020, we are pleased to recommend a final one-tier tax exempt dividend of 1.20 Singapore cents per share which is subject to shareholders' approval of the Company's upcoming AGM. Together with the interim dividend payment of 0.50 Singapore cents, this brings FY 2020 total dividend to 1.70 Singapore cents, representing a dividend pay-out ratio of 85.2% of the Group's net profit after tax for the year.

Lastly, I would also like to express my gratitude to our patients and their families for placing their trust in SOG through our journey of growth. My heartfelt thanks to all our specialist medical practitioners, nurses, clinical and management staff for their commitment and contribution in delivering the highest standard of patient care to our patients and their families.

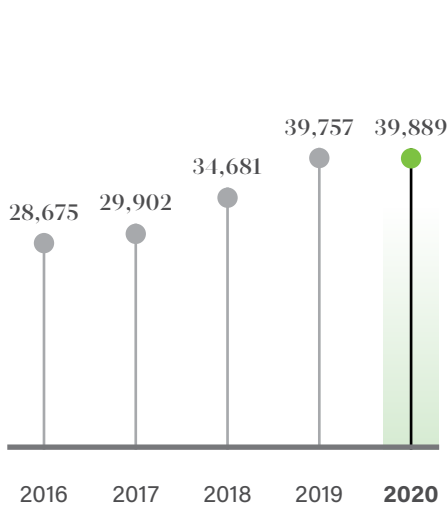
We look forward to building upon our achievements from 2020 and together with your continued support and faith in the prospects of the Group, SOG forges ahead.

## MR. ERIC CHOO

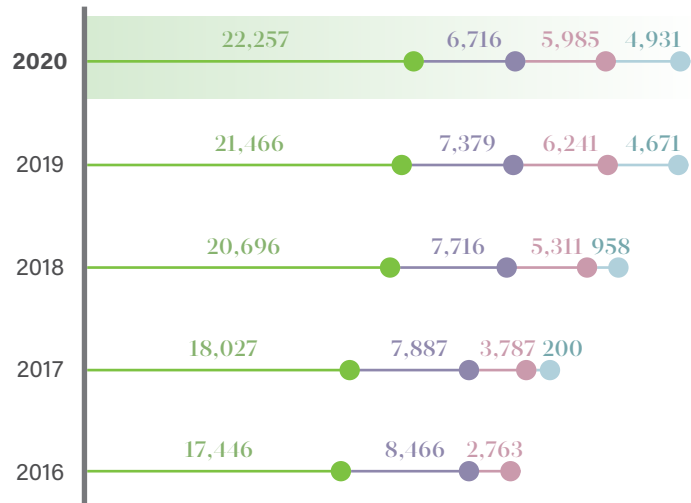
Chief Executive Officer

# Financial Highlights

## REVENUE (S\$'000)



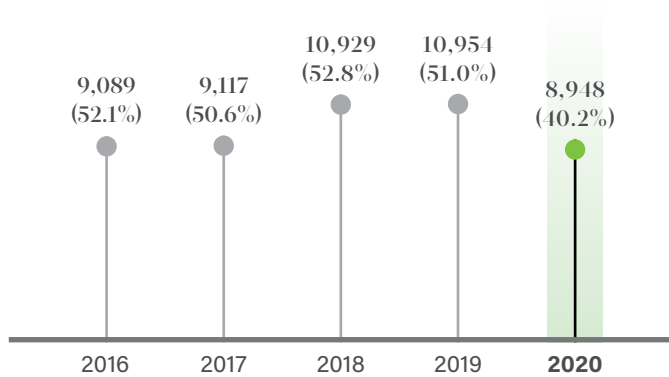
## REVENUE BY OPERATING SEGMENTS (S\$'000)



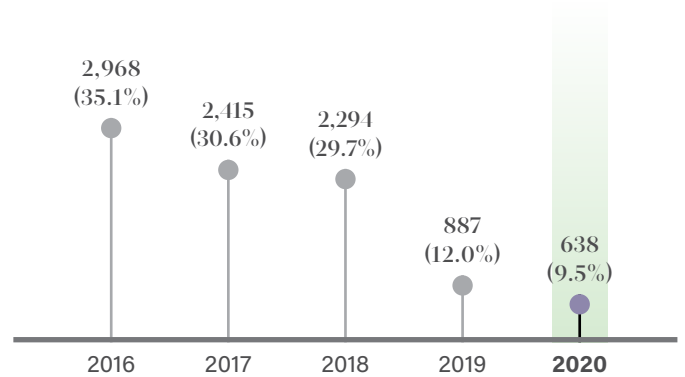
## PROFIT (S\$'000)/ MARGINS (%) FROM OPERATIONS BY BUSINESS SEGMENTS



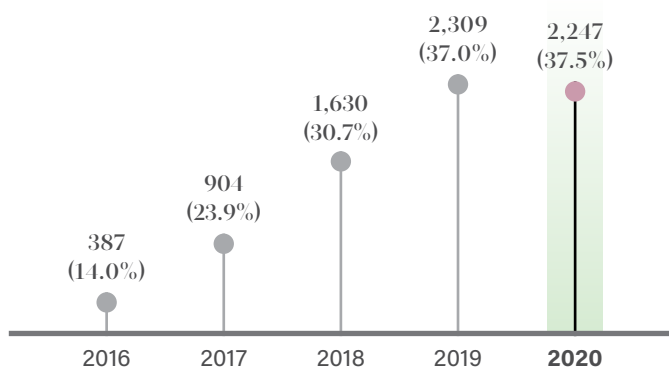
### Obstetrics & Gynaecology



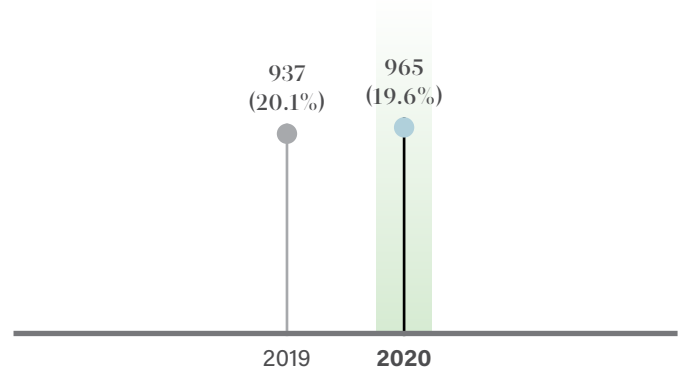
### Dermatology



### Cancer-related



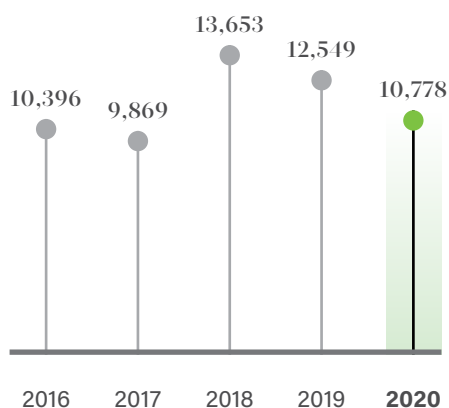
### Paediatrics



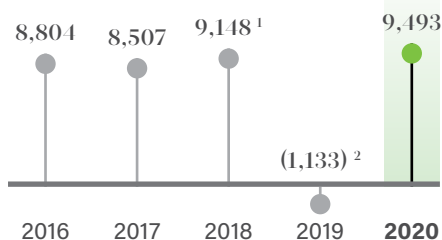
2017 & 2018 not meaningful to be discussed

# Financial Highlights

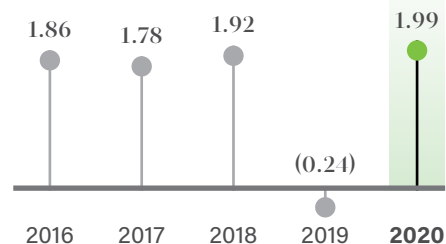
## PROFIT FROM OPERATIONS (S\$'000)



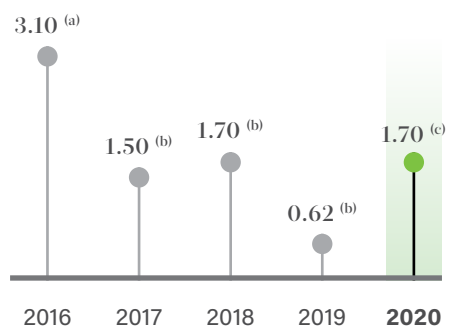
## PROFIT AFTER TAX (S\$'000)



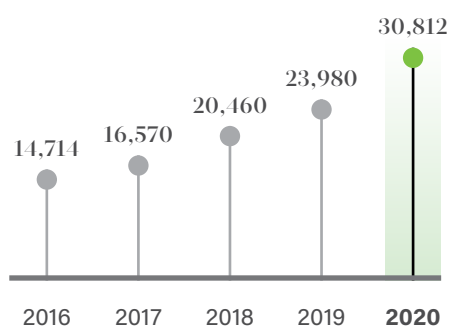
## EARNINGS PER SHARE<sup>3</sup> (SINGAPORE CENTS)



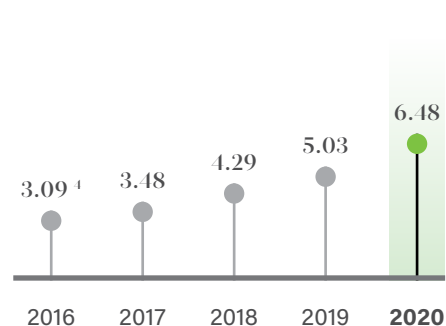
## DIVIDEND (SINGAPORE CENTS)



## NET TANGIBLE ASSETS VALUE (S\$'000)



## NET TANGIBLE ASSETS VALUE PER SHARE (SINGAPORE CENTS)



1 Excluding goodwill impairment of S\$2.8 million and non-recurring income net of taxes and associated expenses of S\$0.9 million, net profit for FY 2018 would have been S\$11.0 million.

2 Excluding goodwill impairment of S\$11.9 million, net profit for FY 2019 would have been S\$10.8 million.

3 On 15 May 2017, the Company completed and effected the share split of every one existing ordinary share in the capital of the Company held by shareholders of the Company into two ordinary shares ("Share Split").

For better comparison the weighted average number of ordinary shares for 2016 have been adjusted for the increase in the number of ordinary shares resulting from the Share Split.

(a) Based on 238,401,501 shares for interim and final dividend.

(b) Based on 476,803,002 shares for interim and final dividend.

(c) Based on 476,085,402 and 475,469,678 shares for interim and final dividend respectively.

4 The calculation of net tangible assets value per ordinary share as at 31 December 2016 was adjusted for the Share Split.

# Financial Review

## INCOME STATEMENT

S\$'000	FY 2020	FY 2019	Change (%)	Changes due to:
<b>Revenue</b>	39,889	39,757	0.3	<ul style="list-style-type: none"> <li>Increase of S\$0.8 million and S\$0.3 million from our O&amp;G and Paediatrics segments respectively are due to an overall increase in patient load for our new clinics, i.e., SOG - Clara Ong Clinic for Women, SOG - Christina Ong Clinic for Children and Gastroenterology and SOG - Petrina Wong Clinic for Children Respiratory and Sleep clinics which started their operations in May 2019, November 2018 and February 2019 respectively; offset by</li> <li>Decrease of S\$0.3 million and S\$0.7 million from our Cancer-related and Dermatology segments respectively are due mainly to the restrictions implemented by the Government of Singapore during the half-year ended 30 June 2020 in response to COVID-19 pandemic.</li> </ul>
<b>Other operating income</b>	1,435	449	N/M	<ul style="list-style-type: none"> <li>Increase in government grants mainly arising from the COVID-19 support schemes amounting to S\$1.2 million; offset by</li> <li>Decrease in rental rebates of S\$0.2 million.</li> </ul>
<b>Consumables and medical supplies used</b>	(6,705)	(6,466)	3.7	<ul style="list-style-type: none"> <li>Increase in consumables and medical supplies of S\$0.3 million and S\$0.2 million used by our O&amp;G and Paediatrics segments respectively arising from an overall increase in patient load; offset by</li> <li>Decrease in consumables and medical supplies of S\$0.3 million used by our Dermatology segment due to lower patient load.</li> </ul>
<b>Employee remuneration expense</b>	(19,472)	(16,481)	18.1	<ul style="list-style-type: none"> <li>Increase of S\$3.7 million for certain specialist medical practitioners which took effect from 1 January 2020 for talent retention and recognition of past performance contribution; offset by</li> <li>Decrease in employee remuneration expense of S\$0.7 million due to the reversal of over-provision of FY 2019 bonus and a lower FY 2020 bonus provision for clinical and management staff.</li> </ul>
<b>Depreciation</b>	(2,177)	(2,207)	(1.4)	<ul style="list-style-type: none"> <li>Lower depreciation of S\$82,000 from right-of-use ("ROU") assets attributed by lower rental rates for our clinic leases renewal which were partially offset by higher depreciation charge of S\$77,000 mainly from the addition of medical equipment for Joyce Lim Skin &amp; Laser Clinic in 1H 2020.</li> </ul>

N/M - Not Meaningful

# Financial Review

## INCOME STATEMENT

S\$'000	FY 2020	FY 2019	Change (%)	Changes due to:
<b>Other operating expense</b>	(2,192)	(2,503)	(12.4)	▪ Decrease of S\$0.3 million due to decrease in professional fees, loss on disposal and write-off of plant and equipment, and marketing and administrative expenses of \$0.1 million each.
<b>Profit from operations</b>	10,778	12,549	(14.1)	
<b>Impairment of goodwill</b>	-	(11,900)	(100.0)	▪ There is no impairment of goodwill in FY 2020 as the recoverable amount of the cash generating unit ("CGU") exceeds the carrying amount of the CGU as at 31 December 2020 of our Dermatology segment.
<b>Finance income</b>	184	153	20.3	▪ More cash being placed in fixed deposits.
<b>Finance expense</b>	(154)	(183)	(15.8)	▪ Decrease in lease liabilities.
<b>Net finance income/ (expense)</b>	30	(30)	N/M	
<b>Profit before income tax</b>	10,808	619	N/M	
<b>Income tax expense</b>	(1,315)	(1,752)	(24.9)	▪ Lower profits from operations.
<b>Profit/ (Loss) for the year</b>	9,493	(1,133)	N/M	

N/M - Not Meaningful

# Financial Review

## BALANCE SHEET

S\$'000	FY 2020	FY 2019	Change (%)	Changes due to:
<b>Non-current assets</b>	16,886	17,526	-4.0	<ul style="list-style-type: none"> <li>▪ Plant and equipment decreased by S\$0.1 million due to:               <ul style="list-style-type: none"> <li>- S\$0.5 million for the purchase of medical equipment for Joyce Lim Skin &amp; Laser Clinic;</li> <li>- S\$0.1 million for the purchase of ultrasound machine for SOG - SC Hong Clinic for Women; offset by</li> <li>- Depreciation charge on medical equipment and renovation of S\$0.5 million and S\$0.2 million respectively in FY 2020.</li> </ul> </li> <li>▪ ROU assets decreased by S\$0.5 million due to:               <ul style="list-style-type: none"> <li>- Depreciation charge on ROU assets of S\$1.4 million in FY 2020; offset by</li> <li>- Recognition of ROU assets upon renewal of leases of S\$0.9 million in FY 2020.</li> </ul> </li> </ul>
<b>Current assets</b>	40,974	31,532	30.0	<ul style="list-style-type: none"> <li>▪ Inventories decreased by S\$0.1 million due to lesser inventories balance held by Dermatology segment.</li> <li>▪ Trade and other receivables increased by S\$35,000 due to increase in our specialist medical practitioners' professional fees due from hospitals and insurance companies.</li> <li>▪ Cash and cash equivalents increased by S\$9.5 million due to:               <ul style="list-style-type: none"> <li>- S\$14.4 million net cash inflows from operating activities;</li> <li>- S\$0.2 million interest received in FY 2020; offset by</li> <li>- Purchase of plant and equipment of S\$0.6 million;</li> <li>- Payment of S\$2.4 million FY 2020 interim dividend;</li> <li>- Share buy-back of S\$0.5 million as treasury shares; and</li> <li>- Payment for the principal and interest on leases amounting to S\$1.6 million.</li> </ul> </li> </ul>
<b>Total assets</b>	57,860	49,058	18.0	
<b>Non-current liabilities</b>	1,946	2,515	-23.0	<ul style="list-style-type: none"> <li>▪ Lease liabilities decreased by S\$0.6 million due mainly to the reclassification of non-current portion of the lease liabilities to current.</li> </ul>
<b>Current liabilities</b>	12,872	10,333	25.0	<ul style="list-style-type: none"> <li>▪ Trade and other payables increased by S\$2.5 million due to:               <ul style="list-style-type: none"> <li>- The provision of S\$6.4 million and S\$0.3 million for FY 2020 incentive bonuses for our specialist medical practitioners and FY 2020 variable bonuses for clinical and management staff respectively;</li> <li>- Increase of S\$0.3 million in trade payables to our suppliers; offset by</li> <li>- Payment of S\$3.5 million for FY 2019 incentive bonuses to our specialist medical practitioners and FY 2019 variable bonuses to clinical and management staff; and</li> <li>- Reversal of S\$0.4 million FY 2019 variable bonuses provision for clinical and management staff.</li> </ul> </li> <li>▪ Contract liabilities decreased by S\$36,000 due to lesser antenatal, aesthetics and vaccination package fees collected upfront from patients for consultations and/ or procedures that have yet to be performed.</li> <li>▪ Lease liabilities increased by S\$41,000 due to payment for the leases in FY 2020 offset by the reclassification of the non-current portion of the lease liabilities to current.</li> </ul>

# Financial Review

## BALANCE SHEET

S\$'000	FY 2020	FY 2019	Change (%)	Changes due to:
<b>Total liabilities</b>	14,818	12,848	15.0	
<b>Share capital</b>	29,809	29,646	1.0	
<b>Reserves</b>	13,233	6,564	N/M	<ul style="list-style-type: none"> <li>Share capital increased by S\$163,000 due to issuance of 666,666 new shares at 24.5 Singapore cents per share under the SOG Performance Share Plan to Dr. Pang and Dr. Chua.</li> <li>Treasury shares of S\$0.5 million due to purchase of 1,999,990 ordinary shares at an average price of 23.52 Singapore cents per share under the Share Buy-Back Mandate.</li> <li>Capital reserve increased by S\$52,000 due to the difference in fair value of new shares issued under the SOG Performance Share Plan to Dr. Pang and Dr. Chua and fair value of the share awarded at grant date.</li> <li>Share-based payment reserve of S\$80,000 due to value of employees' services accrued under the SOG Performance Share Plan for Dr. Pang and Dr. Chua.</li> <li>Retained earnings increased by S\$7.1 million due to:               <ul style="list-style-type: none"> <li>Net profit after tax of S\$9.5 million generated for FY 2020; offset by</li> <li>Payment of S\$2.4 million for FY 2020 interim dividend to shareholders in September 2020.</li> </ul> </li> </ul>
<b>Total equity</b>	43,042	36,210	19.0	

## CASH FLOW STATEMENT

S\$'000	FY 2020	FY 2019	Change (%)	Changes due to:
<b>Net cash generated from operating activities</b>	14,388	14,089	2.0	<ul style="list-style-type: none"> <li>Decrease in operating profit before changes in working capital of S\$1.7 million.</li> <li>Increase in net working capital inflows of S\$1.6 million.</li> <li>Decrease in income taxes paid of S\$0.4 million.</li> </ul>
<b>Net cash used in investing activities</b>	(425)	(801)	-47.0	<ul style="list-style-type: none"> <li>Decrease in purchase of plant and equipment of S\$0.3 million.</li> <li>Increase in interest received of S\$0.1 million from the fixed deposit placement and interest-bearing current account.</li> </ul>
<b>Net cash used in financing activities</b>	(4,434)	(8,849)	-50.0	<ul style="list-style-type: none"> <li>Decrease in dividend payment to shareholders of S\$4.9 million.</li> <li>Payment of S\$0.5 million for share buy-back as treasury shares.</li> </ul>
<b>Net increase in cash and cash equivalents</b>	9,529	4,439	N/M	
<b>Cash and cash equivalents at end of year</b>	35,514	25,985	37.0	

N/M - Not Meaningful

# Our Specialist Medical Practitioners



## Obstetrics & Gynaecology



### DR. BEH SUAN TIONG

MBBS (SINGAPORE),  
MRCOG (UK), FAMS (SINGAPORE)

#### SPECIALISATIONS

- Advanced reproductive surgeries and minimally invasive surgery (key hole surgery), namely laparoscopic and hysteroscopic surgery
- HIFU treatment

#### QUALIFICATIONS/ PROFESSIONAL MEMBERSHIPS

- Bachelor of Medicine and Bachelor of Surgery, National University of Singapore
- Member of the Royal College of Obstetricians and Gynaecologists, United Kingdom
- Fellow of the Academy of Medicine of Singapore

#### AWARDS/ ACHIEVEMENTS

- First doctor recipient of the 'KKH Service from the Heart Award' that recognises service excellence
- One of the pioneer Singapore gynaecologists to successfully perform HIFU, a non-invasive surgical procedure for the treatment of uterine fibroids and adenomyosis
- Former President of the Obstetrical & Gynaecological Society of Singapore (2007 - 2009)
- Treasurer of Congress Trust Fund, OGSS
- Chairman of Operating Theatre, ICU Committee and member of medical advisory board at Thomson Medical Centre.
- Actively involved in the mentorship, training and development of minimally invasive surgery (MIS) in Singapore
- Served as a part-time senior consultant at KK Women's and Children's Hospital and visiting consultant to the Department of O&G at Singapore General Hospital



### DR. CHOO WAN LING

MBBS (SINGAPORE),  
MMED (O&G), FAMS (SINGAPORE)

#### SPECIALISATIONS

- Antenatal care and risk assessment, vaginal assisted and caesarean delivery, and treatment of gynaecological issues such as endometriosis, fertility challenges and ovarian cysts

#### QUALIFICATIONS/ PROFESSIONAL MEMBERSHIPS

- Bachelor of Medicine and Bachelor of Surgery, National University of Singapore
- Master of Medicine (Obstetrics and Gynaecology), National University of Singapore
- Fellow of the Academy of Medicine of Singapore

#### AWARDS/ ACHIEVEMENTS

- Winner of the IV Asian Obstetrics and Gynaecology Congress Gold Medal (2000), which recognises academic excellence
- Published articles in scientific journals – Gynaecologic and Obstetrics Investigations on vaginal delivery after previous caesarean section, and Annals of Medicine Osteoporosis on menopause
- Contributed to various other medical publications in her field of specialisation, and penned a few chapters of a pregnancy guidebook
- Elected as a Council Member of the Obstetrical and Gynaecological Society of Singapore (2003) and Honorary Treasurer (2004 - 2006)
- One of the key organisers of the fifth and sixth editions of the Singapore Congress of O&G



# Our Specialist Medical Practitioners



## Obstetrics & Gynaecology



### DR. HENG TUNG LAN

MBBS (SINGAPORE),  
MMED (O&G), FAMS (SINGAPORE)

#### SPECIALISATIONS

- Pregnancy care and delivery, female health screening, menopause and female wellness enhancement

#### QUALIFICATIONS/ PROFESSIONAL MEMBERSHIPS

- Bachelor of Medicine and Bachelor of Surgery, National University of Singapore
- Master of Medicine (Obstetrics and Gynaecology), National University of Singapore
- Fellow of the Academy of Medicine of Singapore

#### AWARDS/ ACHIEVEMENTS

- Mentoring young doctors in the field of Obstetrics and Gynaecology
- Featured in publications to promote awareness for family planning and fertility issues
- Shares her expertise in various public forums and talks



### DR. HONG SZE CHING

MBBS (SINGAPORE),  
MRCOG (UK), MMED (O&G),  
FAMS (SINGAPORE)

#### SPECIALISATIONS

- Obstetric care, management of general gynaecological conditions, laparoscopic surgery and colposcopy
- HIFU treatment

#### QUALIFICATIONS/ PROFESSIONAL MEMBERSHIPS

- Bachelor of Medicine and Bachelor of Surgery, National University of Singapore
- Master of Medicine (Obstetrics and Gynaecology), National University of Singapore
- Member of the Royal College of Obstetricians and Gynaecologists, United Kingdom
- Fellow of the Academy of Medicine of Singapore

#### AWARDS/ ACHIEVEMENTS

- Consultant with KKH Minimally Invasive Surgery (KKH MIS) Unit since November 2013
- Awarded Health Manpower Development Programme fellowship (2015)
- Awarded the SingHealth Health Quality Service Awards: Silver (2015)
- One of the pioneer Singapore gynaecologists to successfully perform HIFU, a non-invasive surgical procedure for the treatment of uterine fibroids and adenomyosis
- Adjunct Instructor of both NUS Yong Loo Lin School of Medicine and Duke-NUS Obstetrics and Gynaecology Academic Clinical Programme
- Trainer in local surgical workshops and congresses
- Written book chapters and authored several publications in peer-reviewed journals

# Our Specialist Medical Practitioners



## Obstetrics & Gynaecology



### DR. LEE KEEN WHYE

MBBS (SINGAPORE), FRCOG (UK),  
FAMS (SINGAPORE)

#### SPECIALISATIONS

- Endoscopic work – especially hysteroscopy, laparoscopy and vaginal rejuvenation
- HIFU treatment

#### QUALIFICATIONS/ PROFESSIONAL MEMBERSHIPS

- Bachelor of Medicine and Bachelor of Surgery, National University of Singapore
- Fellow of the Royal College of Obstetricians and Gynaecologists, United Kingdom
- Fellow of the Academy of Medicine of Singapore

#### AWARDS/ ACHIEVEMENTS

- Presented the National Serviceman of the Year Award (1996) for his leadership and dedication to Singapore Armed Forces Medical Services
- Awarded the prestigious Benjamin Henry Sheares Gold Medal (2003), by the Obstetrical and Gynaecological Society of Singapore
- One of the pioneer Singapore gynaecologists to successfully perform HIFU, a non-invasive surgical procedure for treatment of uterine fibroids and adenomyosis
- President of Obstetrical and Gynaecological Society of Singapore (2003 - 2005)
- Chairman of the Minimally Invasive Surgery Centre at Gleneagles (2001 - 2008)
- Chairman of Surgeons International Holdings Pte. Ltd. (2005 - 2010)
- Founding member of Asia Pacific Association of Gynaecological Endoscopist
- Associate of Laser Vaginal Institute of Los Angeles, USA
- Medical volunteer at the Singapore International Foundation
- Medical Director of HIFU Centre, Farrer Park Hospital



### DR. NATALIE CHUA WEILYN

MBBS (SINGAPORE), MRCOG (UK),  
FAMS (SINGAPORE)

#### SPECIALISATIONS

- Obstetric care – preconception health screening, antenatal care and delivery
- Management of common gynaecological problems
- Keen interest in fertility work

#### QUALIFICATIONS/ PROFESSIONAL MEMBERSHIPS

- Bachelor of Medicine and Bachelor of Surgery, National University of Singapore
- Member of the Royal College of Obstetricians and Gynaecologists, United Kingdom
- Fellow of the Academy of Medicine of Singapore

#### AWARDS/ ACHIEVEMENTS

- Honoured with the Excellence Service Award (2010) by SingHealth for her outstanding contributions
- Council Member of the Obstetrical and Gynaecological Society of Singapore (2010 - 2015)
- O&G representative for the Association for Breastfeeding Advocacy (2011 - 2013)
- Chairman of the 12<sup>th</sup> and 13<sup>th</sup> Regional MRCOG Preparatory Course for aspiring gynaecologists

# Our Specialist Medical Practitioners



## Obstetrics & Gynaecology



### DR. CLARA ONG

MBBS (SINGAPORE), MMED (O&G),  
MRCOG (UK), FAMS (SINGAPORE)

#### SPECIALISATIONS

- Fully-qualified obstetrician and gynaecologist with more than 10 years of experience
- Pregnancy care, menopausal care, family planning, management of general gynaecological conditions and colposcopy

#### QUALIFICATIONS/ PROFESSIONAL MEMBERSHIPS

- Bachelor of Medicine and Bachelor of Surgery, National University of Singapore
- Master of Medicine (Obstetrics & Gynaecology), National University of Singapore
- Member of the Royal College of Obstetricians and Gynaecologists, United Kingdom
- Fellow of the Academy of Medicine of Singapore
- Accredited colposcopist with Society for Colposcopy & Cervical Pathology of Singapore

#### AWARDS/ ACHIEVEMENTS

- Examiner for the MBBS degree held by the NUS Yong Loo Lin School of Medicine
- Clinical Lecturer at the NUS Yong Loo Lin School of Medicine
- Published articles in both local and international peer-accredited journals
- Presented research papers in various conferences in Singapore and overseas



## Cancer-related



### DR. CINDY PANG YI PING

MBBS (SINGAPORE), MMED (O&G),  
MRCOG (UK)

#### SPECIALISATIONS

- Antenatal care to expectant mothers and manages a wide range of conditions related to the female reproductive system
- Main sub-specialty in gynaecological cancers and complex pelvic surgeries

#### QUALIFICATIONS/ PROFESSIONAL MEMBERSHIPS

- Bachelor of Medicine and Bachelor of Surgery, National University of Singapore
- Master of Medicine (Obstetrics and Gynaecology), National University of Singapore
- Member of the Royal College of Obstetricians and Gynaecologists, United Kingdom
- Council Member of the Society of Colposcopy and Cervical Pathology of Singapore

#### AWARDS/ ACHIEVEMENTS

- Awarded the Tony McCartney Surgical Innovation Prize (2013) at the Australian Society of Gynaecological Oncologists Annual Scientific Meeting in Darwin
- Committee Member of the Women's Gynaecological Cancer Awareness Campaign organised by Singapore Cancer Society
- Clinical instructor at NUS Yong Loo Lin School of Medicine
- Adjunct Professor at Duke-NUS Graduate School of Medicine
- Written in various medical journals and presented at several international conferences
- Visiting Consultant at Singapore General Hospital
- Medical Quality Assurance Committee of Mount Elizabeth Novena Hospital

# Our Specialist Medical Practitioners



## Cancer-related



### DR. SIM HSIEN LIN

MBBS (SINGAPORE),  
MRCS (EDINBURGH),  
MMED (SURGERY),  
FRCS (EDINBURGH)

#### SPECIALISATIONS

- General Surgery with sub specialty in colorectal surgery, surgical management of inflammatory bowel diseases, complex anal fistula, as well as transanal endoscopic microsurgery, diagnostic and therapeutic endoscopic procedures.

#### QUALIFICATIONS/ PROFESSIONAL MEMBERSHIPS

- Bachelor of Medicine and Bachelor of Surgery, National University of Singapore
- Member of the Royal College of Surgeons of Edinburgh
- Master of Medicine (Surgery), National University of Singapore
- Fellow of Royal College of Surgeons, Edinburgh
- Member of Singapore Colorectal Society
- Member of Singapore Cancer Society
- Member of Singapore Geriatric Society

#### AWARDS/ ACHIEVEMENTS

- Winner of Service Champion Awards (2012, 2014, 2015, 2016)
- Postgraduate Teacher Excellence Award (2016)
- Awarded Health Manpower Development Programme Fellowship at St. Mark's Hospital, London (2013)
- Gold Medal at the FRCS Exit Examination (2011)
- NUS Teacher Awards for Undergraduates (2008)
- Winner of 2nd prize oral presentation in the GIHEP – Colorectal meeting
- Adjunct Assistant Professor at NUS Yong Loo Lin School of Medicine, Adjunct Lecturer at Lee Kong Chian School of Medicine (NTU) and Service Lead of Geriatric Surgical Service at Khoo Teck Puat Hospital
- Published a book chapter on hemorrhoids and articles in general surgery in both local and international peer accredited journals, and has presented her research papers in various conferences in Singapore and overseas
- Associate programme director of National Healthcare Group General Surgery residency programme



## Dermatology



### DR. LIEW HUI MIN

MBCHB (UK), MRCP (UK),  
FAMS (SINGAPORE)

#### SPECIALISATIONS

- General medical adult dermatology, women's and children's (paediatric) dermatology and genital dermatology

#### QUALIFICATIONS/ PROFESSIONAL MEMBERSHIPS

- Bachelor of Surgery & Medicine, University of Dundee Medical School, United Kingdom
- Member of the Royal College of Physicians, United Kingdom
- Fellow of the Academy of Medicine of Singapore
- International Fellow of the American Academy of Dermatology
- Member of the Allergy and Clinical Immunology Society (Singapore)
- Collegiate Member of Royal College of Physicians (United Kingdom)
- International Member of Women's Society of Dermatology
- Executive Committee Member of the Dermatological Society of Singapore since 2019
- Member of the Paediatric Dermatology Focus Group of Dermatological Society of Singapore

#### AWARDS/ ACHIEVEMENTS

- Winner of the KKH Service from the Heart Award (2014)
- Visiting Consultant at National University Hospital
- Clinical lecturer at Lee Kong Chian School of Medicine (NTU), NUS Yong Loo Lin School of Medicine and honorary lecturer at the University of Leeds
- Published articles in multiple peer-reviewed scientific journals

# Our Specialist Medical Practitioners



## Dermatology



### DR. JOYCE LIM TENG EE

MBBS (MALAYSIA), FRCPI (IRELAND),  
FAMS (SINGAPORE)

#### SPECIALISATIONS

- Dermatology, laser and skin surgery

#### QUALIFICATIONS/ PROFESSIONAL MEMBERSHIPS

- Bachelor of Medicine and Bachelor of Surgery, University of Malaya
- Fellow of the Royal College of Physicians and Surgeons, Ireland
- Fellow of the Academy of Medicine of Singapore
- Fellow of the American Academy of Dermatology
- Fellow of the American Society of Dermatologic Surgery
- Fellow of the American Society of Cosmetic Dermatology and Aesthetic Surgery
- Fellow of the International Society of Cosmetic Laser Surgeons
- Fellow of the International Society of Cosmetic Dermatology
- Honorary Fellow of the Philippines Dermatology Society
- Member of the Pigment Disorders Academy
- Member of the Asia Pacific Academy of Anti-aging Medicine
- Member of the European Academy of Dermatology and Venereology
- Member of the European Society for Laser and Energy based Devices
- Member of the Dermatological Society of Malaysia
- Member of the International Society of Paediatric Dermatology

#### AWARDS/ ACHIEVEMENTS

- Council Member of the Asian Dermatological Congress
- Co-founded Asian Dermatologic Laser and Surgery Research Group, a platform that gathers dermatologists from the region once a year to share their experiences and exchange professional opinions
- Provides Certification Courses for Aesthetic Medicine under the Singapore Medical Council
- One of the key founding directors of Aesthetic Dermatology Educational Group, approved by Singapore Medical Council to conduct courses and issue certificates of competence in aesthetic procedures
- Published articles in multiple peer-reviewed scientific journals

# Our Specialist Medical Practitioners



## Paediatrics



### DR. LIM XUE YAN

MBBS (SINGAPORE), MRCPCH (UK),  
FAMS (SINGAPORE)

#### SPECIALISATIONS

- General paediatrics which includes newborn and well-baby screening, children immunisation, developmental assessment and behavioural care advice, nutrition and growth advice, and management of common childhood conditions like asthma

#### QUALIFICATIONS/ PROFESSIONAL MEMBERSHIPS

- Bachelor of Medicine and Bachelor of Surgery, National University of Singapore
- Member of the Royal College of Paediatrics and Child Health, United Kingdom
- Fellow of the Academy of Medicine of Singapore
- Member of Singapore Paediatric Society and Royal College of Paediatrics and Child Health

#### AWARDS/ ACHIEVEMENTS

- Awarded Nestlé Gold Medal in Paediatrics (2005)
- Awarded SingHealth Outstanding House Officer Award (2005)
- Member of the NUS Yong Loo Lin School of Medicine Undergraduate Training Committee
- Clinical Physician Faculty Member of Paediatric Residency
- Co-authored numerous articles and papers in the paediatric community
- Chief Resident in the Department of Paediatrics at KK Hospital (2010-2012)



### DR. IRENE TEO AI NGEE

MBBS (LONDON), MRCPCH (UK),  
FAMS (SINGAPORE)

#### SPECIALISATIONS

- General paediatrics which includes newborn and well-baby screening, children immunisation, developmental assessment and behavioural care advice, nutrition and growth advice, and management of common childhood conditions including skin conditions

#### QUALIFICATIONS/ PROFESSIONAL MEMBERSHIPS

- Bachelor of Medicine & Surgery, Royal Free and University College London, United Kingdom
- Member of the Royal College of Paediatrics and Child Health, United Kingdom
- Fellow of the Academy of Medicine of Singapore

#### AWARDS/ ACHIEVEMENTS

- Awarded the Long Service Award by KKH for her dedication and commitment for over 10 years
- Appointed the Physician Faculty Member (2013 - 2016) by SingHealth to develop the SingHealth Residency Programme
- Clinical lecturer at the Department of Paediatrics, NUS Yong Loo Lin School of Medicine
- Co-authored numerous articles and papers in the paediatric community

# Our Specialist Medical Practitioners



## Paediatrics



### DR. CHRISTINA ONG

MBBS (LONDON), MRCPCH (UK),  
FRCPCH (UK), FAMS (SINGAPORE)

#### SPECIALISATIONS

- Management of children with gastrointestinal conditions and performing endoscopic procedures, as well as treating children with general medical conditions

#### QUALIFICATIONS/ PROFESSIONAL MEMBERSHIPS

- Bachelor of Medicine and Bachelor of Surgery, Imperial College School of Medicine, London, United Kingdom
- Member of the Royal College of Paediatrics and Child Health, United Kingdom
- Fellow of the Royal College of Paediatrics and Child Health, United Kingdom
- Fellow of the Academy of Medicine of Singapore

#### AWARDS/ ACHIEVEMENTS

- Awarded KKH Service from the Heart Awards (2013 & 2015)
- Awarded SingHealth Quality Service Award: Silver (2012), Gold (2013) and Star (2014 & 2015)
- Authored multiple peer-reviewed articles in international journals
- Key opinion leader in the field of paediatric gastroenterology
- Head and Senior Consultant at the Gastroenterology service, Paediatric Medicine at KKH (2018)
- Winner of several research grants including the Great Ormond Street scientific initiation award, SingHealth Foundation grant and Tan Cheng Lim Grant
- Organising chairman of the inaugural paediatric Singapore Clinical Nutrition Conference (2018)
- Previously held positions of Adjunct Assistant Professor at NUS Yong Loo Lin School of Medicine, Duke-NUS Medical School and Lee Kong Chian Medical School



### DR. PETRINA WONG POH CHEN

MBBS (SINGAPORE), MRCPCH (UK),  
FAMS (SINGAPORE)

#### SPECIALISATIONS

- General Paediatrics with special interest in childhood respiratory and sleep conditions such as pneumonia, asthma, snoring, sleep apnea, parasomnias and behavioural sleep problems.

#### QUALIFICATIONS/ PROFESSIONAL MEMBERSHIPS

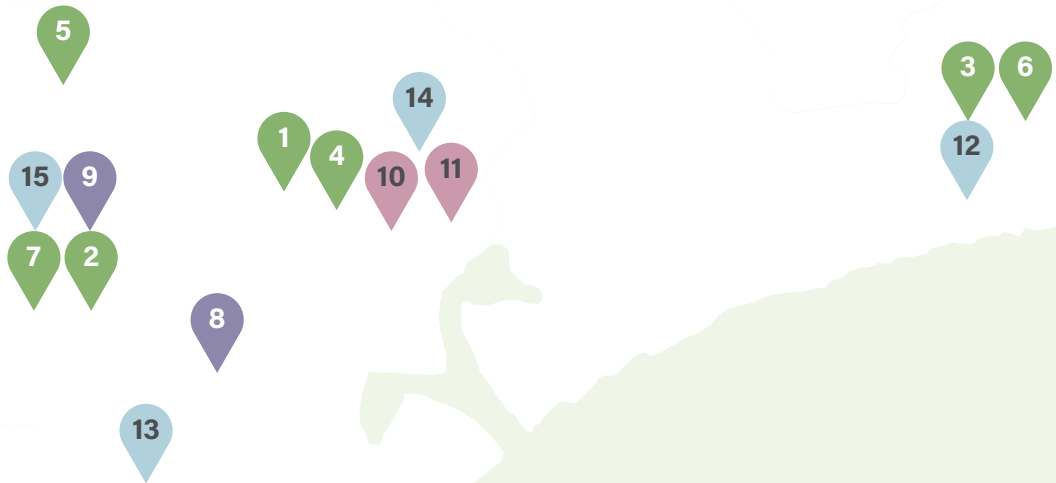
- Bachelor of Medicine and Bachelor of Surgery, National University of Singapore
- Member of the Royal College of Paediatrics and Child Health, United Kingdom
- Fellow of the Academy of Medicine of Singapore
- European Diploma in Paediatric Respiratory Medicine by the European Respiratory Society
- Certified Polysomnologist by the Board of Registered Polysomnographic Technologists for Clinical Sleep Health

#### AWARDS/ ACHIEVEMENTS

- Awarded SingHealth Outstanding Medical Officer Award (2004)
- Awarded KKH Service from the Heart Award (2014)
- KKH Service Chief in the SingHealth - Duke Sleep Centre (2017)
- Authored several peer-reviewed articles in international journals
- Visiting Consultant at KK Women's and Children's Hospital

# Our Network

SINGAPORE O&G LTD.





## Obstetrics & Gynaecology



- 1 **SOG - Beh Clinic for Women**  
Thomson Medical Centre #05-03  
339 Thomson Road Singapore 307677
- 2 **SOG - KW Lee Clinic for Women**  
Gleneagles Medical Centre #08-15/ 16  
6 Napier Road Singapore 258499
- 3 **SOG - Heng Clinic for Women**  
Parkway East Medical Centre #02-08  
319 Joo Chiat Place Singapore 427989
- 4 **SOG - Choo Wan Ling Clinic for Women**  
Mount Elizabeth Novena Specialist Centre #10-30  
38 Irrawaddy Road Singapore 329563
- 5 **SOG - SC Hong Clinic for Women**  
Mount Alvernia Medical Centre Block D #07-62  
820 Thomson Road Singapore 574623
- 6 **SOG - Natalie Chua Clinic for Women**  
Parkway East Medical Centre #02-07  
319 Joo Chiat Place Singapore 427989
- 7 **SOG - Clara Ong Clinic for Women**  
Gleneagles Medical Centre #08-15/ 16  
6 Napier Road Singapore 258499

## Dermatology



- 8 **Joyce Lim Skin & Laser Clinic**  
Paragon Medical Suites #11-16/ 20  
290 Orchard Road Singapore 238859
- 9 **SOG - HM Liew Skin and Laser Clinic**  
Gleneagles Medical Centre #06-01  
6 Napier Road Singapore 258499

## Cancer-related



- 10 **SOG - Cindy Pang Clinic for Women & GynaeOncology**  
Mount Elizabeth Novena Specialist Centre #08-25  
38 Irrawaddy Road Singapore 329563
- 11 **SOG - HL Sim Colorectal, Endoscopy & General Surgery**  
Mount Elizabeth Novena Specialist Centre #06-53  
38 Irrawaddy Road Singapore 329563

## Paediatrics



- 12 **SOG - Clinic for Children (East)**  
Parkway East Medical Centre #02-03  
319 Joo Chiat Place Singapore 427989
- 13 **SOG - Clinic for Children (Central)**  
11A Boon Tiong Road #01-11 Singapore 161011
- 14 **SOG - Christina Ong Clinic for Children and Gastroenterology**  
Mount Elizabeth Novena Specialist Centre #07-53  
38 Irrawaddy Road Singapore 329563
- 15 **SOG - Petrina Wong Clinic for Children Respiratory and Sleep**  
Gleneagles Medical Centre #08-14  
6 Napier Road Singapore 258499

# Board Of Directors

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## **DR. BEH SUAN TIONG**

**EXECUTIVE CHAIRMAN**

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### **DATE OF FIRST APPOINTMENT AS DIRECTOR**

14 May 2015

### **LENGTH OF SERVICE AS A DIRECTOR (AS AT 31 DECEMBER 2020)**

5 years 7 months

### **BOARD COMMITTEES**

- Nil

### **ACADEMIC & PROFESSIONAL QUALIFICATION**

- Bachelor of Medicine and Bachelor of Surgery, National University of Singapore
- Member of the Royal College of Obstetrician and Gynaecologists, United Kingdom
- Fellow of the Academy of Medicine of Singapore

### **PRESENT DIRECTORSHIPS**

#### **SOG**

- Beh's Clinic for Women Pte. Ltd.
- Choo Wan Ling Women's Clinic Pte. Ltd.
- Heng Clinic for Women Pte. Ltd.
- K W Lee Clinic & Surgery for Women Pte. Ltd.
- SOG Children (Paediatrics – Central) Pte. Ltd.
- SOG Children (Paediatrics – East) Pte. Ltd.
- SOG Children (Paediatrics – Gastroenterology Liver) Pte. Ltd.
- SOG Children (Paediatrics – Gleneagles) Pte. Ltd.
- SOG Dermatology (Gleneagles) Pte. Ltd.
- SOG Dermatology Pte. Ltd.
- SOG General Surgicare Pte. Ltd.
- SOG-Cindy Pang Clinic for Women Pte. Ltd.
- SOG-Clara Ong Clinic for Women Pte. Ltd.
- SOG-Natalie Chua Clinic for Women Pte. Ltd.
- SOG-SC Hong Clinic for Women Pte. Ltd.
- SOG-SK Lim Breast & General Surgicare Pte. Ltd.

#### **Other Companies**

- Behealthy LLP

### **PAST DIRECTORSHIPS IN LISTED COMPANIES HELD OVER THE PRECEDING FIVE YEARS**

- Nil



# Board Of Directors

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## **DR. HENG TUNG LAN**

EXECUTIVE DIRECTOR

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### **DATE OF FIRST APPOINTMENT AS DIRECTOR**

18 October 2011

### **LENGTH OF SERVICE AS A DIRECTOR (AS AT 31 DECEMBER 2020)**

9 years 2 months

### **BOARD COMMITTEES**

- Nil

### **ACADEMIC & PROFESSIONAL QUALIFICATION**

- Bachelor of Medicine and Bachelor of Surgery, National University of Singapore
- Master of Medicine (Obstetrics and Gynaecology), National University of Singapore
- Fellow of the Academy of Medicine of Singapore

### **PRESENT DIRECTORSHIPS**

#### **SOG**

- Beh's Clinic for Women Pte. Ltd.
- Heng Clinic for Women Pte. Ltd.
- K W Lee Clinic & Surgery for Women Pte. Ltd.
- SOG Children (Paediatrics - Central) Pte. Ltd.
- SOG Children (Paediatrics - East) Pte. Ltd.
- SOG Children (Paediatrics - Gastroenterology Liver) Pte. Ltd.
- SOG Children (Paediatrics - Gleneagles) Pte. Ltd.
- SOG Dermatology (Gleneagles) Pte. Ltd.
- SOG Dermatology Pte. Ltd.
- SOG General Surgicare Pte. Ltd.
- SOG-Clara Ong Clinic for Women Pte. Ltd.
- SOG-Natalie Chua Clinic for Women Pte. Ltd.
- SOG-SC Hong Clinic for Women Pte. Ltd.
- SOG-SK Lim Breast & General Surgicare Pte. Ltd.

### **PAST DIRECTORSHIPS IN LISTED COMPANIES HELD OVER THE PRECEDING FIVE YEARS**

- Nil



# Board Of Directors

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## **DR. LEE KEEN WHYE**

**EXECUTIVE DIRECTOR**

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### **DATE OF FIRST APPOINTMENT AS DIRECTOR**

6 January 2011

### **LENGTH OF SERVICE AS A DIRECTOR (AS AT 31 DECEMBER 2020)**

9 years 11 months

### **BOARD COMMITTEES**

- Nil

### **ACADEMIC & PROFESSIONAL QUALIFICATION**

- Bachelor of Medicine and Bachelor of Surgery , National University of Singapore
- Fellow of the Royal College of Obstetrician and Gynaecologists, United Kingdom
- Fellow of the Academy of Medicine of Singapore

### **PRESENT DIRECTORSHIPS**

#### **SOG**

- Beh's Clinic for Women Pte. Ltd.
- Choo Wan Ling Women's Clinic Pte. Ltd.
- Heng Clinic for Women Pte. Ltd.
- K W Lee Clinic & Surgery for Women Pte. Ltd.
- SOG Children (Paediatrics - Central) Pte. Ltd.
- SOG Children (Paediatrics - Gastroenterology Liver) Pte. Ltd.
- SOG Children (Paediatrics - Gleneagles) Pte. Ltd.
- SOG Dermatology (Gleneagles) Pte. Ltd.
- SOG General Surgicare Pte. Ltd.
- SOG-Cindy Pang Clinic for Women Pte. Ltd.
- SOG-Clara Ong Clinic for Women Pte. Ltd.

#### **Other Companies**

- Avesa Pte. Ltd.
- Clover Mum Pte. Ltd.
- Lee & Lee Clinic Pte. Ltd.
- Singa Hospitality Pte. Ltd.
- Singa Hotel Development Pte. Ltd.
- Singa Hotel Nagoya Pte. Ltd.
- Singa Management Pte. Ltd.
- Singa Project Development Pte. Ltd.
- Singa Realty Pte. Ltd.
- Singa SV Investment Pte. Ltd.
- Singa Wealth Pte. Ltd.
- 3LA-HK Pte. Ltd.
- 3LA-SB Pte. Ltd.
- 3LA-SU Pte. Ltd.

### **PAST DIRECTORSHIPS IN LISTED COMPANIES HELD OVER THE PRECEDING FIVE YEARS**

- Nil



# Board Of Directors

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**MR. NG BOON YEW** BBM, BBM(L)  
LEAD INDEPENDENT DIRECTOR

---

**DATE OF FIRST APPOINTMENT AS DIRECTOR**

1 February 2018

**LENGTH OF SERVICE AS A DIRECTOR  
(AS AT 31 DECEMBER 2020)**

2 years 10 months

**BOARD COMMITTEES**

- Chairman of the Audit Committee
- Member of the Nominating Committee

**ACADEMIC & PROFESSIONAL QUALIFICATION**

- Fellow Member of the Institute of Chartered Accountant in England & Wales
- Fellow of CPA Australia
- Fellow of the Association of Chartered Certified Accountants

**PRESENT DIRECTORSHIPS**

**Other Companies**

- Bismac Consultants Pte. Ltd.
- Kee Song Bio-Technology Holdings Limited
- National Kidney Foundation
- Pek Chuan Development Pte. Ltd.
- Pek Tiong Seng Foundation
- Raffles Campus Foundation Ltd.
- Raffles Campus Pte. Ltd.
- SingHealth Fund Limited
- Biopro Holdings Pte. Ltd.

**PAST DIRECTORSHIPS IN LISTED COMPANIES HELD  
OVER THE PRECEDING FIVE YEARS**

- Fischer Tech Ltd.
- Equal-Ark Singapore Ltd.



# Board Of Directors

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## **MR. CHAN HENG TOONG**

INDEPENDENT DIRECTOR

---

### **DATE OF FIRST APPOINTMENT AS DIRECTOR**

14 May 2015

### **LENGTH OF SERVICE AS A DIRECTOR (AS AT 31 DECEMBER 2020)**

5 years 7 months

### **BOARD COMMITTEES**

- Chairman of the Nominating Committee
- Member of the Audit Committee
- Member of the Remuneration Committee

### **ACADEMIC & PROFESSIONAL QUALIFICATION**

- Bachelor of Engineering (Honours), University of Singapore
- Master of Business Administration (Finance), University of British Columbia, Canada

### **PRESENT DIRECTORSHIPS**

#### **Other Companies**

- City Gate Pte. Ltd.

### **PAST DIRECTORSHIPS IN LISTED COMPANIES HELD OVER THE PRECEDING FIVE YEARS**

- Ayondo Ltd.
- XMH Holdings Ltd.



# Board Of Directors

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**MR. CHOOI YEE-CHOONG**  
INDEPENDENT DIRECTOR

---

**DATE OF FIRST APPOINTMENT AS DIRECTOR**

14 May 2015

**LENGTH OF SERVICE AS A DIRECTOR  
(AS AT 31 DECEMBER 2020)**

5 years 7 months

**BOARD COMMITTEES**

- Chairman of the Remuneration Committee
- Member of the Nominating Committee

**ACADEMIC & PROFESSIONAL QUALIFICATION**

- Bachelor of Industrial and Systems Engineering, Ohio State University, United States

**PRESENT DIRECTORSHIPS****Other Companies**

- Taiwan Sky Ground Services Private Limited

**PAST DIRECTORSHIPS IN LISTED COMPANIES HELD  
OVER THE PRECEDING FIVE YEARS**

- Nil



# Board Of Directors

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## **MS. SEE THO SOAT CHING** INDEPENDENT DIRECTOR

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### **DATE OF FIRST APPOINTMENT AS DIRECTOR**

11 February 2019

### **LENGTH OF SERVICE AS A DIRECTOR (AS AT 31 DECEMBER 2020)**

1 year 10 months

### **BOARD COMMITTEES**

- Member of the Audit Committee
- Member of the Remuneration Committee

### **ACADEMIC & PROFESSIONAL QUALIFICATION**

- Bachelor of Accountancy, Nanyang Technological University
- Master of Business Administration, Adelaide University
- Member of the Institute of Singapore Chartered Accountants
- Member of Chartered Institute of Management Accountants
- Member of ISACA
- Member of Singapore Institute of Directors

### **PRESENT DIRECTORSHIPS**

#### **Other Companies**

- Pronoia Foods LLP

### **PAST DIRECTORSHIPS IN LISTED COMPANIES HELD OVER THE PRECEDING FIVE YEARS**

- Nil





# Senior Management

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**MR. ERIC CHOO**  
CHIEF EXECUTIVE OFFICER

Mr. Eric Choo was appointed as Chief Executive Officer in February 2020. He is responsible for leading the management in setting and executing the Group's strategies, goals and missions, and oversees the day-to-day operations, overall administration, business and strategic development, marketing, corporate planning and management of the Group.

Mr. Choo has 10 years of experience in the healthcare industry which include holding senior management role as Chief Financial Officer ("**CFO**") for two healthcare companies, Eagle Eye Centre Pte. Ltd. and Singapore O&G Ltd. He was the former CFO of Singapore O&G Ltd. and was one of the key executive officers during the initial public offering of the Company in 2015. During his tenure with the Company from 2014 to 2018, he was also involved in its operations and administration matters.

Prior to joining the Group, he was an Audit Senior Manager with KPMG LLP. He was with KPMG LLP from 2005 to 2014. He has about 10 years of professional experience working as an auditor in Singapore and the United States, and his experience includes providing audit and assurance services to public companies listed on the Singapore Exchange and stock exchanges in the United States. During his tenure with KPMG LLP, he was involved in several sustainability advisory and assurance projects.

Mr. Choo holds a Bachelor of Business (Accountancy) degree from the Royal Melbourne Institute of Technology and is a member of the Institute of Singapore Chartered Accountants and CPA Australia.



**MS. DOREEN CHEW**  
CHIEF FINANCIAL OFFICER

Ms. Doreen Chew was appointed as Chief Financial Officer in December 2018. She is responsible for managing the entire spectrum of the Group's financial, taxation and regulatory compliance functions. She also assists the Group's CEO on merger and acquisition activities.

Ms. Chew has over 18 years of experience in the accounting and finance sector. Prior to joining the Group, she was Finance Director (Asia) for Harris Pye Engineering Group. She also has over eight (8) years of audit and assurance experience as Audit Manager at KPMG Singapore. Her professional experience includes provision of assurance and advisory services to clients from a wide range of industries.

Ms. Chew graduated from the National University of Malaysia with a Bachelor of Accountancy (Honours) degree and is a member of the Institute of Singapore Chartered Accountants and Singapore Institute of Directors.

# Investor Relations

SOG is committed to good communications with all our stakeholders and recognises the importance of investor relations (“IR”) as a strategic management responsibility.

## INVESTOR RELATIONS POLICY

We are committed to providing timely and consistent disclosure of financial results and significant corporate activities to our shareholders, investors, the financial community and the investing public.

Our IR policy ensures fair and open communications with all our stakeholders. We ensure that relevant and material information is disclosed in a clear, concise and consistent manner in accordance with the Listing Manual Section B: Rules of Catalist of Singapore Exchange Securities Trading Limited (“**SGX-ST**”) (“**Catalist Rules**”) and the Securities and Futures Act.

All announcements are released via SGXNet and on our IR website (<https://sog.listedcompany.com/>) which include the half year and full-year financial results, annual reports, distribution of notices, press releases, presentations and any major corporate developments.

Price sensitive information to shareholders is publicly released on an immediate basis where required under the Catalist Rules. Annual Report would also be made available on the SGXNet.

We maintain and update our corporate website regularly to ensure investors are kept abreast with the latest developments of the Group.

We have also continuously improved the presentation and contents of our Annual Report, to provide readers with a better understanding of the Group.

## DIVIDEND POLICY

The Company currently does not have a dividend policy. However, the Company has declared and paid dividends each year since IPO. The form, frequency and amount of any proposed dividend will take into consideration the Group’s operating results, financial position, committed capital expenditures and any other relevant considerations the Board of Directors may deem appropriate in the best interest of the Company. In the event that no dividend has been declared and/ or recommended, the Company will disclose the reason(s) for the decision, following the requirements of the Catalist Rules.

For FY 2020, the Board of Director has recommended a final one-tier tax exempt dividend of 1.20 Singapore cents per share, which together with the interim dividend payment of 0.50 Singapore cents, will bring the total dividend payment for FY 2020 to 1.70 Singapore cents per share, representing 85.2% of the Group’s net profit after tax for the year.

## STAKEHOLDER’S ENGAGEMENT

In keeping with the pro-active investor and media relations approach, SOG engages financial analysts, existing and potential investors, and shareholders through multiple channels. Key senior management is present at such engagements to keep the stakeholders informed of SOG’s financial performance and to discuss its business strategies and outlook.

### Tentative Financial Calendar for FY 2021 \*

11 August 2021	1H 2021 Results Announcement
24 February 2022	FY 2021 Results Announcement

\* Subject to change

# Corporate Information

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## BOARD OF DIRECTORS

**Dr. Beh Suan Tiong** (*Executive Chairman*)  
**Dr. Heng Tung Lan** (*Executive Director*)  
**Dr. Lee Keen Whye** (*Executive Director*)  
**Mr. Ng Boon Yew** (*Lead Independent Director*)  
**Mr. Chan Heng Toong** (*Independent Director*)  
**Mr. Chooi Yee-Choong** (*Independent Director*)  
**Ms. See Tho Soat Ching** (*Independent Director*)

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## AUDIT COMMITTEE

**Mr. Ng Boon Yew** (*Chairman*)  
**Mr. Chan Heng Toong**  
**Ms. See Tho Soat Ching**

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## REMUNERATION COMMITTEE

**Mr. Chooi Yee-Choong** (*Chairman*)  
**Mr. Chan Heng Toong**  
**Ms. See Tho Soat Ching**

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## NOMINATING COMMITTEE

**Mr. Chan Heng Toong** (*Chairman*)  
**Mr. Ng Boon Yew**  
**Mr. Chooi Yee-Choong**

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## COMPANY SECRETARY

**Ms. Chong Pei Wen**  
(A member of the Chartered Secretaries Institute of Singapore)

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## REGISTERED OFFICE

229 Mountbatten Road  
#02-02 Mountbatten Square  
Singapore 398007  
Tel: +65 6440 4123  
Fax: +65 6440 8240

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## WEBSITE

<https://www.sog.com.sg/>

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## SHARE REGISTRAR AND SHARE TRANSFER OFFICE

**Tricor Barbinder Share Registration Services**  
(A division of Tricor Singapore Pte. Ltd.)  
80 Robinson Road #02-00  
Singapore 068898

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## SPONSOR

**PrimePartners Corporate Finance Pte. Ltd.**  
16 Collyer Quay  
#10-00 Income at Raffles  
Singapore 049318

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## AUDITORS

**Foo Kon Tan LLP**  
24 Raffles Place  
#07-03 Clifford Centre  
Singapore 048621  
Partner-in-charge: Mr. Chan Ser  
(*Since financial year ended 31 December 2019*)

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## PRINCIPAL BANKERS

United Overseas Bank Limited  
DBS Bank Ltd

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## INVESTOR RELATIONS

[ir@sog.com.sg](mailto:ir@sog.com.sg)

# Sustainability Report

Since 2015 when SOG first embarked on the sustainability reporting journey, we have continuously discussed the challenges and material issues that are important to our stakeholders. We recognise the importance and virtuous cycle of improvement in sustainability reporting. This report features the environmental, social and governance (“ESG”) factors, approaches and practices of SOG and its subsidiaries (the “Group”) and identification of more

material topics and disclosure of our key performance indicators.

The Board has considered material ESG topics as part of its strategic formulation, determined the material ESG factors and overseen the management and monitoring of the material ESG factors identified.

## SCOPE OF THIS REPORT

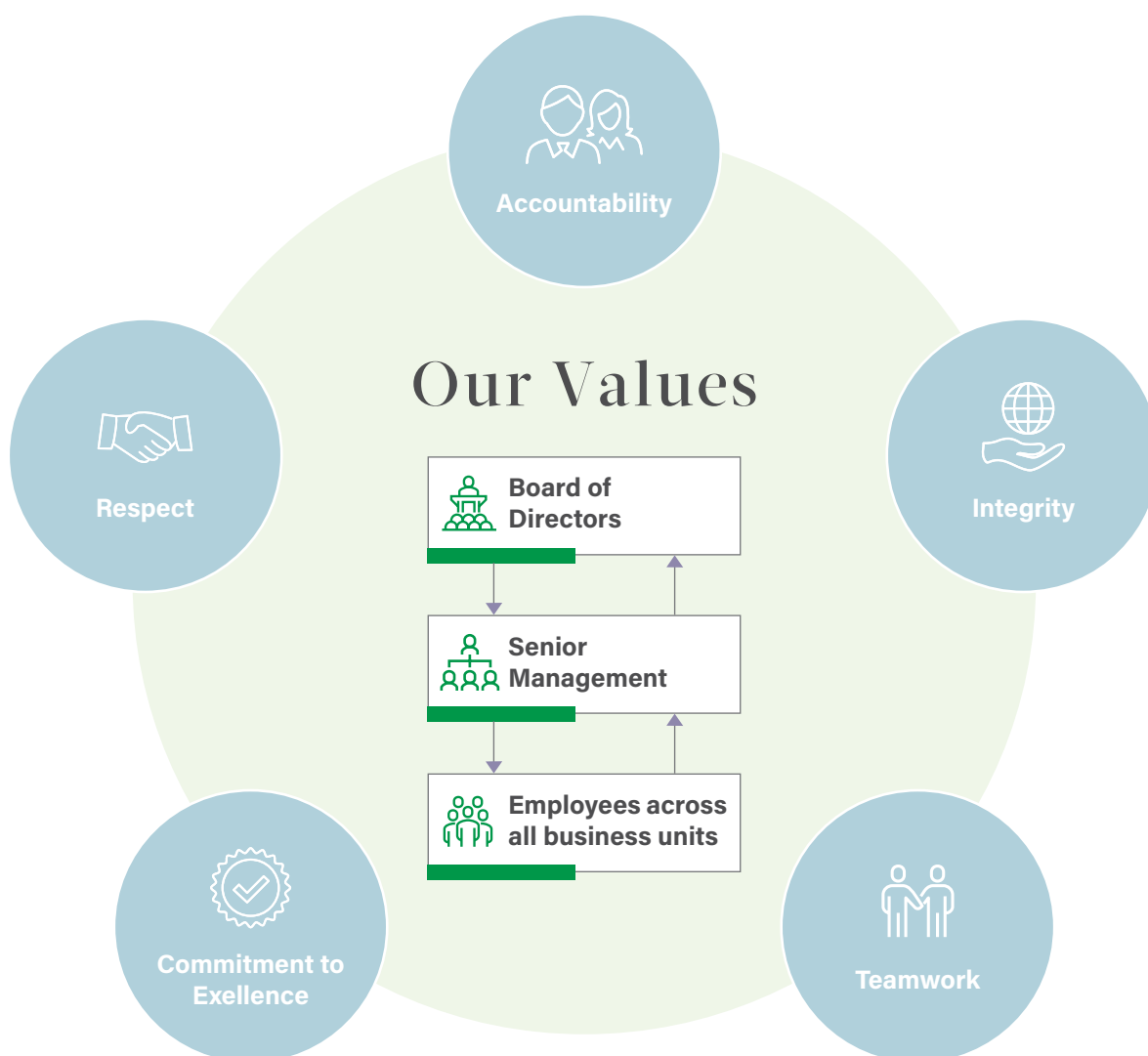
<p><b>Reporting Boundaries and Standards</b></p>	<p>The Report is prepared with reference to the Sustainability Reporting Guide in Practice Note 7F of the Singapore Exchange Securities Trading Limited (“SGX-ST”) Listing Manual Section B: Rules of Catalist in defining report content, including:</p> <ul style="list-style-type: none"> <li>▪ <b>Materiality:</b> Focusing on issues that impact business growth and are of utmost importance to stakeholders;</li> <li>▪ <b>Stakeholder Inclusiveness:</b> Responding to stakeholder expectations and interests;</li> <li>▪ <b>Sustainability Context:</b> Presenting performance in the wider context of sustainability; and</li> <li>▪ <b>Completeness:</b> Including all information that is of significant economic, environmental and social impact to enable stakeholders to assess the Group’s performance.</li> </ul> <p>SOG Group’s Sustainability Report draws on the internationally recognized standard of reporting, the Global Reporting Initiative (“GRI”) Standards, which represent the global best practice for reporting on a range of economic, environmental and social impacts. For reference to the GRI Content Index, please refer to page 80 to 85.</p> <p>We use a consolidated operating approach to determine organisational boundaries. Our data is an aggregation of all our clinics and corporate office in Singapore, and our base year is FY 2019.</p>
<p><b>Report Period and Scope</b></p>	<p>This report covers data and information from 1 January 2020 to 31 December 2020 (“FY 2020”) and discusses the Group’s achievements and performance towards ESG issues.</p> <p>This report has been prepared in accordance with the GRI Standards: Core Option.</p>
<p><b>External Assurance on this Report</b></p>	<p>This report has not been audited by external auditors.</p>
<p><b>Accessibility</b></p>	<p>Current electronic edition of the report available at <a href="https://www.sog.com.sg">https://www.sog.com.sg</a>.</p>

# Sustainability Report

## OUR STRATEGIC APPROACH TO SUSTAINABILITY

With our vision and corporate values in mind, we are constantly striving to integrate sustainability into the businesses of SOG so that it is systematic and seamless. Where possible, we incorporate sustainability considerations in our decision-making processes.

Our sustainability efforts are led by the Board of Directors and senior management who ensure that the Company's business objectives are in line with our commitments to sustainable development. Senior management updates the Board of Directors on key performance and developments, at least on an annual basis.



The Board of Directors and senior management determined material topics where SOG can have the greatest economic, environmental and social impact, as well as the topics that are most important to our stakeholders. The Board also reviews and approves our annual report, which includes our sustainability report.

# Sustainability Report

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## STAKEHOLDERS' ENGAGEMENT

SOG has taken efforts to seek the opinion of many stakeholders either casually or formally. We aspire to understand the needs and expectations of our key stakeholders and strive to build mutually beneficial relationships.

During the year, SOG engaged our key stakeholders through the following ways:

- Conducted informal feedback sessions with some of our patients and their families.

- Conducted meetings and interviews with various working groups, consisting of our specialist medical practitioners, clinical and management staff, and independent directors.
- Engaged in conversations with current and potential investors especially institutional fund managers.

Our patients and their families are our top priority and we are committed to doing the best for them through the Group's beliefs in bringing new life, health and wellness to our patients and their families through the provision of excellent healthcare services.

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## DEFINING OUR MATERIALITY ISSUES

With the top 10 risks identified in our Risk Refresher exercise in FY 2020, and from the results of our engagement with key stakeholders, we have performed a materiality analysis to identify challenges and issues that are important to our stakeholders and which are relevant to our businesses today and in the future.

Our material issues are identified and marked on the materiality matrix taking into consideration the following:

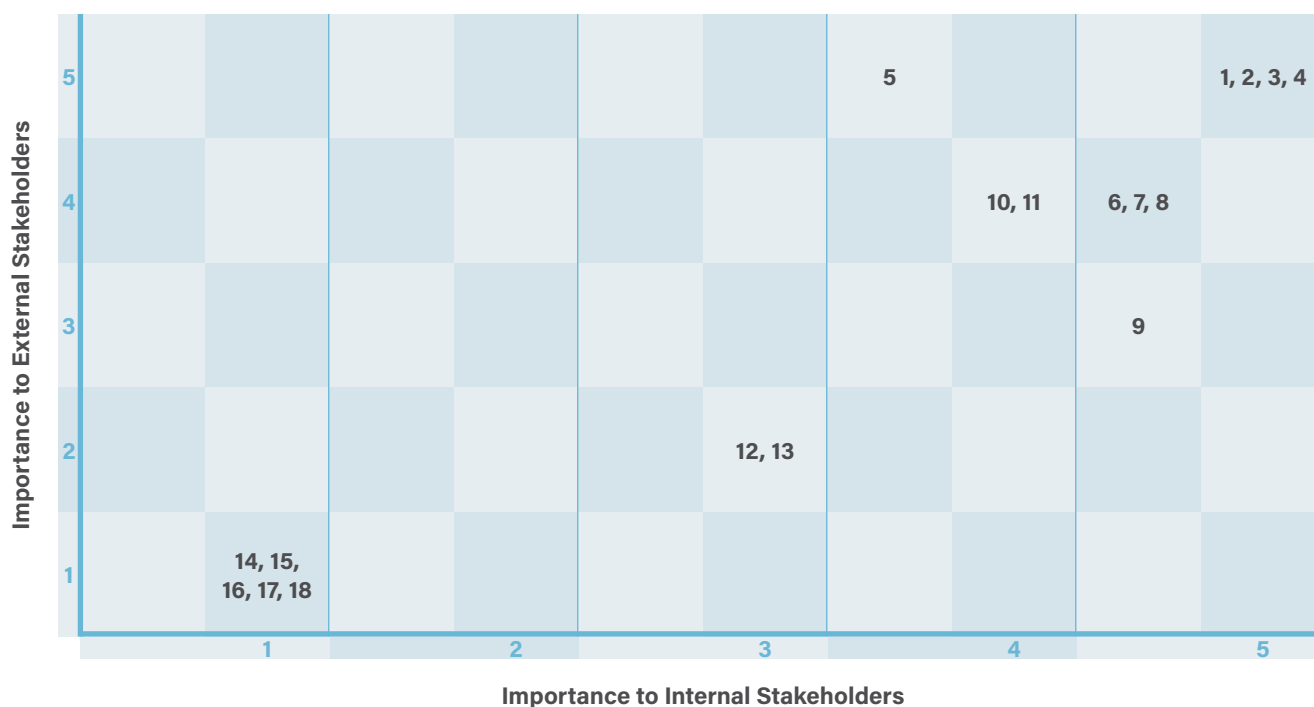
1. Those risks ranked as high impact and the likelihood of occurrence to the Group; and
2. Those that are ranked as high and critical by both our internal and external stakeholders for sustainability issues.

Accordingly, we focus our sustainability efforts and reporting on these issues.

We have identified and compiled 18 relevant sustainability issues for development of this report. These issues were further deliberated and narrowed down through our engagement process with stakeholders. The senior management then reviewed the list of issues, identified and prioritised 11 material issues based on importance to our stakeholders and the sustainability impact on our businesses.

# Sustainability Report

## OUR MATERIALITY MATRIX



Issue	Description	Page
1	Legal compliance and corporate governance	41
2	Service quality and responsibility	70
3	Patients and community engagement	77
4	Health and safety	71
5	Economic contribution to society	41
6	Anti-corruption and anti-fraud	68
7	Training and staff development	73
8	Labour-management relations	76
9	Diversity and equal opportunity	75
10	Biohazard and medical waste management	71
11	Supply chain and procurement practices	70
12	Wages and local hiring	-
13	Business partners engagement	-
14	Energy management	-
15	Certified green clinic/ office interior	-
16	Environmental impact assessment and mitigation	-
17	Water conservation	-
18	Climate change and emission	-

# Sustainability Report

## ACCOUNTABILITY TO STAKEHOLDERS

In determining our stakeholders, we look at who are the individuals, groups or organisations that affect and/ or could potentially be affected by our business activities, products or services, and associated performance.

We will continue to engage our stakeholders more extensively and through different engaging channels to gather feedback and identify areas that are material, sustainable and necessary for future development.

We strive to be a corporate responsible citizen by working closely with our key stakeholders to understand their concerns and feedback. Stakeholder engagement provides valuable information for our sustainability reporting, particularly in determining the material environmental and social issues.

Our Key Stakeholders	How We Engage Them	Key Topics/ Concerns Discussed	Our Responses
Our patients and their families	<ul style="list-style-type: none"> <li>Adhoc informal feedback from our patients and their families to our specialist medical practitioners and clinical staff</li> <li>Public forum/ webinars organised by SOG and/ or external sponsors</li> <li>Adhoc informal surveys conducted by management staff</li> </ul>	<ul style="list-style-type: none"> <li>Medical-related topics in treating certain medical conditions and issues</li> <li>Patient care and customer service satisfaction</li> </ul>	<p>Our specialist medical practitioners provide:</p> <ul style="list-style-type: none"> <li>Proper explanation of the medical conditions and issues, and the required treatment and procedures for their patients</li> <li>Ensure good patient care and satisfactory customer service to our patients and their families</li> </ul>
Shareholders and Financial Community	<ul style="list-style-type: none"> <li>Half-yearly results briefing</li> <li>Annual General Meeting</li> <li>Adhoc emails and teleconferences</li> </ul>	<ul style="list-style-type: none"> <li>Financial results</li> <li>Key business developments such as the recruitment of new specialist medical practitioners and acquisitions</li> <li>Investor relations</li> </ul>	<ul style="list-style-type: none"> <li>Publish concise and clear financial statement announcements</li> <li>Update our key business developments on a timely basis via SGXNet</li> <li>Adhere to our investor relations policies and procedures</li> </ul>



# Sustainability Report

Our Key Stakeholders	How We Engage Them	Key Topics/ Concerns Discussed	Our Responses
Employees (including Specialist Medical Practitioners)	<ul style="list-style-type: none"> <li>▪ Quarterly and adhoc townhall meetings</li> <li>▪ Annual performance appraisals</li> <li>▪ Adhoc team bonding and company events</li> <li>▪ Adhoc internal communication through emails and social media</li> </ul>	<ul style="list-style-type: none"> <li>▪ Patient care and customer service satisfaction</li> <li>▪ Staff performance and skills</li> <li>▪ Information update by management</li> <li>▪ Staff morale</li> </ul>	<ul style="list-style-type: none"> <li>▪ Continuously review our internal clinical policies and procedures to ensure patient care and customer service satisfaction</li> <li>▪ Provide regular feedback to staff concerning their performance</li> <li>▪ Provide updates on the Group's direction and plans</li> <li>▪ Continuously review our staff morale and have two-way communication to understand their problems</li> </ul>
Suppliers	<ul style="list-style-type: none"> <li>▪ Adhoc meetings</li> <li>▪ Adhoc emails and teleconferences</li> </ul>	<ul style="list-style-type: none"> <li>▪ Feedbacks on their products and services</li> <li>▪ Information about their new products or services</li> </ul>	<ul style="list-style-type: none"> <li>▪ Gather feedback from our patients and their families and pass on the feedback to our suppliers for improvement</li> <li>▪ Obtain clarifications or understanding of their products or services</li> </ul>
Government and Regulatory Agencies	<ul style="list-style-type: none"> <li>▪ Adhoc consultations</li> <li>▪ Adhoc discussions</li> </ul>	<ul style="list-style-type: none"> <li>▪ Regulatory and industry standards and guidelines</li> </ul>	<ul style="list-style-type: none"> <li>▪ Obtain clarifications or understanding of the new or revised regulatory and industry standards and guidelines</li> </ul>
Local Community	<ul style="list-style-type: none"> <li>▪ Adhoc donations to worthy causes</li> </ul>	<ul style="list-style-type: none"> <li>▪ Partner with local not-for-profit charitable organisations to identify the target beneficiaries</li> </ul>	<ul style="list-style-type: none"> <li>▪ Identify the beneficiaries, needs and support required</li> </ul>
Media	<ul style="list-style-type: none"> <li>▪ Half-yearly financial statements announcements and adhoc press releases</li> <li>▪ Adhoc communication through emails and teleconferences</li> </ul>	<ul style="list-style-type: none"> <li>▪ Financial results</li> <li>▪ Key business developments such as the recruitment of new specialist medical practitioners and acquisitions</li> </ul>	<ul style="list-style-type: none"> <li>▪ Ensure timely communication of our financial results, key business developments and any other reportable matters</li> </ul>

# Sustainability Report

## OUR SUSTAINABILITY VALUE MODEL



### Economic

- **Generate good returns to shareholders** by sustaining efficient capital structure and good dividend payout.
- **Business model** focuses on cost and skills leadership without compromising our service level and priority on patient's care.
- **Drive organic growth** from the existing pool of specialist medical practitioners as well as through the acquisition of new synergistic businesses.
- **Maintain market position** by ensuring we gain the trust of our patients and their families, and continually build our reputation and brand name in the healthcare industry.



### Legal Compliance and Corporate Governance

- **Focus on risk by having good corporate governance processes** underpinned by openness, transparency and being risk prepared.
- **Business ethics** built into the SOG culture and articulated by a Code of Ethics.
- **Compliance management** implies compliance with all applicable laws and regulations.
- **Risk management** reflects our Enterprise Risk Management system and risk minimisation measures.



### Environmental

- **Environmental conservation** through adopting 'Reduce', 'Re-use', 'Recycle' and energy efficient practices.
- **Hygiene and safety through proper biohazard and medical waste management** focused on the proper disposal of infectious and biomedical waste.



### Social

#### Employees (including Specialist Medical Practitioners)

- **Recruitment and retention of talent** includes grooming them through mentorship, talent development and retention, and grievance mechanism.
- **Occupational health and safety** includes adherence to government regulations such as Private Hospitals and Medical Clinics Act, Nurses and Midwives Act, Medicine Act, Singapore Medical Council Ethical Code and Ethical Guidelines.
- **Personnel development** focuses on key performance indicators, trainings, employee feedbacks and conducting townhall meetings.

#### Community

- **Proactive community relations** include organising public forums and conducting public and private seminars and lectures to create health awareness, participating in analysts' forums and engaging fund managers, referring our patients and their families to other medical colleagues for services that are not within our specialisation.

# Sustainability Report

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## ECONOMIC

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As of 31 December 2020, we operate 15 clinics in Singapore. SOG Corporate Office oversees the entire group of clinics and each clinic is operated by one of our specialist medical practitioners. We work closely with our specialist medical practitioners and clinical staff to identify and consider any sustainability opportunities and risks that may arise.

The success of our business is highly dependent on the commitment of our specialist medical practitioners. Their medical knowledge, willingness to work and job satisfaction are key to our economic sustainability. In the competitive landscape in which SOG operates, we have to look beyond short-term gains and financial bottom line by introducing long term sustainability opportunities and recognising risks. Our conviction is to achieve a balanced bottom line for sustained growth for the organisation and the community we operate in.

More importantly, we strive to contribute positively to society through our economic presence by contributing to the health and well-being of our patients and their families, maintaining good stewardship of the resources we manage and generating good shareholders' value.

Our business model focuses on cost leadership without compromising on our mission to provide holistic and excellent healthcare for our patients. We seek organic growth from the existing pool of specialist medical practitioners as well as through the acquisition of new synergistic businesses that reap good returns. For our new junior specialist medical practitioners, we seek to groom and grow them through the mentorship of our senior specialist medical practitioners as part of the Group's succession planning.

We strive to maintain our market position by ensuring we gain the trust of our patients and their families, and continually build our reputation and brand name in the healthcare industry.

In today's highly volatile and complex business environment, SOG has gone beyond sustaining earnings to diligently embrace prudent financial management, capitalise on our assets and investments, and remain focused on our growth and sustainability strategies, in enhancing shareholders' value.

For more information on SOG's financial performance, please refer to the "Financial Highlights" section of this Annual Report.

## LEGAL COMPLIANCE AND CORPORATE GOVERNANCE

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Legal compliance and corporate governance have always been one of the top priorities for SOG. The decision-making process in SOG is strictly in line with legal and regulatory requirements and in compliance with the Code of Corporate Governance 2018 issued by the Monetary Authority of Singapore and the regulations and guidelines issued by the Ministry of Health.

The Group has not received any correspondences or notifications in relation to any non-compliance of legal and regulatory requirements or the Code of Corporate

Governance from any government and regulatory agencies in FY 2020. Neither has the Audit Committee received any whistle-blowing notifications during the year.

For further details on Corporate Governance, please refer to page 93 to 136 of this Annual Report.

# Sustainability Report

## LEGAL COMPLIANCE AND CORPORATE GOVERNANCE

Below is our self-assessment based on the Singapore Governance and Transparency Index ("SGTI") Assessment Framework:

Section	Questions	Self Assessment	Points (Maximum)	Guidelines	Reasons for not achieving maximum points/ Explanation
<b>A</b>	<b>BOARD RESPONSIBILITIES - 35%</b>				
<b>1.</b>	<b>Board size</b>				
(a)	Number of directors on board	<b>1</b>	1	If the Board comprises at least 6 members but not more than 11.	
<b>2.</b>	<b>Board independence</b>				
(a)	Proportion of independent directors on board	<b>3</b>	3	3 points, if proportion of independent directors on board is more than 50%,	
(b)	Number of directors on board				
(c)	Number of independent directors on board			2 points, if proportion of independent directors on board is equal to 50%.	
<b>3.</b>	<b>CEO-Chairman separation</b>				
(a)	Is the chairman an independent director?	<b>1</b>	3	3 points, if chairman is independent,	The Chairman is not an Independent Director. Given the nature of our business which is bespoke in nature, our Executive Chairman needs to have hands-on understanding of the business. To provide further checks and balances, the Group has appointed a Lead Independent Director.
(b)	If the answer to the above is no, is the chairman a non-executive director and not related to the CEO?			2 points if chairman is non-independent and lead independent director is appointed,	
(c)	If chairman is the CEO, is related to the CEO, is a controlling shareholder or is an executive director, does the company have a lead independent director?			1 point, if chairman is executive and lead independent director is appointed.	

# Sustainability Report

Section	Questions	Self Assessment	Points (Maximum)	Guidelines	Reasons for not achieving maximum points/ Explanation
<b>A</b>	<b>BOARD RESPONSIBILITIES - 35%</b>				
<b>4.</b>	<b>Board competencies</b>				
(a)	Does at least one of the independent directors have experience in the industry the company is in?	1	1		
(b)	Does the company disclose a board diversity policy?	1	1		The Company disclosed its Board Diversity Policy Statement together with the measurable objectives in the Annual Corporate Governance Report and on our website.
(c)	Does the company disclose the orientation programmes for new directors?	1	1		The Nominating Committee has recommended training and courses to the existing and new directors.

# Sustainability Report

Section	Questions	Self Assessment	Points (Maximum)	Guidelines	Reasons for not achieving maximum points/ Explanation
<b>A</b>	<b>BOARD RESPONSIBILITIES - 35%</b>				
<b>5.</b>	<b>Board duties and responsibilities</b>				
	Does the company clearly state the roles and responsibilities of the board of directors?	1	1		The principal functions of the Board and matters reserved for the Board are clearly stated and disclosed in the Annual Report. A formal letter will also be given to the new Director upon his/ her appointment, setting out clearly the Director's duties and obligations.
<b>6.</b>	<b>Board and committee meetings</b>				
(a)	How many times did the board meet during the year?	1	1	1 point, if the board meets at least 6 times during the year.	In FY 2020, the Board has 4 formal meetings.  During the year, the Board has also conducted at least 2 informal meetings and on numerous occasions used circular resolutions in writing to approve certain decisions.

# Sustainability Report

Section	Questions	Self Assessment	Points (Maximum)	Guidelines	Reasons for not achieving maximum points/ Explanation
<b>A</b>	<b>BOARD RESPONSIBILITIES - 35%</b>				
<b>6.</b>	<b>Board and committee meetings</b>				
(b)	How many times did the remuneration and nomination committee meet during the year?	1	1	If the remuneration and nominating committee each meets at least 2 times during the year.	In FY 2020, the Remuneration Committee met 4 times whilst the Nominating Committee met 3 times. Both committees also approved certain decisions by circular resolutions in writing.
(c)	How many times did the audit committee meet during the year?	1	1	1 point, if the audit committee meets at least 4 times during the year.	In FY 2020, the Audit Committee met 4 times.
(d)	Is individual director attendance at board and committee meetings given?	1	1		
<b>7.</b>	<b>Nominating Committee</b>				
(a)	Number of members in the committee	1	1		The Nominating Committee has 3 members, including the Chairman, who are Independent Directors.
(b)	Number of independent members in the committee				
(c)	Is the Chairman independent?				
(d)	Does the company set limits on the number of directorships that can be held?	1	1		The Company has set a limit of 6 directorships.

# Sustainability Report

Section	Questions	Self Assessment	Points (Maximum)	Guidelines	Reasons for not achieving maximum points/ Explanation
<b>A</b>	<b>BOARD RESPONSIBILITIES - 35%</b>				
<b>8.</b>	<b>Selection of directors</b>				
(a)	Is the skills/ experience sought disclosed?	1	1		The resume of candidates were circulated to the Nominating Committee and the Board for review.
(b)	Is the process followed disclosed?	1	1		The Nominating Committee oversees and reviews the director selection process before the recommendation to the Board. Board approves the appointment of Director.
<b>9.</b>	<b>Board and individual director appraisal</b>				
(a)	For board appraisal, is the process disclosed in detail?	1	1		Each director of the Company is required to complete an annual board performance evaluation form after each financial year-end. A summary report will be tabled at the Nominating Committee for review and discussion. The feedback, comments and recommendations by Directors will be discussed constructively by the Nominating Committee and the Board.



# Sustainability Report

Section	Questions	Self Assessment	Points (Maximum)	Guidelines	Reasons for not achieving maximum points/ Explanation
<b>A</b>	<b>BOARD RESPONSIBILITIES - 35%</b>				
<b>9.</b>	<b>Board and individual director appraisal</b>				
(b)	For board appraisal, is the criteria disclosed?	1	1		The criteria is set out in the Performance Evaluation Forms.
(c)	For individual director appraisal, is the process disclosed in detail?	1	1	Both the questions should be "Y", in order to get 1 point.	Each director of the Company is required to complete a Director Peer Performance Evaluation Form after each financial year-end. A summary report will also be tabled at the Nominating Committee meeting for review and discussion. The criteria is set out in the assessment form.
(d)	For individual director appraisal, is the criteria disclosed?				
(e)	Does the company conduct an annual performance assessment of the board committee?	1	1		Each director of the Company is required to complete a Board and Board Committees Performance Evaluation Form after each financial year-end. A summary report will also be tabled at the Nominating Committee meeting for review and discussion.

# Sustainability Report

Section	Questions	Self Assessment	Points (Maximum)	Guidelines	Reasons for not achieving maximum points/ Explanation
<b>A</b>	<b>BOARD RESPONSIBILITIES - 35%</b>				
<b>10.</b>	<b>Remuneration Committee</b>				
(a)	Number of members in the committee	1	1		The Remuneration Committee has 3 members, including the Chairman, who are Independent Directors.
(b)	Number of independent members in the committee				
(c)	Is the chairman independent?				
<b>11.</b>	<b>Executive director/ Top 5 executives' remuneration</b>				
(a)	Is the remuneration of executive directors disclosed? (E=Exact, B1=Bands of \$100K or less with upper limit, B2=Bands of between \$100K-\$250K with upper limit, B3=Bands of \$250K with upper limit, ND=Not disclosed)	2	2		Rounded to nearest S\$1.
(b)	Is the remuneration of CEO disclosed? (E=Exact, B1=Bands of \$100K or less with upper limit, B2=Bands of between \$100K-\$250K with upper limit, B3=Bands of \$250K with upper limit, ND=Not disclosed)	-	1		Not disclosed due to commercial sensitivities.
(c)	Is the remuneration of top 5 executives disclosed? (E=Exact, B1=Bands of \$100K or less with upper limit, B2=Bands of between \$100K-\$250K with upper limit, B3=Bands of \$250K with upper limit, ND=Not disclosed)	1	2	2 points, if exact remuneration of key executives is disclosed,  1 point, if the disclosure is in \$250K bands, and the total remuneration of key executives and key executives' names are provided.	There is only 1 senior management identified. The remuneration is shown in bands due to commercial sensitivities.

# Sustainability Report

Section	Questions	Self Assessment	Points (Maximum)	Guidelines	Reasons for not achieving maximum points/ Explanation
<b>A</b>	<b>BOARD RESPONSIBILITIES - 35%</b>				
<b>11.</b>	<b>Executive director/ Top 5 executives' remuneration</b>				
(d)	Are the names of the top 5 executives given?				
(e)	Is the aggregate remuneration paid to the top 5 key management personnel disclosed?				
(f)	Are short-term incentives used?	1	1		
(g)	Are long-term incentives used?	-	1		
(h)	Does the company disclose information on the link between remuneration paid to the executive directors and key management personnel, and performance?	1	1		
(i)	Does the Remuneration Committee periodically seek remuneration consultants' advice on remuneration matters for directors?	1	1		
<b>12.</b>	<b>Non-Executive director fees</b>				
(a)	Is the fees of non-executive directors disclosed? (E=Exact, ND=Not disclosed)	1	1		
(b)	Is the fee structure disclosed?	1	1		
<b>TOTAL: SECTION A</b>		<b>30</b>	<b>35</b>		

# Sustainability Report

Section	Questions	Self Assessment	Points (Maximum)	Guidelines	Reasons for not achieving maximum points/ Explanation
<b>B</b>	<b>RIGHTS OF SHAREHOLDERS - 20%</b>				
<b>1.</b>	<b>Fundamental shareholder right</b>				
	Does the company pay dividend (final/ annual/ interim/ special dividends) to all its shareholders within 30 days after the declaration of dividends and/ or after shareholders' approval of final dividends at shareholder general meetings?	1	1		
<b>2.</b>	<b>Right to participate effectively and vote in general shareholder meetings</b>				
(a)	Do shareholders have the opportunity, evidenced by an agenda item, to approve remuneration (fees, allowances, benefit-in-kind and other emoluments) or any increases in remuneration for the non-executive directors?	1	1		The Company seek Shareholders' approval for the Independent Directors' fee.
(b)	Does the company disclose the voting and vote tabulation procedures used, declaring both before the meeting proceeds?	1	1		

# Sustainability Report

Section	Questions	Self Assessment	Points (Maximum)	Guidelines	Reasons for not achieving maximum points/ Explanation
<b>B</b>	<b>RIGHTS OF SHAREHOLDERS - 20%</b>				
<b>2.</b>	<b>Right to participate effectively and vote in general shareholder meetings</b>				
(c)	Do shareholders have opportunities to ask questions in the latest AGM, and does the meeting minutes record details of shareholders' questions and answers?	<b>1</b>	1		Yes. The Company prepares the minutes of AGM that include substantial and pertinent comments or queries raised by shareholders relating to the agenda of the meetings and responses from the Board and Management. The minutes of the AGM is published to the shareholders via SGXNET together with the Corporate Presentation slides that were presented to the shareholders at the AGM.
(d)	Does the company disclose the appointment of an independent party (scrutineers/ inspectors) to count and validate the votes at the AGM?	<b>2</b>	2		
(e)	Does the company disclose the attendance of the chairman of the Board at the latest AGM?	<b>1</b>	1	Both the questions should be "Y", in order to get 1 point.	
(f)	Does the company disclose the attendance of the CEO/ Managing Director at the latest AGM?				

# Sustainability Report

Section	Questions	Self Assessment	Points (Maximum)	Guidelines	Reasons for not achieving maximum points/ Explanation
<b>B</b>	<b>RIGHTS OF SHAREHOLDERS - 20%</b>				
<b>2.</b>	<b>Right to participate effectively and vote in general shareholder meetings</b>				
(g)	Is poll voting used, instead of show of hands, for all resolutions at the latest AGM?	2	2		All resolutions at AGM are voted by poll.
<b>3.</b>	<b>Conduct of interested party transactions ("IPTs") and management of conflicts of interest</b>				
(a)	Does the company disclose policy that requires directors of the board to refrain from participation in board discussions and decision making process on a particular agenda when they have conflicts of interest?	1	1		
(b)	Does the company ensure that IPTs are conducted fairly and on arm's length basis?	2	2		
<b>4.</b>	<b>Institutional investors</b>				
(a)	Does the share ownership of institutional investors, other than controlling shareholders, exceed 5%?	1	1		
<b>5.</b>	<b>Shareholder participation</b>				
(a)	Does the company disclose that it allows shareholders who hold shares through nominees to appoint more than two proxies or to attend AGMs as observers without being constrained by the two-proxy rule?	1	1		

# Sustainability Report

Section	Questions	Self Assessment	Points (Maximum)	Guidelines	Reasons for not achieving maximum points/ Explanation
<b>B</b>	<b>RIGHTS OF SHAREHOLDERS - 20%</b>				
<b>5.</b>	<b>Shareholder participation</b>				
(b)	Does the company disclose detailed information on each agenda item for the AGM in the Notice?	1	1		
(c)	Does the company publish detailed information of the vote results?	1	1		
(d)	Are all the directors required to stand for re-election at least once every three years?	1	1		
(e)	Do shareholders or the board of directors approve the remuneration of the executive directors and/ or the senior executives?	1	1		
<b>6.</b>	<b>Dividend payment</b>				
(a)	If dividends are paid, is there disclosure of company's policy on payment of dividends?	2	2		
(b)	If dividends are not paid, is there disclosure of reasons for not paying out dividends during the financial year?				
<b>TOTAL: SECTION B</b>		<b>20</b>	<b>20</b>		

# Sustainability Report

Section	Questions	Self Assessment	Points (Maximum)	Guidelines	Reasons for not achieving maximum points/ Explanation
<b>C</b>	<b>ENGAGEMENT OF STAKEHOLDERS - 10%</b>				
<b>1.</b>	<b>Rights of stakeholders established through law and mutual agreements upheld</b>				
<b>1.1</b>	<b>Does the company disclose a policy and its relevant activities that:</b>				
(a)	Specify company's efforts to ensure customers' (patients') health and safety?	<b>1</b>	1		
(b)	Demonstrate the company's attempts to employ eco-friendly and sustainable value chain processes?	<b>1</b>	1		
(c)	Describe the company's interaction and cooperation with the relevant communities?	<b>1</b>	1		
(d)	Describe the company's anti-corruption programmes and procedures?	<b>1</b>	1		
(e)	Explain how the company protects creditors' rights?	<b>1</b>	1		
<b>2.</b>	<b>Stakeholders' avenue for redress for violation of rights</b>				
<b>2.1</b>	<b>Performance enhancing mechanisms for employee participation</b>				
(a)	Does the company disclose relevant policy to ensure the health, safety and welfare of its employees?	<b>1</b>	1		



# Sustainability Report

Section	Questions	Self Assessment	Points (Maximum)	Guidelines	Reasons for not achieving maximum points/ Explanation
<b>C</b>	<b>ENGAGEMENT OF STAKEHOLDERS - 10%</b>				
<b>2.</b>	<b>Stakeholders' avenue for redress for violation of rights</b>				
(b)	Does the company provide training and development programmes for its employees?	1	1	Company should disclose both the details of the training and development programmes and relevant data on training and development programmes undergone by its employees.	
(c)	Does the company publish relevant results of such training and development programmes that its employees participated in?				
<b>3.</b>	<b>Stock options</b>				
	Is the vesting period for stock options/ PSP (Performance Share Plan) 3 years or more?	1	1		PSP was awarded to 2 Specialist Medical Practitioners on 8 June 2020 with 3 vesting periods.
<b>4.</b>	<b>Whistleblowing policy</b>				
(a)	Does the company have a whistleblowing policy?	1	1		Yes. It is reviewed by the Audit Committee.
(b)	If the answer to the above is yes, are key details of the policy disclosed and is anonymous reporting allowed?	1	1		
<b>TOTAL: SECTION C</b>		<b>10</b>	<b>10</b>		

# Sustainability Report

Section	Questions	Self Assessment	Points (Maximum)	Guidelines	Reasons for not achieving maximum points/ Explanation
<b>D</b>	<b>ACCOUNTABILITY AND AUDIT - 10%</b>				
<b>1.</b>	<b>Composition of the audit committee</b>				
(a)	Are all the audit committee members independent?	<b>2</b>	2	2 points, if all the members are independent,	The Audit Committee has 3 members and is chaired by the
(b)	If the answer to the above is no, are the audit committee members non-executive with an independent chairman?			1 point if all the audit committee members are non-executive with an independent chairman.	Lead Independent Director. All members are Independent Directors.
(c)	Does the majority of the audit committee members have an accounting or finance background?	<b>1</b>	1		
(d)	Does the audit committee chairman have an accounting or finance background?	<b>1</b>	1		
<b>2.</b>	<b>Risk management and internal control system</b>				
(a)	Is there disclosure of the process and framework used to assess the adequacy of risk management and internal control systems?	<b>1</b>	1		
(b)	Is there disclosure that the internal auditor meets or exceeds the Institute of Internal Auditors standards?	<b>1</b>	1		

# Sustainability Report

Section	Questions	Self Assessment	Points (Maximum)	Guidelines	Reasons for not achieving maximum points/ Explanation
<b>D</b>	<b>ACCOUNTABILITY AND AUDIT - 10%</b>				
<b>2.</b>	<b>Risk management and internal control system</b>				
(c)	Does the annual report have a statement by the board or audit committee on the adequacy of the risk management and internal control systems (including operational, financial compliance, and information technology)?	1	1		
(d)	Does the company identify the in-house head/ team of internal audit or the name of the external firm that conducts its internal audit?	1	1		Internal audit functions are outsourced to a reputable and adequately resourced firm.
(e)	Is there a CEO/ CFO certification of financial statements?	1	1	Both questions should be "Y", in order to get 1 point.	
(f)	Is there an assurance from the CEO and the CFO regarding the effectiveness of the company's risk management and internal control systems?				
<b>3.</b>	<b>External auditor and auditor report</b>				
	Is the Audit Committee primarily responsible for proposing the appointment and removal of the external auditor?	1	1		
<b>TOTAL: SECTION D</b>		<b>10</b>	<b>10</b>		

# Sustainability Report

Section	Questions	Self Assessment	Points (Maximum)	Guidelines	Reasons for not achieving maximum points/ Explanation
<b>E</b>	<b>DISCLOSURE AND TRANSPARENCY - 25%</b>				
<b>1.</b>	<b>Transparent ownership structure</b>				
	Does the company disclose the direct and indirect (deemed) shareholdings of directors?	<b>1</b>	<b>1</b>		
<b>2.</b>	<b>Quality of Annual Report</b>				
<b>2.1</b>	<b>Does the company's annual report disclose the following items:</b>				
(a)	Corporate objectives	<b>1</b>	<b>1</b>		
(b)	Financial performance indicators	<b>1</b>	<b>1</b>		
(c)	Non-financial performance indicators	<b>1</b>	<b>1</b>		
(d)	Key risks (including operational risks) and how these risks are assessed and managed	<b>1</b>	<b>1</b>		
<b>3.</b>	<b>Disclosure of related party transactions (RPTs) and interested person transactions (IPTs)</b>				
(a)	Does the company disclose a detailed policy that sets out procedures for the review and approval of material/ significant IPTs?	<b>1</b>	<b>1</b>		
(b)	For each material/ significant IPT, does the company identify all related parties and its relationship with each party?	<b>1</b>	<b>1</b>	Both the questions should be "Y"; in order to get 1 point.	
(c)	For each material/ significant IPT, does the company disclose the nature and value of each transaction?				

# Sustainability Report

Section	Questions	Self Assessment	Points (Maximum)	Guidelines	Reasons for not achieving maximum points/ Explanation
<b>E</b>	<b>DISCLOSURE AND TRANSPARENCY - 25%</b>				
<b>3.</b>	<b>Disclosure of related party transactions (RPTs) and interested person transactions (IPTs)</b>				
(d)	Does the company disclose the type of material transactions that require board approval?	1	1		
<b>4.</b>	<b>Directorships/ Chairmanships in listed companies</b>				
(a)	Is there disclosure of all the directorships and chairmanships held by its directors at present and over the past 3 years?	2	2	Disclosure of 3 years = 2 points,  Disclosure of only current year = 1 point.	The Company discloses all the directors and chairmanships held by its directors at present and over the past 5 years.
(b)	Is there disclosure of only the current directorships and chairmanships held by its directors?				
<b>5.</b>	<b>Timeliness of release of results</b>				
(a)	Financial year-end	2	3	3 points, if released within 30 days, 2 points, if financial statements released within 31-60 days.	The Group released its financial results within 31-60 days.  As the Board requires the results to be reviewed by the Auditors prior to the announcement, it is highly unlikely that the Group's results will be announced within 30 days.

# Sustainability Report

Section	Questions	Self Assessment	Points (Maximum)	Guidelines	Reasons for not achieving maximum points/ Explanation
<b>E</b>	<b>DISCLOSURE AND TRANSPARENCY - 25%</b>				
<b>5.</b>	<b>Timeliness of release of results</b>				
(b)	Results release date				
(c)	Number of days taken to release the results				
(d)	Does the company release its audited annual/ financial report no later than 60 days from the company's financial year-end?	-	1		As the announcement is released after 30 days, it is highly unlikely for the Group to release its audited annual/ financial report no later than 60 days from the Company's financial year-end.
<b>5.</b>	<b>Medium of communication</b>				
<b>5.1</b>	<b>Does the company use the following modes of communication?</b>				
(a)	Analyst's briefing	1	1	At least either of the questions should be "Y" to get 1 point.	
(b)	Media briefing/ press conferences				
<b>6.1</b>	<b>Corporate website</b>				
(a)	Are details of its code of conduct or ethics disclosed?	1	1		
(b)	Is the link provided on the SGX website and/ or annual report?	1	1		
(c)	Does the website have a clearly dedicated investor relations ("IR") link instead of providing the financial information under links such as "News" or "Announcements"?	1	1		

# Sustainability Report

Section	Questions	Self Assessment	Points (Maximum)	Guidelines	Reasons for not achieving maximum points/ Explanation
<b>E</b>	<b>DISCLOSURE AND TRANSPARENCY - 25%</b>				
<b>6.1</b>	<b>Corporate website</b>				
(d)	Are the latest financial results available on the website?	1	1	Both the questions should be "Y", in order to get 1 point.	
(e)	Is the latest annual report available on the website?				
(f)	Is the IR contact given on the website/ annual report?	1	1		
<b>6.2</b>	<b>Does the company have a website disclosing up-to-date information on the following:</b>				
(a)	Group corporate structure	1	1		
(b)	Clear vision and mission statements?	1	1		
(c)	Does the company demonstrate email responsiveness to investor relations function promptly and effectively (i.e., within a week)?	1	1		The Group acknowledges all relevant emails and must respond with a reasoned answer within 10 days.
<b>7.</b>	<b>Results briefings</b>				
(a)	In the company's annual report, are the commentaries of the board on steps and measures being taken to understand shareholders' viewpoints and concerns, e.g. through analyst briefings, investor roadshows or Investors' Day briefings?	1	1		
(b)	Does the company carry out adequate investor relations policy in order to ensure regular and effective convey of pertinent information to shareholders?	1	1		
<b>TOTAL: SECTION E</b>		<b>23</b>	<b>25</b>		

# Sustainability Report

Section	Questions	Self Assessment	Points (Maximum)	Guidelines	Reasons for not achieving maximum points/ Explanation
<b>TOTAL BASE SCORE (A, B, C, D &amp; E)</b>		<b>93</b>	<b>100</b>		
<b>ADD: BONUSES</b>					
1.	Having a positive Corporate Governance confirmation	<b>3</b>	3		
2.	Disclosing information on the succession planning for the board and senior management	-	3		
3.	Having a board-level risk committee comprising independent directors	<b>3</b>	3		The Audit Committee also oversees the risk management framework of the Company.
4.	Having a comprehensive description of how the company assesses the independence of its directors and independent director should be independent from major shareholders	<b>3</b>	3		The Nominating Committee assessed the Independent Director's independence based on the Code of Corporate Governance guidelines.
5.	Having a policy which prevents non-executive directors from selling stock prior to leaving the company	<b>2</b>	2		
6.	Publishing an annual sustainability report	<b>3</b>	3		The Group has published an annual sustainability report and included it in its Annual Report since FY 2016.



# Sustainability Report

Section	Questions	Self Assessment	Points (Maximum)	Guidelines	Reasons for not achieving maximum points/ Explanation
<b>ADD: BONUSES</b>					
7.	Reducing share issue mandate	-	5		Currently, the Company has not reduced its share issue mandate. The Company may consider reducing its share issue mandate in the near future.
8.	Having a share trading policy which requires board approval for trading by directors and disclosing the policy	3	3		Currently, each director is required to inform the Company of any trading of shares of the Company. The Company has a share trading policy in place.
9.	Setting the risk tolerance, or having a risk management policy describing the tolerance for various classes of risk by the board	2	2		The Group has implemented an Enterprise Risk Management framework and performed a risk refresher in FY 2020.
10.	All directors attended the latest AGM	3	3		
11.	External search done when appointing new directors	3	3		
12.	Disclosing detailed information on director training	3	3		
13.	Publishing its notice of AGM (with detailed agendas and explanatory circulars) at least 28 days before the meeting date	-	3		

# Sustainability Report

Section	Questions	Self Assessment	Points (Maximum)	Guidelines	Reasons for not achieving maximum points/ Explanation
<b>ADD: BONUSES</b>					
14.	Adopting integrated reporting in its Annual Report	2	2		The Group has prepared its FY 2020 Annual Report based on the combined reporting format with a section on "Sustainability Report".
15.	Having assurance from the Board and/ or the Remuneration Committee that the level and structure of remuneration align with the long-term interests and risk management policies of the company	2	2		
<b>TOTAL: BONUS SECTION</b>		<b>32</b>	<b>43</b>		
<b>LESS: PENALTIES</b>					
1.	Non-disclosure of director information	<b>N/A</b>			
2.	Tenure of independent directors (points)	<b>N/A</b>			
3.	Independent Directors concurrently hold multiple directorship	<b>N/A</b>			The external directorships are disclosed for Independent Directors.
4.	Number of external directorships concurrently held by Executive Directors	<b>N/A</b>			The external directorships are disclosed for Executive Directors.
5.	Presence of board interlocks	<b>N/A</b>			
6.	Same independent directors sitting on the nominating, remuneration and audit committee	<b>-1</b>			The Company has one of the independent directors sitting on the nominating, remuneration and audit committee.

# Sustainability Report

Section	Questions	Self Assessment	Points (Maximum)	Guidelines	Reasons for not achieving maximum points/ Explanation
<b>LESS:</b>	<b>PENALTIES</b>				
7.	CEO/ MD/ ED not subject to re-election	<b>N/A</b>			
8.	The Lead Independent Director (LID), if any, is not on the Nominating Committee or the LID failed to meet other independent directors separately	<b>N/A</b>			Lead Independent Director, Mr. Ng Boon Yew, is a member of the Nominating Committee.
9.	Issuance of a profit warning within 30 days after the IPO or after a results announcement	<b>N/A</b>			
10.	Earnings restatements	<b>N/A</b>			
11.	Frequent turnover of senior management (CEO, Executive Directors & CFO) – More than one change within a year	<b>N/A</b>			
12.	Resignation of senior management (CEO, Executive Directors & CFO) without adequate disclosure of information regarding the circumstances, search for replacement and expected time frame for appointing a new person	<b>N/A</b>			
13.	Other directors resigning without disclosure of reasons	<b>N/A</b>			
14.	Appointments or resignation of independent directors which are closely linked to controlling shareholders	<b>N/A</b>			
15.	Directors or senior management resigning and raising corporate governance-related concerns	<b>N/A</b>			

# Sustainability Report

Section	Questions	Self Assessment	Points (Maximum)	Guidelines	Reasons for not achieving maximum points/ Explanation
<b>LESS:</b>	<b>PENALTIES</b>				
16.	External auditors unable to issue an opinion or raises red flag, allegations of fraud reported, unauthorised trading	N/A			
17.	Breach of listing rules	N/A			
18.	Retention or appointment of directors or senior management who have been subjected to regulatory actions	N/A			
19.	Significant interested party transactions involving major shareholders, directors or senior management or evidence of serious conflicts of interest (points)	N/A			
20.	Issue of share options to independent directors	N/A			
21.	Issue of share options when stock prices are at or near year end lows	N/A			
22.	Late announcement of stock option grants (points)	N/A			
23.	Investor relations issues	N/A			
24.	Appointment of alternate IDs, insufficient disclosure of nominating process	N/A			
25.	Director attendance at board and committee meetings	N/A			
26.	Query on trading activity	N/A			
27.	Non-audit fees exceed audit fees if the company engages the same audit firm	N/A		If the non-audit fees exceed audit fees consecutively for last 2 years.	
28.	Chairman has also been the CEO in the last three years	N/A			

# Sustainability Report

Section	Questions	Self Assessment	Points (Maximum)	Guidelines	Reasons for not achieving maximum points/ Explanation
<b>LESS:</b>	<b>PENALTIES</b>				
29.	Presence of a pyramid and/ or cross holding ownership structure	N/A			
30.	Legal violations pertaining to labour/ employment/ consumer/ insolvency/ commercial/ competition or environmental issues	N/A			
31.	Directors or senior managers have an employment relationship with the current external auditor in the past 2 years	N/A			
	<b>TOTAL MAXIMUM (BASE + BONUS):</b>	<b>124</b>	<b>143</b>		

N/A - Not Applicable

# Sustainability Report

## LEGAL COMPLIANCE AND CORPORATE GOVERNANCE

### ETHICS AND INTEGRITY

We promote an ethical and 'act with integrity' culture throughout the Group and our clinics, and seek to conduct our business in an ethical manner and in compliance with best practices. All directors, specialist medical practitioners, clinical and management staff are required to fully comply with our Code of Ethics.

The Code of Ethics details our expected standards of employee's professional behaviour towards our business partners whom we have business dealings with, the people in the society whom we serve as patients and their families, and towards each other as employees of the Company. Above all, we are inculcated with strong corporate values to act with integrity.

### ANTI-CORRUPTION AND ANTI-FRAUD

SOG adopts a zero-tolerance policy to bribery and corruption. Internal monitoring and management control systems are put in place which serves as a necessary check and balance to ensure our employees are compliant with the company's anti-corruption policy, Code of Ethics and prescribed business processes.

We have also established a whistle-blowing mechanism for employees (including specialist medical practitioners) and any other stakeholders concerned such as patients and their families, suppliers, competitors and contractors.

The Group has assessed the need to have more than one whistle-blowing channels. Our stakeholders can use any of the following whistle-blowing channels:

All directors, specialist medical practitioners and key management personnel are required to complete and sign an annual declaration form declaring any and all direct or indirect interests they have in the Group or its associated companies. The Board of Directors is required to declare and confirm their direct or indirect directorships and any interested person transactions in relation to the Group quarterly.

#### 1. Audit Committee Chairman

Mr. Ng Boon Yew

(Email: boonyew@rafflescampus.edu.sg)

#### 2. Auditors

Foo Kon Tan LLP

Attention to Audit Partner-in-charge: Mr. Chan Ser

(Email: ser.chan@fookontan.com)

By doing so, our stakeholders can be assured that all reports or suspicions of potential breaches of our Code of Ethics, corruption and frauds are taken seriously by the Group. The whistleblowers can also be assured their identities are kept anonymous.

# Sustainability Report

## LEGAL COMPLIANCE AND CORPORATE GOVERNANCE

### COMPLIANCE WITH LAWS AND REGULATIONS

We are proactive in ensuring compliance with all relevant laws and regulations. Our management team is responsible to review and monitor the Group's policies and practices concerning legal and regulatory requirements across all clinics and corporate office. Any non-compliance of the relevant laws and regulations with the proposed resolutions will be reported to the Board of Directors quarterly.

In FY 2020, due to the coronavirus disease 2019 ("COVID-19"), the Group's clinics have implemented and observed the guidelines from the Ministry of Health ("MOH") and Ministry of Trade and Information ("MTI"). This includes the screening processes, implementation of precautionary measures such as temperature taking, social distancing rules and restriction of cross-institutional manpower movement.

On 7 April 2020, the COVID-19 (Temporary Measures) Act 2020 was passed by Singapore Parliament. The Group complied with the prescribed alternative arrangement for the conduct of general meetings of companies as these were deemed to be compliant with the relevant provisions of written law.

There is no incidence of non-compliance with the relevant laws and regulations in FY 2020 and the Group has met its targets set for FY 2020 in the FY 2019 Sustainability Report.

**Target for FY 2021: To continue to achieve full compliance with laws and regulations**

The Group has put in place policies and procedures to ensure compliance with the relevant laws and regulations, particularly those relating to the MOH and Singapore Medical Council. At the corporate level, we also ensure compliance both in substance and in form with the Listing Rules of SGX-ST, Securities and Futures Act, and Singapore Companies Act.

Any new enactment of or changes to the relevant laws and regulations will be communicated to all clinical and management staff via emails and small group meetings. Such communication is necessary to ensure that all staff are aware of the changes and can take the necessary steps and actions to ensure compliance.

We seek to use our patient's data to serve our patients and their families responsibly, and adhere to and uphold the provisions of the Personal Data Protection Act ("PDPA"). We have put in place policies to ensure we are in compliance with PDPA and we respect our patients' choices in protecting their data and privacy.

The main purpose for which personal data is collected, used or disclosed by SOG and its clinics, and any of our service providers in Singapore include furnishing our patients and their families with information relating to our products and services, managing their accounts, processing payments, addressing questions and feedbacks, improving our products and service level; as well as, where permitted under law, sending them our marketing and promotional offers on products and services, and personalised content and advertising based on their preferences and demographics.

There is no incidence of breach of PDPA, product and service mis-information and labelling, or marketing communications in FY 2020 and the Group has met its targets set for FY 2020 in the FY 2019 Sustainability Report.

**Target for FY 2021: To continue to achieve full compliance with PDPA**

# Sustainability Report

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## LEGAL COMPLIANCE AND CORPORATE GOVERNANCE

### RISK MANAGEMENT

We recognise the importance of risk management and how business risks may adversely affect the Group's financial and operating performance.

The Group has implemented an Enterprise Risk Management ("ERM") system and performed an annual Risk Refresher exercise to identify, assess and manage the top ten risks in FY 2020.

While it is the responsibility of the Audit Committee, as delegated by the Board of Directors, to oversee the effectiveness of our system of risk management and internal controls, the core function of the ERM framework is coordinated by our Chief Financial Officer as the Chief Risk Officer.

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## SUPPLY CHAIN AND PROCUREMENT PRACTICES

Our supply chain constitutes mainly the suppliers for our consumables and medical supplies for our 15 clinics. We maintain stringent evaluation criteria on the suppliers for our consumables and medical supplies based on the list of approved health products from Health Science Authority of Singapore ("HSA") and product and service quality guidelines issued by HSA and other regulatory bodies.

For instance, we never use drugs that are expired. We believe in transparency in our supply chain and our approach is to positively engage with suppliers if we find any issues. Any non-compliance with the guidelines of any local and international health authorities will result in us terminating the procurement contracts and business relationships.

There is no incidence of non-compliance with the guidelines of any local and international health authorities for our consumables and medical supplies used in FY 2020 and the Group has met its targets set for FY 2020 in the FY 2019 Sustainability Report.

**Target for FY 2021: To continue to achieve full compliance with the guidelines of any local and international health authorities for our consumables and medical supplies used**

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## SERVICE QUALITY AND RESPONSIBILITY

For a healthcare service provider like SOG, we rank our service quality and responsibility to our patients and their families as the top priority for the sustainable success of the Group. We are committed to providing high-quality patient care and emphasise service excellence.

We ensure our specialist medical practitioners and clinical staff practise good medicine and treat our patients professionally and ethically. We also educate and give full efforts in explaining to our patients and their families the patients' medical conditions and treatment they will be undergoing.



# Sustainability Report

## ENVIRONMENT

We believe our business has a low impact on the environment. Nevertheless, we strive to embrace environmental sustainability by managing environmental conservation by adopting 'reduce', 're-use', 'recycle' and energy-efficient practices.

Specifically, we look into ways to 'reduce', 're-use' and 'recycle' of papers, and conserve water and energy, in reducing our operating costs. However, these costs are assessed to be insignificant to the Group.

Based on discussions with our stakeholders, we have identified the following key environmental issues relating to our business and operations:

### BIOHAZARD AND MEDICAL WASTE MANAGEMENT

As responsible corporate citizen, we recognise the importance of proper biohazard and medical waste management. If such biohazard and medical waste are not well-managed, they will pose health concerns to humans and the environment.

All biohazard and medical waste are properly managed by our clinics in accordance with the rules and regulations from the MOH and National Environment Agency ("NEA"). Surprise inspection of our clinics may be carried out by NEA to ensure proper biohazard and medical waste management.

The water supply, liquid and/ or chemical products and consumables we used for our business operations or medical procedures are carefully monitored and responsibly discharged.

In FY 2020, there were no incidents of non-compliance with the rules and regulations from MOH and NEA and the Group has met its targets set for FY 2020 in the FY 2019 Sustainability Report.

**Target for FY 2021: To continue to achieve full compliance with the rules and regulations from MOH and NEA**

## SOCIAL

### PEOPLE

The success of our business is highly dependent on the commitment of our specialist medical practitioners. Likewise, our specialist medical practitioners could not function without the support from clinical staff, and the Group could not grow without our management team. Thus, we view all our employees as equally important and together they form the human capital asset of the Group. Hence, we emphasise the following areas concerning our employees:

#### 1. Health and Safety (Employees/ Patients/ Public)

Occupational health and safety imply adherence to all government regulations such as the Private Hospitals and Medical Clinics Act, Nurses and Midwives Act, Medicine Act, Singapore Medical Council Ethical Code and Ethical Guidelines.

Be it for the patients, employees (including specialist medical practitioners) or the external healthcare support team and the public, our specialist medical practitioners are responsible to ensure their respective clinics comply with the relevant government regulations. The specialist medical practitioners receive periodic updates from the relevant government agencies. Any relevant updates will be highlighted and discussed at our quarterly meetings.

All our medical support team are carefully trained in the proper handling of all medical equipment, disposal of biohazard and medical waste management, and any occurrence of major events such as infectious diseases and haze.

We have put in place processes to identify and monitor for any incidences of non-compliance. Our specialist medical practitioners are required to make a declaration if they are aware of such non-compliance incidences quarterly.

# Sustainability Report

## SOCIAL

Our patients and their families are our top priority. We seek the most appropriate medical products and treatments which serve the needs of our patients. All consumables and medical supplies used on our patients must be approved by the HSA.

All our medication dispensed are carefully labelled with the instructions for proper consumption and usage.

During FY 2020, due to the COVID-19 pandemic, the Group implemented all the precautionary measures as prescribed by MOH and MTI. This includes putting in place the social distancing measures, use of SafeEntry digital check-in application, daily monitoring of staff temperature and staggering of clinics' appointment to ensure sufficient safe-distancing for our patients. The resumption of our clinics' operations and essential services were also carried out in accordance with the MOH's guidelines.

In FY 2020, there were no incidents of health and safety issue to our employees, patients and public, and no workplace injury or work-related fatalities in our operations and the Group has met its targets set for FY 2020 in the FY 2019 Sustainability Report.

All incidences are reported to SOG Corporate Office and investigated if deemed necessary. Safety measures are put in place if bio-hazards are identified.

Key Performance Indicators	FY 2020	Target for FY 2021
Lost Days Rate *	0%	0%

\* Lost Days Rate refers to the percentage of the total number of workdays that are lost as a result of health and safety incident over the total number of workdays per year.

**Target for FY 2021: To continue to achieve zero incidences of health and safety issue**

## 2. Recruitment and Retention of Talents

The recruitment and retention of talents include cooperation with professional institutions, talent pool development and retention, and staff grievance mechanism.

We are continuously recruiting talents, particularly younger talents and grooming them through mentorship, recommending patients to them and supporting them to give free public presentations to potential patients and their families.

Our recruitment policy is based on meritocracy, pre-requisite skills and academic qualifications required to perform the required job scope. During the recruitment process, we have implemented stringent assessment criteria to ensure we recruit the people, particularly specialist medical practitioners, who share the Group's values.

We focus on talent retention by providing fair and sustainable financial and non-financial incentives, and learning and development opportunities. Our compensation and benefits policies are determined by guidelines proposed by senior management and approved by SOG's Remuneration Committee. All our employees are subject to annual performance review and receive constant performance feedbacks from their immediate superiors.

The Group also contributes to the Central Provident Fund Scheme and obtains medical benefits such as Hospitalisation & Surgical Plan for all our employees. We provide childcare, maternity as well as paternity leave in accordance with the guidelines from the Ministry of Manpower of Singapore.

# Sustainability Report

## SOCIAL

Below is the employee headcount as of 31 December 2020 and 2019.

Number of Headcount	Specialist Medical Practitioners	Clinical Staff	Management Staff	Total
As of 31 December 2020	15	49	16	80
As of 31 December 2019	15	50	17	82

In FY 2019, the Group decided to enhance the appropriateness of performance metric used in the determination of talent retention, from turnover rate to retention rate. In FY 2020, the Group has met its target set for FY 2020 in the FY 2019 Sustainability Report.

Year	Average Retention Rate
2020	97.5%
2019	96.1%

**Target for FY 2021: To maintain FY 2020's average retention rate**

### 3. Training and Staff Development (including Specialist Medical Practitioners)

Apart from providing fair and sustainable financial incentives to our employees, we also strive to create a culture of developing our employees through the following ways:

#### MENTORSHIP

We have a strong culture of mentorship throughout our Group. Our senior management leads and develops the Group in achieving the goals and vision of the Group. Our senior specialist medical practitioners provide guidance and professional support to our junior specialist medical practitioners. Periodically, our specialist medical practitioners meet to discuss operational issues and senior specialist medical practitioners share their experiences and provide mentorship to the junior specialist medical practitioners.

Our senior nurses provide on-the-job-training and coaching to our junior nurses and clinical assistants.

#### TRAINING AND SKILLS UPGRADING OPPORTUNITIES

We are constantly developing our employees by providing regular feedback and training. We believe that everyone needs to know their areas of improvement. For those with high potential, career tracks are developed and opportunities are given to help them advance progressively in SOG.

Training such as medical conferences and courses relating to their work is critical to equip our employees with up-to-date medical knowledge and skills in serving our patients and their families and to support one another in SOG.

# Sustainability Report

## SOCIAL

### Average hours of training per year per employee (specialist medical practitioners):

#### 2020

Gender	No. of Specialist Medical Practitioners <sup>^</sup>	No. of Medical Conferences	Total No. of Training Hours *	Average No. of Training Hours per FTE <sup>^</sup>
Male	2	4	7	3.5
Female	13	26	224	17.2
<b>Total</b>	<b>15</b>	<b>30</b>	<b>231</b>	<b>20.7</b>

#### 2019

Gender	No. of Specialist Medical Practitioners <sup>^</sup>	No. of Medical Conferences	Total No. of Training Hours *	Average No. of Training Hours per FTE <sup>^</sup>
Male	2	17	342	171.0
Female	13	66	1,073	82.5
<b>Total</b>	<b>15</b>	<b>83</b>	<b>1,415</b>	<b>253.5 <sup>#</sup></b>

\* Assume 8 training hours per day.

<sup>^</sup> The number of specialist medical practitioners are the full-time employees ("FTE") of the Group as of 31 December.

<sup>#</sup> The higher average number of training hours are due to more overseas conferences attended by our Specialist Medical Practitioners.

### Average hours of training per year per employee (clinical staff):

#### 2020

Gender	No. of Clinical Staff <sup>^</sup>	No. of Trainings	Total No. of Training Hours *	Average No. of Training Hours per FTE <sup>^</sup>
Male	-	-	-	-
Female	49	104	169	3.4
<b>Total</b>	<b>49</b>	<b>104</b>	<b>169</b>	<b>3.4</b>

#### 2019

Gender	No. of Clinical Staff <sup>^</sup>	No. of Trainings	Total No. of Training Hours *	Average No. of Training Hours per FTE <sup>^</sup>
Male	-	-	-	-
Female	50	159	749	15.0
<b>Total</b>	<b>50</b>	<b>159</b>	<b>749</b>	<b>15.0 <sup>#</sup></b>

\* Assume 8 training hours per day.

<sup>^</sup> The number of clinical staff are the full-time employees ("FTE") of the Group as of 31 December.

<sup>#</sup> The higher average number of training hours are due to the training for new clinical software system implemented in FY 2019.

# Sustainability Report

## SOCIAL

### Average hours of training per year per employee (management staff):

#### 2020

Gender	No. of Management Staff <sup>^</sup>	No. of Trainings	Total No. of Training Hours <sup>*</sup>	Average No. of Training Hours per FTE <sup>^</sup>
Male	5	14	25	5.0
Female	11	63	118	10.7
<b>Total</b>	<b>16</b>	<b>77</b>	<b>143</b>	<b>15.7</b>

#### 2019

Gender	No. of Management Staff <sup>^</sup>	No. of Trainings	Total No. of Training Hours <sup>*</sup>	Average No. of Training Hours per FTE <sup>^</sup>
Male	5	19	205	41.0
Female	12	38	388	32.3
<b>Total</b>	<b>17</b>	<b>57</b>	<b>593</b>	<b>73.3 <sup>#</sup></b>

\* Assume 8 training hours per day.

<sup>^</sup> The number of management staff are the full-time employees ("FTE") of the Group as of 31 December.

<sup>#</sup> The higher average number of training hours are due to the training for new software system usage.

In FY 2020, the Group did not meet its targets set for FY 2020 in the FY 2019 Sustainability Report for the provision of training for all our employees. This is partly due to the COVID-19 pandemic which resulted in the postponement or cancellation of external training schedules.

**Target for FY 2021: We aim to provide more trainings to our employees by increasing the average number of training hours per FTE by 10% as compared to FY 2020.**

#### 4. Diversity and Equal Opportunities

We advocate gender diversity in our Board and across the Group. We set out the approach in our Board Diversity Policy Statement to achieve continued strong current and future business performance by promoting diversity on the Board and later, amongst the specialist medical practitioners and management of the Company.

The Board has established the following measurable objectives for workforce diversity:

Measurable Objectives	Progress
1. To have women on the Board	▪ Two (2) of our Directors are women.
2. To have women on board our senior management	▪ There is a senior management member who is a woman.
3. Due to the nature of the healthcare industry, we have more female than male employees. Where possible, recruit more male employees for our business.	▪ As of 31 December 2020, the Group has a total of 80 employees (including specialist medical practitioners); comprising 73 female and seven (7) male employees.

# Sustainability Report

## SOCIAL

As of the date of this report, we have two (2) female directors among our seven (7) board members as well as a good representation of two (2) male doctors and 13 female doctors among our specialist medical practitioners.

Dr. Heng Tung Lan (“**Dr. Heng**”) is one of our founders and Executive Directors of the Company. She is an Obstetrician and Gynaecologist and is one of the 13 female doctors among our specialist medical practitioners. She currently serves on the Board as Executive Director and is one of our substantial shareholders.

We ensure that there are fair work practices, and remuneration is ascertained based on individual work performance and not on any gender consideration. No form of discrimination is tolerated within the Group.

In FY 2020, there were no incidents of discrimination and corrective actions taken and the Group has met its target set for FY 2020 in the Sustainability Report for FY 2019.

**Target for FY 2021: To continue to achieve zero incidents of discrimination and corrective actions taken**

## 5. Labour-Management Relations (including Specialist Medical Practitioners)

It is important to have effective communication between management and employees so that employees are more engaged with the Group and have a more positive attitude towards their work and our patients and their families. Our employees are provided with frequent management updates and duly briefed for any new or changes in the Group’s policies and procedures.

We often engage our employees in the following ways:

### 1. Quarterly and Adhoc Meetings for Specialist Medical Practitioners

Management conducts quarterly and adhoc meetings for our specialist medical practitioners to discuss business development, finance, human resource and administrative, marketing and operational matters.

In FY 2020, the Group conducted at least four (4) townhall meetings for our Specialist Medical Practitioners. Beyond that, the Group has held various informal and small group meetings to engage our specialists on matters concerning their respective clinics.

In FY 2020, the Group has met its targets set for FY 2020 in the FY 2019 Sustainability Report.

**Target for FY 2021: To conduct at least four (4) meetings for Specialist Medical Practitioners**

# Sustainability Report

## SOCIAL

### 2. Regular Small Group Meetings for Clinical Staff

Management conducts regular small group meetings to connect with our clinical staff at various locations. During the small group meetings, management explains new initiatives, policies and processes, and solicits opinions and feedbacks.

In FY 2020, the Group conducted at least three (3) townhall meeting for our clinical staff. The Group has also held various informal and small group meetings to engage our clinical staff on matters concerning the Group's policies and processes. The management considers small group meetings to be more effective and efficient.

In FY 2020, the Group has met its targets set for FY 2020 in the Sustainability Report for FY 2019.

**Target for FY 2021: To conduct at least two (2) meeting for clinical staff**

### 3. Informal and Small Group Meetings for Employees

Informal and small group meetings are often held by management for feedback on employee's concerns and grievances.

## COMMUNITY

As a responsible corporate organisation, we believe in giving back to society. While we strive to achieve our financial goals and objectives, we also believe in playing our part to engage and benefit our local community.

Over the years, we have been actively involved in various patient and community initiatives:

### PUBLIC FORUMS

We are committed to organising at least one public forum annually. Since 2014, SOG has been conducting annual public forums where our specialist medical practitioners share their knowledge and expertise, and our medical and healthcare suppliers set up booths to educate the public on their products and services.

Such educational and informative public forums bring our specialist medical practitioners, medical and healthcare suppliers together to provide the public with valuable insights and information on major health topics of interest. Our public forums are usually fully subscribed.

2020: None \*

2019: Pregnancy – Your Journey to Motherhood (held on 14 September 2019) and Know Your Body – A Forum on Women's Health (held on 19 October 2019)

\* In FY 2020, due to the restrictions put in place by the Government of Singapore in response to COVID-19 pandemic, SOG did not organize a public forum. Our specialist medical practitioners continue to share their knowledge and expertise through webinars hosted by pharmaceutical companies or other corporations.

# Sustainability Report

## COMMUNITY

### EDUCATIONAL HEALTH TALKS

We frequently receive invitations from corporations, schools and other organisations to have our specialist medical practitioners give educational health talks to their employees, general medical practitioners, and the general public.

In sharing their knowledge and expertise, our specialist medical practitioners take time-off from their clinics and give talks to these target audiences. During the talks, the audiences were welcomed to ask questions relating to the subject matter.

Year	No. of Specialist Medical Practitioners	No. of Health Talks
2020	13	32
2019	12	76

### GIVING BACK TO COMMUNITY

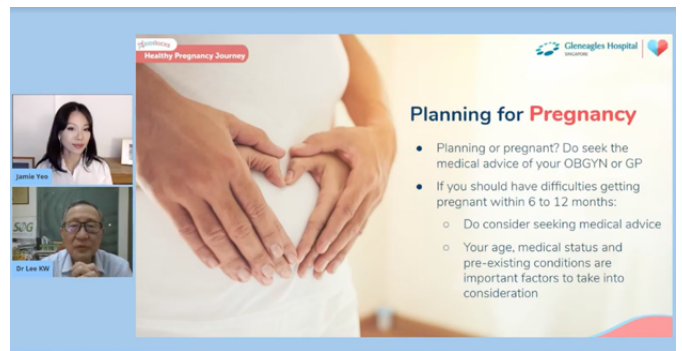
At SOG, we believe in providing long-term committed support to the underprivileged. We have consistently demonstrated our commitment to improving the well-being and development of the community and environment in which we operate.

Over the years, SOG has worked with various community and charity organisations and participated in social development projects by providing support through either community day or cash donations.

On 3 December 2020, SOG held our Community Day event in support of Touch Community Services (Seniors Activity Centre at Geylang Bahru). The event saw our Board of Directors, specialist medical practitioners, clinical and management staff participating in a door-to-door distribution of SOG Care Bags to the seniors living in rented flats at Geylang Bahru. The SOG Care Bags were filled with daily essential items which come in handy for the elderly.



Dr. Lee Keen Whye speaking at Healthy Pregnancy Journey, a webinar organized by Gleneagles Hospital and theAsianparent for expectant parents.



### Your child's health : what you can do as a parent

Ensure your child gets the needed vaccinations



Ensure good practices like washing hands before meals, exercise regularly and good sleep



Dr. Petrina Wong sharing more about a child's developmental milestones and common childhood illnesses at SuperMom's Positive Parenting: Babies & Toddlers webinar.





# Sustainability Report

## COMMUNITY

**SOG**  
SINGAPORE O&G LTD.  
CARING FOR WOMEN'S & CHILDREN'S HEALTH

**GIVES  
BACK TO THE  
COMMUNITY**

Singapore O&G Ltd. (SOG) aims to cultivate the spirit of giving back to the community. By bringing SOG staff and charity organisations together, we can help to support and build a caring and inclusive society.

**JOIN US FOR A FUN-FILLED AFTERNOON EVENT!**

**EVENT DETAILS**  
Beneficiary: **TOUCH** Community Services

**DATE: THURS 3 DEC 2020**  
**TIME: 2:00PM - 5:00PM**  
\*ATTENDANCE IS COMPULSORY

**TOUCH SENIOR ACTIVITY CENTRE (GEYLANG BAHRU)**  
BLK 61 GEYLANG BAHRU, #01-3293, SINGAPORE 330061



The total contribution for our Community Day event amounted to S\$15,000. We hope that with these initiatives, we can cultivate a sense of giving and sharing within the Group.



# Sustainability Report

## GLOBAL REPORTING INITIATIVES CONTENT INDEX

Disclosure Number	Disclosure Title	Page Reference/ Information
<b>GRI 102: GENERAL DISCLOSURES</b>		
Organisational Profile		
102-1	Name of the organisation	01
102-2	Activities, brands, products, and services	01 - 02
102-3	Location of headquarters	Corporate Information
102-4	Countries of operations	Our Network
102-5	Ownership and legal form	Note 1 to the Financial Statements
102-6	Markets served	08
102-7	Scale of the organisation	02 - 03, 08 - 13, 73, Statements of Financial Position, Note 3 to the Financial Statements
102-8	Information on employees and other workers	71 - 76
102-9	Supply chain	70
102-10	Significant changes to the organisation and its supply chain	No significant changes during FY 2020
102-11	Precautionary principle or approach	34 - 37, Corporate Governance Report
102-12	External initiatives	35, 80 - 85
102-13	Membership of associations	Nil
Strategy		
102-14	Statement from senior decision-maker	04 - 07
Ethics and Integrity		
102-16	Values, principles, standards, and norms of behavior	01, 35, 68, Corporate Governance Report
Governance		
102-18	Governance structure	35, 94
Stakeholder Engagement		
102-40	List of stakeholder groups	38 - 39
102-41	Collective bargaining agreements	Not applicable
102-42	Identifying and selecting stakeholders	38
102-43	Approach to stakeholder engagement	36 - 39
102-44	Key topics and concerns raised	38 - 39
Reporting Practice		
102-45	Entities included in the consolidated financial statements	Note 4 to the Financial Statements
102-46	Defining report content and topic Boundaries	34
102-47	List of material topics	36 - 37
102-48	Restatements of information	No restatements of information

# Sustainability Report

## GLOBAL REPORTING INITIATIVES CONTENT INDEX

Disclosure Number	Disclosure Title	Page Reference/ Information
<b>GRI 102: GENERAL DISCLOSURES</b>		
Reporting Practice		
102-49	Changes in reporting	No significant changes in reporting
102-50	Reporting period	34
102-51	Date of most recent report	April 2020 (included in FY 2019 Annual Report)
102-52	Reporting cycle	Annual
102-53	Contact point for questions regarding the report	34
102-54	Claims of reporting in accordance with the GRI Standards	34
102-55	GRI Content Index	80 - 85
102-56	External assurance	34
<b>TOPIC SPECIFIC DISCLOSURES</b>		
Economic Performance		
103-1	Explanation of the material topic and its Boundary	04 - 07
103-2	The management approach and its components	08 - 13
103-3	Evaluation of the management approach	08 - 13
201-1	Direct economic value generated and distributed	Not applicable
201-2	Financial implications and other risks and opportunities due to climate change	Not applicable
201-3	Defined benefit plan obligations and other retirement plans	Central Provident Fund contributions are duly made on behalf of Singaporean employees in accordance with the Singapore government's mandated requirement for all employers
201-4	Financial assistance received from government	Note 21 to the Financial Statements
Market Presence		
103-1	Explanation of the material topic and its Boundary	Not applicable as our business operation is only in Singapore
103-2	The management approach and its components	Not applicable as our business operation is only in Singapore
103-3	Evaluation of the management approach	Not applicable as our business operation is only in Singapore
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Not applicable as there is no minimum wage system in Singapore
202-2	Proportion of senior management hired from the local community	31
Procurement Practices		
103-1	Explanation of the material topic and its Boundary	70
103-2	The management approach and its components	70
103-3	Evaluation of the management approach	70

# Sustainability Report

## GLOBAL REPORTING INITIATIVES CONTENT INDEX

Disclosure Number	Disclosure Title	Page Reference/ Information
<b>TOPIC SPECIFIC DISCLOSURES</b>		
<b>Procurement Practices</b>		
204-1	Proportion of spending on local suppliers	Majority of our business expenditures in Singapore is with locally registered companies
<b>Anti-Corruption</b>		
103-1	Explanation of the material topic and its Boundary	
103-2	The management approach and its components	
103-3	Evaluation of the management approach	
205-1	Operations assessed for risks related to corruption	68
205-2	Communication and training about anti-corruption policies and procedures	
205-3	Confirmed incidents of corruption and actions taken	
<b>Environment</b>		
<b>Materials</b>		
103-1	Explanation of the material topic and its Boundary	
103-2	The management approach and its components	71
103-3	Evaluation of the management approach	
301-1	Materials used by weight or volume	Not applicable as it is deemed to be immaterial
301-2	Recycled input materials used	
<b>Energy</b>		
103-1	Explanation of the material topic and its Boundary	
103-2	The management approach and its components	71
103-3	Evaluation of the management approach	
302-1	Energy consumption within the organisation	Not applicable as it is deemed to be immaterial
302-2	Energy consumption outside of the organisation	
302-3	Energy intensity	
<b>Water</b>		
103-1	Explanation of the material topic and its Boundary	
103-2	The management approach and its components	71
103-3	Evaluation of the management approach	
303-1	Water withdrawal by source	Not applicable as it is deemed to be immaterial

# Sustainability Report

## GLOBAL REPORTING INITIATIVES CONTENT INDEX

Disclosure Number	Disclosure Title	Page Reference/ Information
<b>TOPIC SPECIFIC DISCLOSURES</b>		
Effluent and Waste		
103-1	Explanation of the material topic and its Boundary	
103-2	The management approach and its components	71
103-3	Evaluation of the management approach	
306-1	Water discharge by quality and destination	
306-2	Waste by type and disposal method	Not applicable as it is deemed to be immaterial
306-4	Transport of hazardous waste	
Environmental Compliance		
103-1	Explanation of the material topic and its Boundary	
103-2	The management approach and its components	40, 71
103-3	Evaluation of the management approach	
307-1	Non-compliance with environmental laws and regulations	71
<b>SOCIAL</b>		
Employment		
103-1	Explanation of the material topic and its Boundary	
103-2	The management approach and its components	40, 71 - 72
103-3	Evaluation of the management approach	
401-1	New employee hires and employee turnover	72 - 73
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	72 - 75
401-3	Parental leave	72 - 73
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103-1	Explanation of the material topic and its Boundary	
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103-3	Evaluation of the management approach	
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Occupational Health and Safety		
103-1	Explanation of the material topic and its Boundary	
103-2	The management approach and its components	40, 71 - 72
103-3	Evaluation of the management approach	
403-1	Workers representation in formal joint management-worker health and safety committees	
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	71 - 72
403-3	Workers with high incidence or high risk of diseases related to their occupation	

# Sustainability Report

## GLOBAL REPORTING INITIATIVES CONTENT INDEX

Disclosure Number	Disclosure Title	Page Reference/ Information
<b>SOCIAL</b>		
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103-1	Explanation of the material topic and its Boundary	40, 73
103-2	The management approach and its components	
103-3	Evaluation of the management approach	
404-1	Average hours of training per year per employee	74 - 75
404-2	Programs for upgrading employee skills and transition assistance programs	73
404-3	Percentage of employees receiving regular performance and career development reviews	
Diversity and Equal Opportunity		
103-1	Explanation of the material topic and its Boundary	75 - 76
103-2	The management approach and its components	
103-3	Evaluation of the management approach	
405-1	Diversity of governance bodies and employees	Not applicable as employee's remuneration are ascertained based on individual work performance and not gender consideration
405-2	Ratio of basic salary and remuneration of women to men	
Non-discrimination		
103-1	Explanation of the material topic and its Boundary	75 - 76
103-2	The management approach and its components	
103-3	Evaluation of the management approach	
406-1	Incidents of discrimination and corrective actions taken	
Human Rights Assessment		
103-1	Explanation of the material topic and its Boundary	71 - 72
103-2	The management approach and its components	
103-3	Evaluation of the management approach	
612-1	Operations that have been subject to human rights reviews or impact assessments	Not applicable as there is no such occurrence
Local Communities		
103-1	Explanation of the material topic and its Boundary	40, 77
103-2	The management approach and its components	
103-3	Evaluation of the management approach	

# Sustainability Report

## GLOBAL REPORTING INITIATIVES CONTENT INDEX

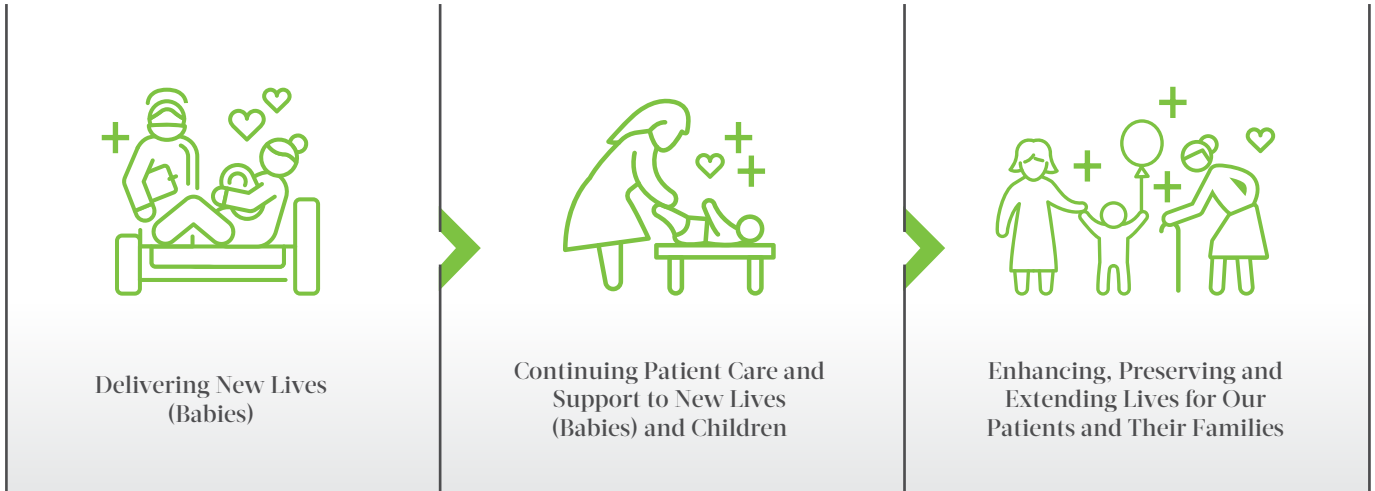
Disclosure Number	Disclosure Title	Page Reference/ Information
<b>SOCIAL</b>		
Local Communities		
613-1	Operations with local community engagement, impact assessments, and development programs	77 - 79
613-2	Operations with significant actual and potential negative impacts on local communities	
Customer Health and Safety		
103-1	Explanation of the material topic and its Boundary	71 - 72
103-2	The management approach and its components	
103-3	Evaluation of the management approach	
616-1	Assessment of the health and safety impacts of product and service categories	
616-2	Incidents of non-compliance concerning the health and safety impacts of products and services	
Marketing and Labeling		
103-1	Explanation of the material topic and its Boundary	69 - 72
103-2	The management approach and its components	
103-3	Evaluation of the management approach	
617-1	Requirements for product and service information and labeling	
617-2	Incidents of non-compliance concerning product and service information and labeling	
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Customer Privacy		
103-1	Explanation of the material topic and its Boundary	69
103-2	The management approach and its components	
103-3	Evaluation of the management approach	
610-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	
Socioeconomic Compliance		
103-1	Explanation of the material topic and its Boundary	40 - 41
103-2	The management approach and its components	
103-3	Evaluation of the management approach	
619-1	Non-compliance with laws and regulations in the social and economic area	

### Note:

SOG takes a phased approach for our sustainability reporting and the adoption of GRI indicators. We will review the relevance of each indicators to our operations annually.

# Our Strategies And Future Plans

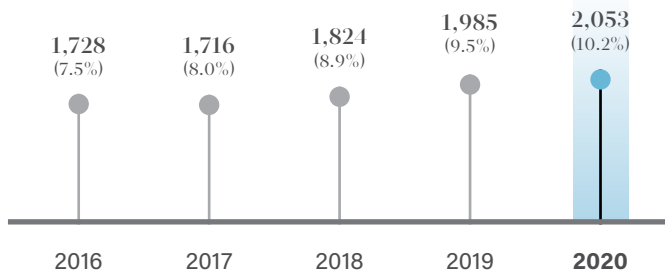
## SUSTAINABLE DEVELOPMENT STRATEGIES



## DELIVERING NEW LIVES (BABIES) IN SINGAPORE

### 2020 Highlights

#### NUMBER OF BABIES DELIVERED BY SOG



SOG delivered 2,053 babies or 10.2% market share of the private sector healthcare market. This is an increase of 0.7% market share of the private sector healthcare market as compared to FY 2019.

### 2021 Outlook

Despite the COVID-19 pandemic, the Government of Singapore (the **"Government"**) has continuously provided assistance and support in a bid to encourage couples to get married and have babies.

1. Provision of Baby Support Grant and Baby Bonus Cash Gift for newborns to support the households' financial amid the COVID-19 pandemic. In addition, parents who have second babies from January 2021 will get up to S\$9,000 from the existing ceiling of S\$6,000 for a first or second child.
2. Help couples get their own homes more quickly.
3. Lifting of age limit and increase in co-funding for Assisted Reproduction Technology treatments.

#### Sources:

<https://www.straitstimes.com/singapore/politics/parents-who-have-2nd-child-from-jan-to-get-up-to-9000-0>  
<https://www.ica.gov.sg/news-and-publications/statistics>  
<https://www.straitstimes.com/politics/parliament-govt-to-provide-additional-support-for-newborns-to-help-aspiring-parents-cope>  
<https://www.straitstimes.com/politics/presidents-address-more-social-support-will-be-given-to-spooreans-amid-greater-uncertainty>  
<https://www.channelnewsasia.com/news/singapore/baby-support-grant-parenthood-population-indranee-13240666>  
<https://www.straitstimes.com/singapore/health/more-financial-help-for-couples-seeking-fertility-treatments-subsidies-for>  
<https://www.channelnewsasia.com/news/singapore/pre-school-subsidies-fees-increased-income-josephine-teo-11848782>  
<https://www.channelnewsasia.com/news/singapore/medishield-life-coverage-extended-to-serious-pregnancy-delivery-11316798>  
<https://www.channelnewsasia.com/news/singapore/singapore-total-fertility-rate-new-low-1-16-10002558>  
<https://www.mom.gov.sg/employment-practices/leave/paternity-leave>



# Our Strategies And Future Plans

## SUSTAINABLE DEVELOPMENT STRATEGIES

4. Provide more subsidies for child vaccinations and developmental screenings.
5. Additional subsidies for pre-schools and an increase in the provision of affordable and quality infant-care and childcare places.
6. Enhance healthcare support with MediShield Life extended to cover serious pregnancy and delivery-related complications.
7. Provide paternity leave for eligible working fathers.
8. Extend and enhance the Work-Life Grant to provide more support to businesses to encourage the adoption of Flexible Work Arrangements for employers to implement practices that enhance family-friendliness.

With the Government's assistance and support, we believe that they will entice couples to get married and have babies, and this would position our O&G segment well in gaining market share in the number of babies delivered and thereby increase the contribution to the Group.

## CONTINUING PATIENT CARE AND SUPPORT TO THE NEW LIVES (BABIES) AND CHILDREN

### 2020 Highlights

Our Paediatrics segment has a direct correlation with that of the O&G segment, i.e., market share in the number of babies delivered. With the increase in market share in terms of the number of babies delivered in Singapore by our O&G segment, the contribution from our Paediatrics segment to the Group would also increase.

Revenue contribution from this segment increased from S\$4.7 million to S\$5.0 million in FY 2020. Dr. Christina Ong and Dr. Petrina Wong, sub-specialises in paediatric gastroenterology and childhood respiratory and sleep conditions respectively. With the sub-specialised services of our Paediatrics medical practitioners, we can provide more holistic care and support to our patients.

### 2021 Outlook

We will continue to grow our base of O&G and Paediatrics medical practitioners to better serve our patients and to increase our market share. We have well-positioned our Paediatrics medical practitioners at locations near our O&G medical practitioners.

# Our Strategies And Future Plans

## SUSTAINABLE DEVELOPMENT STRATEGIES

### ENHANCING, PRESERVING AND EXTENDING LIVES FOR OUR PATIENTS AND THEIR FAMILIES

#### 2020 Highlights

##### Enhancing lives for our patients and their families

For our Dermatology segment, revenue contribution from this segment reduced from S\$7.4 million to S\$6.7 million in FY 2020 due to the challenges in Singapore's medical tourism and the increasingly competitive landscape. The decrease is also attributed to the suspension of non-essential medical services during the circuit breaker period from 7 April 2020 to 1 June 2020, and the deferment of certain medical services in phase 1 of the post circuit breaker from 2 June 2020 to 18 June 2020 implemented by the Government.

In October 2020, our Dermatology segment launched its very first line of body care products - the SOG Dermatology Collection - consisting of two (2) products, the Skin Firming Oil and Stretch Mark Control Cream. The products are specially formulated by Dr. Joyce Lim and are especially useful for our obstetric patients in preventing stretch marks caused by pregnancy and/ or weight fluctuation. This is also part of the Group's effort to create synergy between our business segments.

Other than delivering babies, our O&G segment performs gynaecological procedures and surgeries to meet the healthcare needs of our patients. The number of gynaecological surgeries performed are as follows:

Year	No. of Gynaecological Surgeries Performed
2020	894
2019	1,128



# Our Strategies And Future Plans

## SUSTAINABLE DEVELOPMENT STRATEGIES

### Preserving and extending lives for our patients and their families

Our Cancer-related segment forms the pillar of medical services for patients seeking attentive and effective treatment for cancers, particularly gynaecological and breast cancers. Our Cancer Specialist team, comprising one Gynae-Oncologist and one Breast Surgeon, aims to provide holistic and altruistic options to support our patients in their fight against cancer.

Due to the COVID-19 restrictions imposed by the Government in relation to the suspension of non-essential medical services, our Cancer-related segment's revenue decreased marginally from S\$6.2 million to S\$6.0 million in FY 2020. Below is the number of surgeries performed by our cancer specialists:

Year	No. of GynaeOncological Surgeries Performed	No. of Breast Surgeries Performed
2020	299	202
2019	284	324

### 2021 Outlook

#### Enhancing lives for our patients and their families

For our Dermatology segment, we will continue to look out for talents to help grow our Dermatology segment. Our Dermatology segment has provided an alternative dimension to the Group's revenue stream and provided enhancing and synergistic possibilities to our core O&G business.

With the increasing demand for our gynaecological services, we actively invest in and equip our O&G specialists with the right tools and opportunities to constantly upgrade their skills and adopt the latest medical practices and technologies such as HIFU and minimally invasive surgery.

#### Preserving and extending lives for our patients and their families

Cancer cases have been rising over the years. One in every four people in Singapore may develop cancer in their lifetime<sup>1</sup> and the number of people affected by cancer will continue to increase.

Our Cancer Specialists have well established their bases in various hospitals and medical centres. With cancer cases on the rise, we will continue to strengthen our team of Cancer Specialists and equip them with the necessary skills and medical technology to support our patients' fight against cancer.

SOG is committed to enhance, preserve and extend the lives of our patients and we are constantly looking to recruit the right specialist medical practitioners to help us achieve our mission.

Source:

<sup>1</sup> <https://www.singaporecancersociety.org.sg/learn-about-cancer/cancer-basics/common-types-of-cancer-in-singapore.html>

# Our Strategies And Future Plans

## FUTURE PLANS

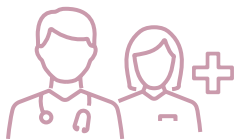
Our strategic business approach is centred on a four-pronged strategy:



Expansion of new services based on our vision of “Being the premier specialist provider in holistic healthcare for women and children”



Expansion of our business operations regionally through organic growth, joint ventures and acquisitions



Invest in our healthcare professionals and synergistic businesses to maintain our market leadership



Diversify and grow our patient bases to target more corporate clients and medical tourist

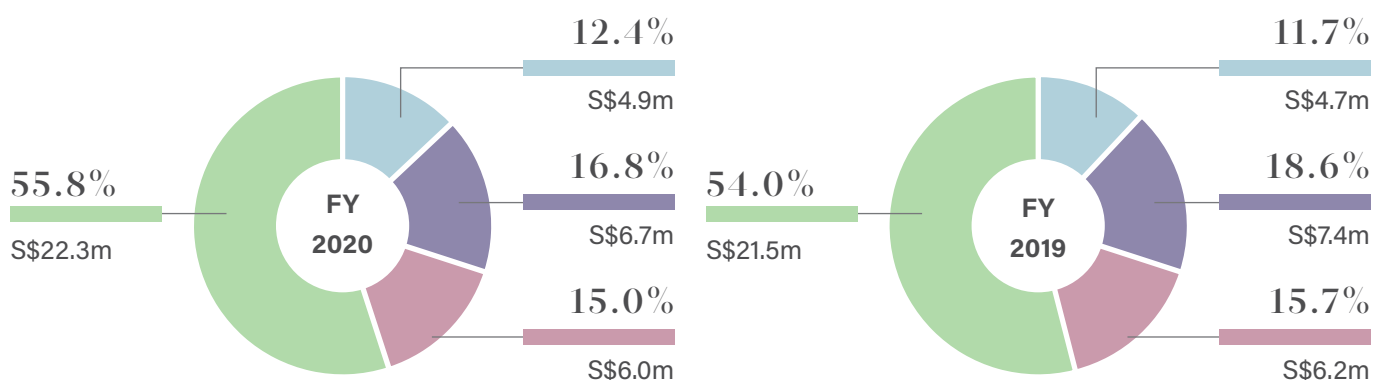
# Our Strategies And Future Plans

## WHERE ARE WE NOW

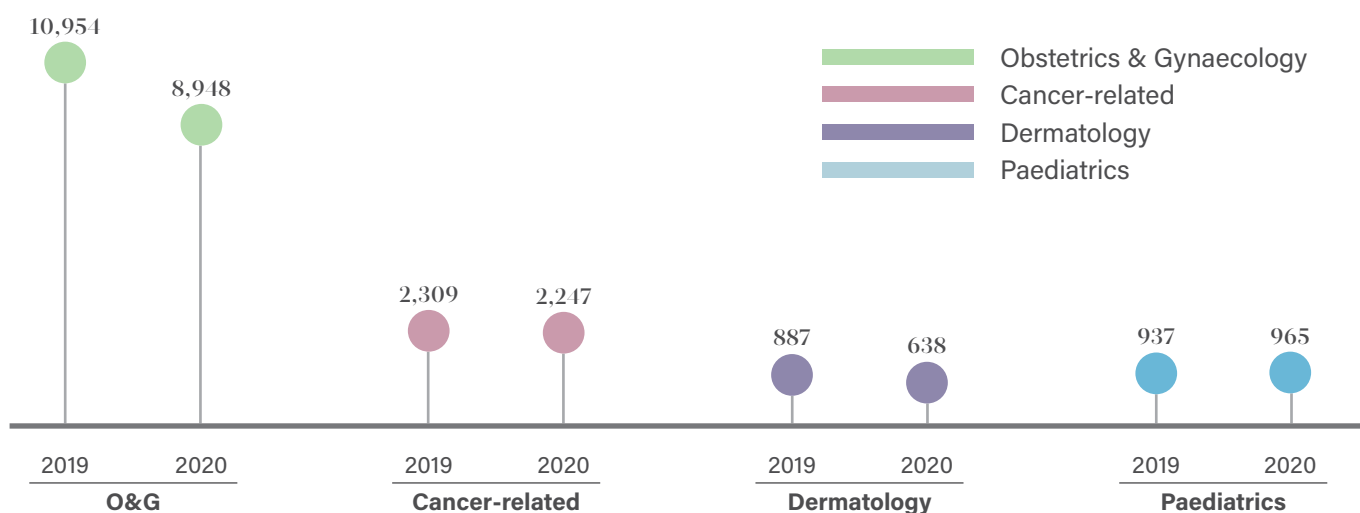
As a leading specialist healthcare group dedicated to women's and children's health and wellness, we strive to provide the full suite of services for all our patients and their families.

As of 31 December 2020, the Group has four (4) business segments: (i) O&G, (ii) Cancer-related, (iii) Dermatology, and (iv) Paediatrics. In comparison to the previous financial year, the revenue and profit from operations contribution from our 15 specialist medical practitioners for FY 2020 are as follows:

## REVENUE BY BUSINESS SEGMENTS



## PROFIT FROM OPERATIONS BY BUSINESS SEGMENTS (S\$'000)



We will continue to grow our four (4) segments and support our specialist medical practitioners in building up their patient loads especially for our junior medical practitioners. This will propel the Group to increase our market share in Singapore.

# Our Strategies And Future Plans

## WHAT WE AIM TO ACHIEVE IN THE FUTURE

We take a progressive approach in achieving our future plans and aim to:



Recruit more Specialist Medical Practitioners to strengthen all business segments within the Group.



Strengthen SOG's brand awareness and increase market share.



Continue to grow our non-O&G business segments to increase their revenue and profit contribution to the Group.

Increase the level of inter-clinic referrals through synergy awareness.



Identify opportunities in business partnerships and collaborations, venturing into humanitarian and other ancillary perspectives.



# Corporate Governance Report

## DISCLOSURE TABLE FOR COMPLIANCE TO THE CODE OF CORPORATE GOVERNANCE AND CATALIST RULES

The Board of Directors ("**Board**") of Singapore O&G Ltd. (the "**Company**") and together with its subsidiaries, the "**Group**") are committed to maintaining high standards of corporate governance and place importance on its corporate governance processes and systems so as to ensure greater transparency, accountability and maximisation of long-term shareholder value.

This report outlines the Company's corporate governance practices in place during the financial year ended 31 December 2020 ("**FY 2020**"), with specific reference made to the Code of Corporate Governance 2018 (the "**Code**"), its related practice guidance ("**PG**"), guidelines from Code of Corporate Governance 2012 ("**Code 2012**") which are still in effect as well as the disclosure guide developed by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") in January 2015 (the "**Guide**").

**TABLE I - COMPLIANCE WITH THE CODE**

<b>Principle/ Provision</b>	<b>Code and/ or Guide Description</b>	<b>Company's Compliance or Explanation</b>
General	(a) Has the Company complied with all the principles and guidelines of the Code?  If not, please state the specific deviations and alternative corporate governance practices adopted by the Company in lieu of the recommendations in the Code.	The Company has complied with the principles and guidelines as set out in the Code, Code 2012 and the Guide, where applicable.  Appropriate explanations have been provided in the relevant sections below where there are deviations from the Code, Code 2012 and/ or the Guide.
	(b) In what respect do these alternative corporate governance practices achieve the objectives of the principles and conform to the guidelines of the Code?	Not applicable. The Company did not adopt any alternative corporate governance practices in FY 2020.

# Corporate Governance Report

**TABLE I - COMPLIANCE WITH THE CODE**

Principle/ Provision	Code and/ or Guide Description	Company's Compliance or Explanation
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**BOARD MATTERS**

**THE BOARD'S CONDUCT OF AFFAIRS**

1.1 Board and Board Committees composition As at the date of this report, the Board has 7 members and comprises the following:

**Table 1.1 - Board and Board committees composition**

<b>Composition of the Board</b>		<b>Composition of the Board Committees</b>		
		<i>C - Chairman</i>		
		<i>M - Member</i>		
<b>Name of Director</b>	<b>Designation</b>	<b>AC <sup>(1)</sup></b>	<b>NC <sup>(2)</sup></b>	<b>RC <sup>(3)</sup></b>
Dr. Beh Suan Tiong	Executive Chairman	-	-	-
Dr. Lee Keen Whye	Executive Director	-	-	-
Dr. Heng Tung Lan	Executive Director	-	-	-
Mr. Ng Boon Yew	Lead Independent Director	C	M	-
Mr. Chan Heng Toong	Independent Director	M	C	M
Mr. Chooi Yee-Choong	Independent Director	-	M	C
Ms. See Tho Soat Ching	Independent Director	M	-	M

**Notes:**

- 10.2 (1) The Audit Committee ("AC") comprises 3 members, all of whom, including the Chairman, are independent. All the members of the AC are non-executive Directors.
- 4.2 (2) The Nominating Committee ("NC") comprises 3 members, all of whom, including the Chairman, are independent. All members of the NC are non-executive Directors. The Lead Independent Director is a member of the NC.
- 6.2 (3) The Remuneration Committee ("RC") comprises 3 members, all of whom, including the Chairman, are independent. All the members of the RC are non-executive Directors.



# Corporate Governance Report

**TABLE I - COMPLIANCE WITH THE CODE**

Principle/ Provision	Code and/ or Guide Description	Company's Compliance or Explanation
<b>BOARD MATTERS</b>		
<b>THE BOARD'S CONDUCT OF AFFAIRS</b>		
	<i>Role of Board</i>	<p>Entrusted to lead and oversee the Group, the Board is to act in the best interests of the Group. In addition to its statutory duties, the Board's principle functions are:</p> <ul style="list-style-type: none"> <li>▪ providing entrepreneurial leadership, reviewing and setting the strategic directions and broad policies, ensuring that the necessary financial and human resources are in place for the Group to meet its objectives and monitoring the organisational performance towards them;</li> <li>▪ approving the Group's annual budgets, key operational matters, investment and divestment proposals, corporate or financial restructuring, material acquisitions and disposals of assets and making decisions in the interest of the Group, interested person transactions of a material nature, convening of shareholders' meetings and major funding proposals;</li> <li>▪ establishing and reviewing the adequacy and integrity of the Company's framework of risk management systems, internal controls and financial reporting systems to safeguard the shareholders' interest and the Company's assets;</li> <li>▪ identify the key stakeholder groups and recognise that their perceptions affect the Company's reputation;</li> <li>▪ consider sustainability issues such as environmental and social factors, as part of its strategic formulation;</li> <li>▪ ensuring the Group's compliance with relevant laws, regulations, policies, directives, guidelines, internal codes of conduct and obligations to shareholders;</li> <li>▪ approving all Board appointments or re-appointments and appointments of any persons who have authority and responsibility for planning, directing and controlling the activities of the Company and specialist medical practitioners, as well as evaluating their performance and reviewing their compensation packages;</li> </ul>

# Corporate Governance Report

**TABLE I - COMPLIANCE WITH THE CODE**

Principle/ Provision	Code and/ or Guide Description	Company's Compliance or Explanation
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**BOARD MATTERS**

**THE BOARD'S CONDUCT OF AFFAIRS**

- ensuring accurate, adequate and timely reporting to, and communication with shareholders;
- setting the Group's values and standards of conduct and assuming the responsibility for the satisfactory fulfilment of social responsibilities of the Group; and
- reviewing the performance of the Group towards achieving adequate shareholder value including but not limited to the declaration of interim and final dividends, if applicable, approval of financial results of the Group and the audited financial statements and timely announcements of material transactions.

To facilitate effective management and assist the Board in discharging its responsibilities and to enhance the Group's corporate governance framework, the Board has delegated specific responsibilities to three committees as set out in Section 1.4 of Table I.

Practices relating to conflict of interest

The Company has in place practices to address potential conflicts of interest. All Directors are required to notify the Company promptly of all conflicts of interest as soon as practicable as well as when required and refresh the required declarations annually. Directors are required to recuse themselves from all deliberations/ voting in relation to the matters which he/ she has a conflict of interest in, unless the Board is of the opinion that the participation of the conflicted Director is of the best interest to the Company.

# Corporate Governance Report

**TABLE I - COMPLIANCE WITH THE CODE**

Principle/ Provision	Code and/ or Guide Description	Company's Compliance or Explanation
<b>BOARD MATTERS</b>		
<b>THE BOARD'S CONDUCT OF AFFAIRS</b>		
1.2	<u>Directors' training and orientation</u>	
(a)	Are new Directors given formal training? If not, please explain why.	<p>All newly appointed Directors will undergo an orientation programme conducted by the Chief Executive Officer ("<b>CEO</b>"), where the Director would be briefed on the Group's businesses, Board processes, internal controls and governance practices. The orientation programme includes meetings with various key management personnel and briefings on key areas of the Group's business, operations and regulatory environment to enable them to assimilate into their new roles. The programme also allows the new Director to get acquainted with senior management, thereby facilitating Board interaction and independent access to senior management. The Company provides a formal letter to each new Director upon his appointment, setting out clearly the Director's duties and obligations.</p> <p>In addition, as required under the SGX-ST Listing Manual: Section B: Rules of Catalist ("<b>Catalist Rules</b>"), a new Director who has no prior experience as a Director of a company listed on the SGX-ST must undergo training as prescribed by the SGX-ST. Such training must be completed within one year of the appointment.</p>

# Corporate Governance Report

**TABLE I - COMPLIANCE WITH THE CODE**

<b>Principle/ Provision</b>	<b>Code and/ or Guide Description</b>	<b>Company's Compliance or Explanation</b>
<b>BOARD MATTERS</b>		
<b>THE BOARD'S CONDUCT OF AFFAIRS</b>		
	(b) What are the types of information and training provided to (i) new Directors and (ii) existing Directors to keep them up-to-date?	<p>The Board values on-going professional development and recognises that it is important that all Directors receive regular training to serve effectively on and contribute to the Board.</p> <p>To ensure Directors can fulfil their obligations and to continually improve the performance of the Board, all Directors are encouraged to undergo continual professional development. Professional development may relate to a particular subject area, committee membership, or key developments in the Company's environment, provided by accredited training providers. Directors are encouraged to consult the Chairman, CEO and NC if they consider that they personally, or the Board as a whole, would benefit from specific education or training on matters that fall within the responsibility of the Board or relate to the Company's business. Such training costs are borne by the Company.</p> <p>The Directors are also provided with ongoing updates and/ or briefings from time to time by the senior management of the Company, professional advisers, auditors, sponsors and the company secretary in areas such as Directors' duties and responsibilities, corporate governance practices, risk management matters and changes in financial reporting standards and listing rules.</p>

# Corporate Governance Report

**TABLE I - COMPLIANCE WITH THE CODE**

Principle/ Provision	Code and/ or Guide Description	Company's Compliance or Explanation
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**BOARD MATTERS**

**THE BOARD'S CONDUCT OF AFFAIRS**

*Training attended for FY 2020* Courses, conferences and seminars attended by some of the Directors include:

**Table 1.2 - Trainings attended by Directors in FY 2020**

Course Name	Course Organiser	Attendee
Director Financial Reporting Fundamentals	Singapore Institute of Directors	Dr. Beh Suan Tiong
Director Financial Reporting Fundamentals	Singapore Institute of Directors	Dr. Lee Keen Whye
The Future of Company Boards	Singapore Institute of Directors	Mr. Ng Boon Yew
Singapore Governance and Transparency Index Launch	Singapore Institute of Directors	Mr. Ng Boon Yew
Banking on Governance, Insuring Sustainability	CPA Australia	Mr. Ng Boon Yew
SID Directors Virtual Conference 2020	Singapore Institute of Directors	Mr. Ng Boon Yew
Director Financial Reporting Fundamentals	Singapore Institute of Directors	Mr. Chan Heng Toong
Director Financial Reporting Fundamentals	Singapore Institute of Directors	Mr. Chooi Yee-Choong
Cybersecurity Audit	ISACA	Ms. See Tho Soat Ching
Data Governance and MNC DPO Sharing	ISACA	Ms. See Tho Soat Ching

# Corporate Governance Report

**TABLE I - COMPLIANCE WITH THE CODE**

Principle/ Provision	Code and/ or Guide Description	Company's Compliance or Explanation
<b>BOARD MATTERS</b>		
<b>THE BOARD'S CONDUCT OF AFFAIRS</b>		
1.3	<u>Matters requiring Board's approval</u>	Matters that require the Board's approval include: <ul style="list-style-type: none"> <li>▪ corporate strategies and business plans;</li> <li>▪ corporate policies;</li> <li>▪ Board structure;</li> <li>▪ material acquisitions and disposals;</li> <li>▪ corporate or financial restructuring;</li> <li>▪ all investments and divestments;</li> <li>▪ share issuance, dividend declarations, share buy-back transactions or changes in capital;</li> <li>▪ budgets, financial results announcements, annual reports and audited financial statements; and</li> <li>▪ interested person transactions exceeding S\$100,000.</li> </ul>
1.4	<u>Delegation to Board Committees</u>	The Board delegated certain responsibilities to the AC, RC and NC (collectively, the " <b>Board Committees</b> "). The composition of the Board Committees is set out in Section 1.1 of Table I. The terms of reference of the AC, RC and NC are set out in Sections 4.1, 6.1 and 10.1 of Table I respectively.
1.5	<u>Attendance of Board and Board Committees</u>	The Board meets on a quarterly basis, and as and when circumstances require. In FY 2020, the number of Board and Board Committee meetings held, and the attendance of each Board member are shown below.

**Table 1.5 - Attendance of Board and Board Committees**

	Board	AC	NC	RC
Number of Meetings Held	4	4	3	4
<b>Name of Director</b>	<b>Number of Meetings Attended</b>			
Dr. Beh Suan Tiong	4	4 *	2 *	3 *
Dr. Lee Keen Whye	4	4 *	2 *	3 *
Dr. Heng Tung Lan	4	4 *	2 *	3 *
Mr. Ng Boon Yew	4	4	3	3 *
Mr. Chan Heng Toong	4	4	3	4
Mr. Chooi Yee-Choong	4	4 *	3	4
Ms. See Tho Soat Ching	4	4	2 *	4

\* by Invitation

The Company's Constitution allows for meetings to be held through telephone and/ or video conference.

# Corporate Governance Report

**TABLE I - COMPLIANCE WITH THE CODE**

Principle/ Provision	Code and/ or Guide Description	Company's Compliance or Explanation
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**BOARD MATTERS**

**THE BOARD'S CONDUCT OF AFFAIRS**

1.6	<p><u>Access to information</u></p> <p>What types of information does the Company provide to Independent Directors to enable them to understand its business, the business and financial environment as well as the risks faced by the Company? How frequently is the information provided?</p>	<p>Directors are provided with complete and adequate information related to agenda items in a timely manner for them to make informed decisions and discharge their duties and responsibilities.</p> <p>Management provides the Board with key information that is complete, adequate and timely prior to meetings and whenever required. The information provided to Directors for FY 2020 is set out in the table below.</p>
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**Table 1.6 - Types of information provided by Management**

Information	Frequency
1. Board papers (with background or explanatory information relating to the matters brought before the Board, where necessary)	Quarterly
2. Updates to the Group's operations and the markets in which the Group operates in	Quarterly
3. Budgets and/ or forecasts (with variance analysis), management accounts (with financial ratios analysis)	Quarterly
4. Reports on on-going or planned corporate actions	Ad-hoc
5. External Auditors' ("EA") and Internal auditors' ("IA") report(s)	Annually
6. Research report(s)	Ad-hoc
7. Shareholding statistics	Annually

Management recognises the importance of circulating information on a timely basis to ensure that the Board has adequate time to review the materials to facilitate a constructive and effective discussion during the scheduled meetings. As such, Management endeavours to circulate information at least five days prior to the meetings to allow sufficient time for review by the Directors.

Management will also on the best endeavour, encrypt documents which bear material price sensitive information when circulating documents electronically. Management will also provide any additional material information that is requested by Directors or that is necessary to enable the Board to make a balanced and informed assessment of the Group's performance, position and prospects.

# Corporate Governance Report

**TABLE I - COMPLIANCE WITH THE CODE**

<b>Principle/ Provision</b>	<b>Code and/ or Guide Description</b>	<b>Company's Compliance or Explanation</b>
<b>BOARD MATTERS</b>		
<b>THE BOARD'S CONDUCT OF AFFAIRS</b>		
1.7	<u>Change of company secretary</u>	The appointment and removal of the company secretary is a matter for the Board as a whole.
	<u>Access to Management and company secretary</u>	Directors have separate and independent access to the Management and company secretary at all times.
	<u>Access to professional advice</u>	Individually or collectively, in order to execute their duties, Directors can obtain independent professional advice at the Company's expense where required. The appointments of such independent professional advisors are subject to the approval of the Board.



# Corporate Governance Report

**TABLE I - COMPLIANCE WITH THE CODE**

Principle/ Provision	Code and/ or Guide Description	Company's Compliance or Explanation
<b>BOARD COMPOSITION AND GUIDANCE</b>		
2.1	<u>Board composition</u>	
2.2		
2.3		
3.3	Does the Company comply with the guideline on the proportion of Independent Directors and/ or Non-Executive Directors on the Board? If not, please state the reasons for the deviation and the remedial action taken by the Company.	<p>The Company complies with the Code as while the Chairman is not independent, Independent Directors currently make up a majority of the Board. As at the date of this Report, the Board comprises three (3) Executive Directors and four (4) Independent Directors.</p> <p>Mr. Ng Boon Yew has also been appointed as the Lead Independent Director of the Company and makes himself available to shareholders if they have concerns relating to matters that contact through the Chairman, CEO and/ or Chief Financial Officer ("CFO") has failed to resolve, or where such contact is inappropriate or inadequate.</p>
	<u>Lead Independent Director</u>	<p>The Lead Independent Director makes himself available to shareholders at the Company's general meetings and his email is stated on the Company's website at <a href="https://www.sog.com.sg/about-sog/">https://www.sog.com.sg/about-sog/</a>, in the Company's Whistleblowing Policy Statement. The Lead Independent Director has the authority and is responsible to call and lead meetings of the Independent Directors, when necessary and appropriate. Led by the Lead Independent Director, the Independent Directors communicate regularly without the presence of the Executive Directors and Management to discuss matters such as board processes, corporate governance initiatives, succession and leadership development planning, and remuneration matters. Feedback on the outcomes of these discussions is provided to the Executive Chairman and/ or the Board after such meetings.</p> <p>The Lead Independent Director will represent the Independent Directors in responding to shareholders' questions and comments that are directed to the Independent Directors as a group.</p>

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<b>Principle/ Provision</b>	<b>Code and/ or Guide Description</b>	<b>Company's Compliance or Explanation</b>
<b>BOARD COMPOSITION AND GUIDANCE</b>		
2.1	<i>Independence assessment</i>	The Board considers the existence of relationships or circumstances, including those identified by the Code and Catalist Rules, that are relevant to determine whether a Director is independent. In addition, the NC reviews annually the independence of each individual Director.
4.4	<i>of Directors</i>	
Code 2012 – Guideline 2.4		<p>The NC has reviewed each Independent Director's declaration as set out in the Director's Independence Form in their assessment of independence and confirmed that the independence of the Independent Directors is in accordance with the Code, PG and Catalist Rules. The Independent Directors have also confirmed their independence in accordance with the Code, PG and Catalist Rules.</p> <p>The Company has in place a policy whereby Directors must consult both the Chairman of the Board and the NC Chairman prior to accepting new Director appointments on listed companies. Directors must also immediately report any changes in their external appointments, including any corporate developments relating to their external appointments, which may affect their independence. This ensures that Directors continually meet the requirements of independence under the Code and Catalist Rules.</p>

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**TABLE I - COMPLIANCE WITH THE CODE**

<b>Principle/ Provision</b>	<b>Code and/ or Guide Description</b>	<b>Company's Compliance or Explanation</b>
<b>BOARD COMPOSITION AND GUIDANCE</b>		
	(a) Is there any Director who is deemed to be independent by the Board, notwithstanding the existence of a relationship as stated in the Code and Catalyst Rules that would otherwise deem him not to be independent? If so, please identify the Director and specify the nature of such relationship.	There are no Directors who is deemed independent by the Board, notwithstanding the existence of a relationship that would otherwise deem him not to be independent.
	(b) What are the Board's reasons for considering him independent? Please provide a detailed explanation.	
	<u>Independent Directors serving beyond nine years</u>	As required by Code 2012, the independence of any Director who served beyond nine years from the date of his/ her first appointment should be subjected to particularly rigorous review.
	Has any Independent Director served on the Board for more than nine years since the date of his first appointment? If so, please identify the Director and set out the Board's reasons for considering him independent.	There are no Independent Directors who has served beyond nine years since the date of his/ her first appointment.

# Corporate Governance Report

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Principle/ Provision	Code and/ or Guide Description	Company's Compliance or Explanation
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**BOARD COMPOSITION AND GUIDANCE**

*Board diversity*

(a) What is the Board's policy with regard to diversity in identifying Director nominees?

The Board's policy in identifying Director nominees is primarily to have an appropriate mix of members with complementary skills, core competencies and experience for the Group, regardless of gender. The Board is mindful that diversity is not specific to gender or certain personal attributes and would strive to ensure the diversity would enhance the long-term success of the Group. The objective of the policy is to avoid groupthink and foster constructive debate and ensure that composition is optimal to support the Group's needs in the short and long term.

(b) Please state whether the current composition of the Board provides diversity on each of the following – skills, experience, gender and knowledge of the Company, and elaborate with numerical data where appropriate.

The current Board composition provides a diversity of skills, experience and knowledge to the Company as follows:

**Table 2.4 - Diversity of the Board**

	Number of Directors	Proportion of Board
<b>Core Competencies</b>		
- Accounting or finance	3	43%
- Business management	4	57%
- Relevant industry knowledge or experience	4	57%
<b>Gender</b>		
- Male	5	71%
- Female	2	29%

(c) What steps have the Board taken to achieve the balance and diversity necessary to maximise its effectiveness?

The Board took the following steps to maintain or enhance its balance and diversity:

- Annual review by the NC to assess if the existing attributes and core competencies of the Board are complementary and enhance the efficacy of the Board; and
- Annual evaluation by the Directors of the skill sets the other Directors possess, with a view to understand the range of expertise which is lacking by the Board.

The NC will consider the results of these exercises in its recommendation for the appointment of new Directors and/ or the re-appointment of incumbent Directors.

# Corporate Governance Report

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**BOARD COMPOSITION AND GUIDANCE**

2.5	<u>Meeting in the absence of the Management</u>	The Independent Directors, led by the Lead Independent Director, held ad-hoc discussions via electronic communication to discuss concerns or matters such as the effectiveness of Management. Such discussions are conducted in the absence of key management personnel.
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For FY 2020, the Independent Directors met at least once in the absence of key management personnel.

**CHAIRMAN AND CHIEF EXECUTIVE OFFICER**

3.1 3.2	<u>Role of Chairman and CEO</u>	The Chairman leads the Board discussions, fostering constructive conditions that render the Board effective. He facilitates effective contribution of Directors and promotes high standards of corporate governance. The Chairman performs a significant leadership role by providing clear oversight and guidance to the management on strategy and the drive to transform the Group's businesses.
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The CEO takes a leading role in developing the businesses of the Group and manages the day-to-day operations with the assistance of key management personnel. He proposes strategic proposals to the Board and implements decisions made by the Board.

Relationship between Chairman and CEO

The Chairman and CEO are not related. Their roles are separate to ensure a clear division of responsibilities, increased accountability and greater capacity of the Board for independent decision making.

**BOARD MEMBERSHIP**

4	<u>Steps taken to progressively renew the Board composition</u>	The Board is of the opinion that it would be most effective to draw on the wealth of experience from the longer serving Directors while concurrently taking progressive steps to review and consider opportunities to refresh the Board as and when deemed required.
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To meet the changing challenges in the industry which the Group operates in, such reviews, which include considering factors such as the expertise, skills and perspectives which the Board needs against the existing competencies, would be done on a regular basis to ensure that the Board dynamics remain optimal.

# Corporate Governance Report

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<b>Principle/ Provision</b>	<b>Code and/ or Guide Description</b>	<b>Company's Compliance or Explanation</b>
<b>BOARD COMPOSITION AND GUIDANCE</b>		
4.1	<i>Role of NC</i>	<p>The NC is guided by key terms of reference as follows:</p> <ul style="list-style-type: none"> <li>(a) reviewing and recommending candidates for appointments to the Board and Board Committees;</li> <li>(b) reviewing any appointment of a person(s) who is a relative of a Director or CEO or substantial shareholder of the Group to a managerial position in the Company or any of its principal subsidiaries;</li> <li>(c) re-nomination of Directors for re-election in accordance with the Constitution at each annual general meeting and having regard to the Director's contribution and performance (including alternate Directors, if applicable);</li> <li>(d) reviewing and determining annually, and as and when circumstances require, if a Director is independent;</li> <li>(e) considering whether or not a Director of the Company is able to and has been adequately carrying out his duties and responsibilities, including time and effort contributed to the Company, attendance at meetings of the Board and Board Committees, participation at meetings and contributions of constructive, analytical, independent and well-considered views, and taking into consideration the Director's number of listed company board representations and other principal commitments;</li> <li>(f) developing a process for evaluation of the performance of the Board, its Board Committees and Directors and deciding how the Board's performance may be evaluated and propose objective performance criteria, as approved by the Board that allows comparison with its industry peers, and addressing how the Board has enhanced long-term shareholder's value. These performance criteria should not be changed from year to year, and where circumstances deem it necessary for any of the criteria to be changed, the onus should be on the Board to justify this decision;</li> </ul>

# Corporate Governance Report

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Principle/ Provision	Code and/ or Guide Description	Company's Compliance or Explanation
<b>BOARD COMPOSITION AND GUIDANCE</b>		
		<ul style="list-style-type: none"> <li>(g) recommending to the Board the review of the Board's succession plans for Directors, in particular, the Chairman, and for the CEO;</li> <li>(h) recommending the appointment of key management positions, reviewing succession plans for key positions within the Group and overseeing the development of key executives and talented executives within the Group;</li> <li>(i) reviewing and assessing from time to time whether any Director or any person involved in the day-to-day management of the Group is related to, or is appointed pursuant to an agreement or arrangement with, a controlling shareholder and/ or its associates; and</li> <li>(j) reviewing the training and professional development programs for the Board.</li> </ul>
		<p>For the review of succession plans and Board's composition for FY 2020, the NC also took into consideration the amendments to the Catalist Rules in relation to the continued appointment of an Independent Director who has served for an aggregate period of more than nine years, bearing in mind that the amendments will come into effect from 1 January 2022.</p>

# Corporate Governance Report

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Principle/ Provision	Code and/ or Guide Description	Company's Compliance or Explanation
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**BOARD COMPOSITION AND GUIDANCE**

4.3	<p><u>Selecting, Appointment and Re-appointment of Directors</u></p> <p>Please describe the board nomination process for the Company in the last financial year for (i) selecting and appointing new Directors and (ii) re-electing incumbent Directors.</p>	<p><b>Table 4.3(a) - Selection and Appointment of New Directors</b></p> <p>The NC: -</p> <table border="1"> <tr> <td style="vertical-align: top;">1. Determine selection criteria</td> <td style="vertical-align: top;"> <ul style="list-style-type: none"> <li>▪ In consultation with the Board, identifies the current needs and inadequacies of the Board requires to complement and strengthen the Board.</li> <li>▪ Determines the competencies required for the new appointment after such consultation.</li> </ul> </td> </tr> <tr> <td style="vertical-align: top;">2. Candidate search</td> <td style="vertical-align: top;"> <ul style="list-style-type: none"> <li>▪ Considers candidates proposed by the Directors, key management personnel or substantial shareholders, and may engage external search consultants where necessary.</li> </ul> </td> </tr> <tr> <td style="vertical-align: top;">3. Assesses shortlisted candidates</td> <td style="vertical-align: top;"> <ul style="list-style-type: none"> <li>▪ Meets and interviews the shortlisted candidates to assess their suitability.</li> </ul> </td> </tr> <tr> <td style="vertical-align: top;">4. Proposes recommendations</td> <td style="vertical-align: top;"> <ul style="list-style-type: none"> <li>▪ Makes recommendations for the Board's consideration and approval.</li> </ul> </td> </tr> </table> <p><b>Table 4.3(b) - Re-election of Incumbent Directors</b></p> <p>The NC: -</p> <table border="1"> <tr> <td style="vertical-align: top;">1. Assesses incumbent Director</td> <td style="vertical-align: top;"> <ul style="list-style-type: none"> <li>▪ Assesses the performance of the Director in accordance with the performance criteria approved by the Board.</li> <li>▪ Considers the current needs of the Board.</li> </ul> </td> </tr> <tr> <td style="vertical-align: top;">2. Proposes re-appointment of Director</td> <td style="vertical-align: top;"> <ul style="list-style-type: none"> <li>▪ Recommends the re-appointment of the Director to the Board for its consideration and approval, subject to its satisfactory assessment.</li> </ul> </td> </tr> </table>	1. Determine selection criteria	<ul style="list-style-type: none"> <li>▪ In consultation with the Board, identifies the current needs and inadequacies of the Board requires to complement and strengthen the Board.</li> <li>▪ Determines the competencies required for the new appointment after such consultation.</li> </ul>	2. Candidate search	<ul style="list-style-type: none"> <li>▪ Considers candidates proposed by the Directors, key management personnel or substantial shareholders, and may engage external search consultants where necessary.</li> </ul>	3. Assesses shortlisted candidates	<ul style="list-style-type: none"> <li>▪ Meets and interviews the shortlisted candidates to assess their suitability.</li> </ul>	4. Proposes recommendations	<ul style="list-style-type: none"> <li>▪ Makes recommendations for the Board's consideration and approval.</li> </ul>	1. Assesses incumbent Director	<ul style="list-style-type: none"> <li>▪ Assesses the performance of the Director in accordance with the performance criteria approved by the Board.</li> <li>▪ Considers the current needs of the Board.</li> </ul>	2. Proposes re-appointment of Director	<ul style="list-style-type: none"> <li>▪ Recommends the re-appointment of the Director to the Board for its consideration and approval, subject to its satisfactory assessment.</li> </ul>
1. Determine selection criteria	<ul style="list-style-type: none"> <li>▪ In consultation with the Board, identifies the current needs and inadequacies of the Board requires to complement and strengthen the Board.</li> <li>▪ Determines the competencies required for the new appointment after such consultation.</li> </ul>													
2. Candidate search	<ul style="list-style-type: none"> <li>▪ Considers candidates proposed by the Directors, key management personnel or substantial shareholders, and may engage external search consultants where necessary.</li> </ul>													
3. Assesses shortlisted candidates	<ul style="list-style-type: none"> <li>▪ Meets and interviews the shortlisted candidates to assess their suitability.</li> </ul>													
4. Proposes recommendations	<ul style="list-style-type: none"> <li>▪ Makes recommendations for the Board's consideration and approval.</li> </ul>													
1. Assesses incumbent Director	<ul style="list-style-type: none"> <li>▪ Assesses the performance of the Director in accordance with the performance criteria approved by the Board.</li> <li>▪ Considers the current needs of the Board.</li> </ul>													
2. Proposes re-appointment of Director	<ul style="list-style-type: none"> <li>▪ Recommends the re-appointment of the Director to the Board for its consideration and approval, subject to its satisfactory assessment.</li> </ul>													

After reviewing and considering the NC's recommendations, the Board would make the decision to appoint the new Director and/ or propose the re-election of the incumbent Director for shareholders' approval.



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Principle/ Provision	Code and/ or Guide Description	Company's Compliance or Explanation
<b>BOARD COMPOSITION AND GUIDANCE</b>		
		<p>Pursuant to Article 91 of the Company's Constitution, at least one-third of the Directors are required to retire by rotation and submit themselves for re-election at each annual general meeting of the Company. The Company's Constitution and the Catalist Rules, provides that all Directors shall retire by rotation at least once every three years and such retiring Director shall be eligible for re-election.</p> <p>The NC, with the respective member interested in the discussion having abstained from the deliberations, recommended that Dr. Lee Keen Whye and Mr. Ng Boon Yew be nominated for re-election at the forthcoming Annual General Meeting ("<b>AGM</b>"). Mr. Chan Heng Toong has informed the Board that he will be retiring as a director at the forthcoming AGM and will not be seeking re-appointment to enable younger independent directors to come in to rejuvenate the Board and to focus on his personal commitments. The Board has, with regret, accepted Mr. Chan Heng Toong's decision and records its appreciation to Mr. Chan Heng Toong for his efforts and contributions during his tenure as a Director of the Company.</p> <p>Dr. Lee Keen Whye, upon re-election as a Director of the Company, will remain as an Executive Director. Mr. Ng Boon Yew, upon re-election as a Director of the Company, will remain as a Lead Independent Director, Chairman of the AC, and a member of the NC.</p>
4.5	<p><u>Assessment of Directors' duties</u></p> <p><u>Other listed company directorships and principal commitments of Directors</u></p>	<p>Assessment of the individual Directors' performance was based on the criteria set out in Section 5.1 of Table I. The assessment criteria set out in the following documents were used to assess the performance and consider competing time commitments of the Directors: -</p> <ul style="list-style-type: none"> <li>▪ Director Peer Performance Evaluation Form; and</li> <li>▪ Board and Board Committees Performance Evaluation Form.</li> </ul> <p>The NC had reviewed the time spent and attention given by each of the Directors to the Company's affairs, taking into account the multiple directorships and principal commitments of each of the Directors (if any) as set out in the "Board of Directors" section of this Annual Report, and is satisfied that all Directors were able to diligently discharge their duties for FY 2020.</p>

# Corporate Governance Report

**TABLE I - COMPLIANCE WITH THE CODE**

<b>Principle/ Provision</b>	<b>Code and/ or Guide Description</b>	<b>Company's Compliance or Explanation</b>
<b>BOARD COMPOSITION AND GUIDANCE</b>		
<i>Multiple Directorships</i>		
(a)	What is the maximum number of listed company board representations that the Company has prescribed for its Directors? What are the reasons for this number?	<p>The Board has set the maximum number of listed company board representations as not more than six (6) directorships.</p> <p>Having assessed the capacity of the Directors based on factors disclosed in Section 4.5(c) of Table I, the Board is of the view that this number would allow Directors to have increased exposure to different Boards and broaden their experience and knowledge on board matters, hence ultimately benefitting the Company.</p>
(b)	If a maximum has not been determined, what are the reasons?	Not Applicable.
(c)	What are the specific considerations in deciding on the capacity of Directors?	<p>The specific considerations in assessing the capacity of Directors include:</p> <ul style="list-style-type: none"> <li>▪ Expected and/ or competing time commitments of Directors, including whether such commitment is a full-time or part-time employment capacity;</li> <li>▪ Geographical location of Directors;</li> <li>▪ Size and composition of the Board;</li> <li>▪ Nature and scope of the Group's operations and size; and</li> <li>▪ Capacity, complexity and expectations of the other listed directorships and principle commitments held.</li> </ul>
PG 4	<i>Alternate Directors</i>	<p>Alternate Directors will be appointed as and when the Board deems necessary. Circumstances which warrant such appointments may include health, age-related concerns as well as Management succession plans.</p> <p>Notwithstanding the foregoing, the Board does not encourage the appointment of alternate Directors. The Company currently does not have any alternate Director.</p>

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**TABLE I - COMPLIANCE WITH THE CODE**

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**BOARD PERFORMANCE**

5.1	<u>Performance Criteria</u>	Table 5 sets out the performance criteria, recommended by the NC and approved by the Board, to evaluate the effectiveness of the Board as a whole and assess the contribution by each Director.
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**Table 5.1 - Performance Criteria**

Board		Individual Directors	
1.	Size and composition	1.	Commitment of time
2.	Access to information	2.	Knowledge and abilities
3.	Board processes	3.	Teamwork
4.	Strategic planning	4.	Independence and objectivity
5.	Board accountability	5.	Integrity
6.	Succession planning	6.	Overall effectiveness
7.	Board effectiveness in its monitoring role and attainment of the strategic and long-term objectives	7.	Track record in good decision making
8.	Board Committees' performance in relation to discharging their responsibilities set out in their respective terms of reference		

The NC would review the criteria periodically to ensure that the criteria are able to provide an accurate and effective performance assessment taking into consideration industry standards and the economic climate with the objective to enhance long term shareholders value. In addition to the assessment criteria currently employed by the NC and approved by the Board, the NC may also consider including quantitative considerations in the assessment criteria, such as the Company's share price performance over a five-year period vis-à-vis the Singapore Straits Times Index and a benchmark index of its industry peers, return on assets, return on equity, return on investment, economic value-added and profitability on capital employed. Any such amendment to the criteria used to assess the performance of the Board, Board committees and individual Directors will be proposed by the NC to the Board for approval.

The NC did not propose any changes to the performance criteria for FY 2020 as compared to the previous financial year as the Board composition and the Group's principal business activities remained the same.

# Corporate Governance Report

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Principle/ Provision	Code and/ or Guide Description	Company's Compliance or Explanation
<b>BOARD PERFORMANCE</b>		
5.2	<i>Performance Review</i>	The reviews of the performance of the Board, Board Committees and individual Directors are conducted by the NC annually and when the individual Director is due for re-election.
	(a) What was the process upon which the Board reached the conclusion on its performance for the financial year?	<p>For FY 2020, the review process was as follows:</p> <ol style="list-style-type: none"> <li>1. All Directors individually completed the Performance Evaluation Forms on the effectiveness of the Board, Board Committees and the individual Directors based on criteria disclosed in Section 5.1 of Table I;</li> <li>2. The company secretary collated and submitted the questionnaire results to the NC Chairman in the form of a report;</li> <li>3. The NC discussed the report, and ascertained key areas for improvements and requisite follow-up actions to ensure continuous improvement of the corporate governance of the Company and effectiveness of the Board as a whole and the contribution of each Director; and</li> <li>4. The results of the performance review were deliberated during the NC meeting and tabled at the Board meeting for further discussion.</li> </ol> <p>All NC members have abstained from the voting or review process of any matters in connection with the assessment of his/ her performance or re-appointment as a Director of the Company.</p> <p>No external facilitator was used in the evaluation process.</p>
	(b) Has the Board met its performance objectives?	Yes, the Board has met its performance objectives for FY 2020.

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**TABLE I - COMPLIANCE WITH THE CODE**

Principle/ Provision	Code and/ or Guide Description	Company's Compliance or Explanation
<b>REMUNERATION MATTERS</b>		
<b>DEVELOPING REMUNERATION POLICIES</b>		
6.1 6.3	<i>Role of the RC</i>	<p>The RC is guided by key terms of reference which includes:</p> <ul style="list-style-type: none"> <li>(a) reviewing and recommending to the Board for approval of the policy for determining the remuneration of the key executives of the Group, as follows: <ul style="list-style-type: none"> <li>▪ Executive Directors;</li> <li>▪ CEO; and</li> <li>▪ CFO.</li> </ul> </li> <li>(b) reviewing the on-going appropriateness and relevance of the executive remuneration policy and other benefit programs including the terms of renewal for those Executive Directors;</li> <li>(c) reviewing and recommending to the Board a general framework of remuneration for the Board and key management personnel. The RC should also review and recommend to the Board the specific remuneration packages for each Director as well as the entire specific remuneration package and service contract terms for each member of key management. The RC's recommendations should be submitted for endorsement by the entire Board. The RC should cover all aspects of remuneration, (including but not limited to Director's fees, salaries, allowances, bonuses, options, share-based incentives and awards, benefits in kind, retirement rights, severance packages and service contracts) having regard to the executive remuneration policy for each of the companies within the Group;</li> <li>(d) reviewing the Company's obligations arising in the event of termination of the Executive Directors' and key management personnel's contracts of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous. The RC should aim to be fair and avoid rewarding poor performance;</li> <li>(e) reviewing and recommending to the Board the termination payments, retirement payments, gratuities, ex-gratia payments, severance payments and other similar payments, where applicable to each member of key management personnel;</li> </ul>

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**REMUNERATION MATTERS**

**DEVELOPING REMUNERATION POLICIES**

- (f) seeking expert advice inside the Company and/ or outside professional advice on the remuneration of all Directors and key management personnel and to ensure that existing relationships, if any, between the company and its appointed consultants will not affect the independence and objectivity of the consultants. The Company should also disclose the names and firms of the remuneration consultants in the annual remuneration report, and include a statement on whether the remuneration consultants have any such relationships with the Company;
- (g) determining, reviewing and recommending the design of all option plans, stock plans and/ or other equity-based plans that the Group proposes to implement, to determine each year whether awards will be made under such plans, to review each award as well as the total proposed awards under each plan in accordance with the rules governing each plan and to review and keep under review performance hurdles and/ or fulfilment of performance hurdles under such plans;
- (h) reviewing the remuneration framework (including Directors' fees) for the Independent Directors of the Company; and
- (i) reviewing the remuneration of employees who are related to the Directors, CEO and substantial shareholders to ensure that their remuneration packages are in line with the staff remuneration guidelines and commensurate with their respective job scopes and level of responsibilities.

The RC's review and recommendations cover all aspects including Directors' fees, salaries, allowances, bonuses, options, share-based incentives and awards, and benefits-in-kind.

Each RC member will abstain from participating in the deliberations of and voting on any resolution in respect of his/ her remuneration package or that of employees related to him/ her.

6.4	<u>Engagement of Remuneration Consultants</u>	During FY 2020, the Company did not engage any independent remuneration consultant firm. The RC will, if necessary, seek advice from external remuneration consultants on remuneration matters.
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Principle/ Provision	Code and/ or Guide Description	Company's Compliance or Explanation
<b>REMUNERATION MATTERS</b>		
<b>DEVELOPING REMUNERATION POLICIES</b>		
6.3	<u>"Claw-back" Provisions</u>	There are no contractual provisions which allow the Company to reclaim incentives from the Executive Directors and key management personnel in certain circumstances. The Board is of the view that as the Group pays performance bonuses based on the actual performance of the Group and/ or Company (and not on forward-looking results) as well as the actual results of its Executive Directors and key management personnel, "claw-back" provisions in the service agreements may not be relevant or appropriate.
<b>LEVEL AND MIX OF REMUNERATION</b>		
<b>DISCLOSURE ON REMUNERATION</b>		
7.1 7.2 7.3 8.1	<u>Remuneration Policy</u>	The Company's remuneration policy which covers all aspects of remuneration, including but not limited to Directors' fees, salaries, allowances, benefits-in-kind, bonuses, options, share-based incentives and awards, is one that seeks to attract, retain and motivate talent to achieve the Company's business vision and create sustainable value for its stakeholders. The policy articulates to staff that total compensation has been linked to the achievement of organisational and individual performance objectives and benchmarked against relevant and comparative compensation in the market.
	<u>Remuneration Structure for Executive Directors and key management personnel</u>	The remuneration received by the Executive Directors and key management personnel takes into consideration his/ her individual performance and contribution towards the overall performance of the Group for FY 2020. Their remuneration is made up of fixed and variable compensations. The fixed compensation consists of an annual base salary and annual wage supplement. The variable compensation is determined based on the level of achievement of corporate and individual performance objectives, for each individual role. To align the interests of the Directors and key management personnel of the Group with the interests of shareholders, the Group has also adopted the SOG Employee Share Option Scheme and SOG Performance Share Plan.
	(a) Please describe how the remuneration received by Executive Directors and key management personnel has been determined by the performance criteria.	The remuneration structure is linked by incorporating key performance indicators, selected conditions in the share plans and performance conditions set out in Part (b) of this section. The senior management proposes the compensation for the Executive Directors and key management personnel for the RC's review, which would thereafter recommend the Executive Directors' and key management personnel's compensation for the Board's approval.

# Corporate Governance Report

**TABLE I - COMPLIANCE WITH THE CODE**

Principle/ Provision	Code and/ or Guide Description	Company's Compliance or Explanation																
<b>REMUNERATION MATTERS</b>																		
<b>LEVEL AND MIX OF REMUNERATION</b>																		
<b>DISCLOSURE ON REMUNERATION</b>																		
	<u>Performance Criteria</u>	The following performance conditions for determining incentive plans were chosen to motivate Executive Directors and key management personnel to work in alignment with the goals of all stakeholders:																
(b)	What were the performance conditions used to determine their entitlement under the short term and long-term incentive schemes?	<p><b>Table 7.1 - Performance Criteria</b></p> <table border="1"> <tbody> <tr> <td><b>Qualitative</b></td> <td>1. Leadership</td> </tr> <tr> <td></td> <td>2. People development</td> </tr> <tr> <td></td> <td>3. Commitment</td> </tr> <tr> <td></td> <td>4. Teamwork</td> </tr> <tr> <td></td> <td>5. Talent Retention</td> </tr> <tr> <td></td> <td>6. Current market and industry practices</td> </tr> <tr> <td><b>Quantitative</b></td> <td>1. NPAT growth</td> </tr> <tr> <td></td> <td>2. Revenue growth</td> </tr> </tbody> </table>	<b>Qualitative</b>	1. Leadership		2. People development		3. Commitment		4. Teamwork		5. Talent Retention		6. Current market and industry practices	<b>Quantitative</b>	1. NPAT growth		2. Revenue growth
<b>Qualitative</b>	1. Leadership																	
	2. People development																	
	3. Commitment																	
	4. Teamwork																	
	5. Talent Retention																	
	6. Current market and industry practices																	
<b>Quantitative</b>	1. NPAT growth																	
	2. Revenue growth																	
(c)	Were all of these performance conditions met? If not, what were the reasons?	Yes, the RC has reviewed and is satisfied that the performance conditions were met for FY 2020.																
7.2	<u>Remuneration Structure of Non-Executive Directors</u>	<p>Non-Executive Directors will each receive their Directors' fees in cash. Directors' fees are subjected to shareholders' approval at a general meeting. The fees for the financial year in review are determined in the current financial year, proposed by the Management, submitted to the RC for review and thereafter recommended to the Board for approval.</p> <p>The RC has reviewed and assessed that the remuneration of the Non-Executive Directors for FY 2020 is appropriate, considering the effort, time spent and responsibilities of said Directors.</p>																



# Corporate Governance Report

**TABLE I - COMPLIANCE WITH THE CODE**

Principle/ Provision	Code and/ or Guide Description	Company's Compliance or Explanation
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**REMUNERATION MATTERS**

**LEVEL AND MIX OF REMUNERATION**

**DISCLOSURE ON REMUNERATION**

8.1(a) (a) Has the Company disclosed each Director's and the CEO's remuneration as well as a breakdown (in percentage or dollar terms) into base/ fixed salary, variable or performance-related income/ bonuses, benefits in kind, stock options granted, share-based incentives and awards, and other long-term incentives? If not, what are the reasons for not disclosing so?

The breakdown for the remuneration of the Directors and the CEO for FY 2020 is as follows:

**Table 8.1(a) - Directors' and CEO's Remuneration**

Name	Remuneration (S\$)	Directors Fees (%)	Salaries (%)	Variable/ Performance Bonus (%)	Employer CPF Contribution (%)	Total (%)
<b>Executive Directors</b>						
Dr. Beh Suan Tiong	702,817	-	69.5	28.6	1.9	100.0
Dr. Heng Tung Lan	2,262,670	-	48.6	51.0	0.4	100.0
Dr. Lee Keen Whye	955,247	-	52.3	46.9	0.7	100.0
<b>Independent Directors</b>						
Mr. Ng Boon Yew	45,000	100.0	-	-	-	100.0
Mr. Chan Heng Toong	45,000	100.0	-	-	-	100.0
Mr. Chooi Yee- Choong	39,000	100.0	-	-	-	100.0
Ms. See Tho Soat Ching	39,000	100.0	-	-	-	100.0
<b>CEO</b>						
Dr. Lau Eng Kien <sup>(1)</sup>	N/A <sup>(3)</sup>	-	37.6	51.6 <sup>(4)</sup>	10.8	100.0
Mr. Choo Kok Wei, Eric <sup>(2)</sup>	N/A <sup>(3)</sup>	-	94.3	-	5.7	100.0

**Notes:**

- (1) Resigned with effect from 31 January 2020.
- (2) Appointed with effect from 3 February 2020.
- (3) The Board, taking into consideration the competitive business environment, decided not to disclose the remuneration amounts of the CEO.
- (4) Variable/ Performance bonus is for FY 2019 which was approved by the Board and paid in FY 2020.

There were no termination, retirement and post-employment benefits that may be granted to the Directors and the CEO.

# Corporate Governance Report

**TABLE I - COMPLIANCE WITH THE CODE**

Principle/ Provision	Code and/ or Guide Description	Company's Compliance or Explanation															
<b>REMUNERATION MATTERS</b>																	
<b>LEVEL AND MIX OF REMUNERATION</b>																	
<b>DISCLOSURE ON REMUNERATION</b>																	
(b)	Has the Company disclosed each key management personnel's remuneration, in bands of S\$250,000 or more in detail, as well as a breakdown (in percentage or dollar terms) into base/ fixed salary, variable or performance-related income/ bonuses, benefits in kind, stock options granted, share-based incentives and awards, and other long-term incentives? If not, what are the reasons for not disclosing so?	<p>Given the size and nature of the Company's business, the Company has identified one (1) top key management personnel.</p> <p>The breakdown for the remuneration of the Company's key management personnel, i.e., the CFO of the Company (who is not a Director or the CEO) for FY 2020 is as follows:</p> <table border="1"> <caption><b>Table 8.1(b) - Remuneration of Key Management Personnel</b></caption> <thead> <tr> <th>Name</th> <th>Salary (%)</th> <th>Variable/ Performance Bonus (%)</th> <th>Employer CPF Contribution (%)</th> <th>Total (%)</th> </tr> </thead> <tbody> <tr> <td colspan="5"><b>Between S\$250,000 to S\$500,000</b></td> </tr> <tr> <td>Ms. Doreen Chew Wai Yin</td> <td>83.2</td> <td>10.1 <sup>(1)</sup></td> <td>6.7</td> <td>100.0</td> </tr> </tbody> </table> <p><i>Note:</i> (1) Variable/ Performance bonus is for FY 2019 which was approved by Board and paid in FY 2020.</p> <p>There were no termination, retirement and post-employment benefits that may be granted to the top key management personnel.</p>	Name	Salary (%)	Variable/ Performance Bonus (%)	Employer CPF Contribution (%)	Total (%)	<b>Between S\$250,000 to S\$500,000</b>					Ms. Doreen Chew Wai Yin	83.2	10.1 <sup>(1)</sup>	6.7	100.0
Name	Salary (%)	Variable/ Performance Bonus (%)	Employer CPF Contribution (%)	Total (%)													
<b>Between S\$250,000 to S\$500,000</b>																	
Ms. Doreen Chew Wai Yin	83.2	10.1 <sup>(1)</sup>	6.7	100.0													
(c)	Please disclose the aggregate remuneration paid to the top five key management personnel (who are not Directors or the CEO).	Given the highly competitive conditions of the Group's industry, and the prevalent poaching of experienced executives, the Company believes that the disclosure of the total remuneration of its top key management personnel as recommended by the Code may not be in the best interest of the Group. Nevertheless, the Company has sought to provide the remuneration of its key management personnel in the bands of S\$250,000 and also a breakdown in percentage terms.															

# Corporate Governance Report

## TABLE I - COMPLIANCE WITH THE CODE

Principle/ Provision	Code and/ or Guide Description	Company's Compliance or Explanation
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### REMUNERATION MATTERS

#### LEVEL AND MIX OF REMUNERATION

#### DISCLOSURE ON REMUNERATION

8.2	<u>Related Employees</u>	The table sets out the list of employees who is a substantial shareholder, an immediate family member of a substantial shareholder, Director or the CEO.
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Is there any employee who is an immediate family member of a Director or the CEO, and whose remuneration exceeds S\$100,000 during the last financial year? If so, please identify the employee and specify the relationship with the relevant Director or the CEO.

#### **Table 8.2 - Remuneration of Related Employees**

Name	Relationship
<b>Between S\$100,000 and S\$150,000</b>	
Ms. Heng Siok Hong Veronica	Wife of Dr. Beh Suan Tiong, the Executive Chairman and substantial shareholder

8.3	<u>Employee Share Scheme(s)</u>	Information on the SOG Share Option Scheme and SOG Performance Share Plan is set out on page 138 to 139 of this Annual Report.
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### ACCOUNTABILITY AND AUDIT

#### RISK MANAGEMENT AND INTERNAL CONTROLS

9	<u>Risk Governance by the</u>	The Board, with the assistance of the AC, is responsible for the overall risk governance, risk management and internal control systems and framework of the Group.
9.1	<u>Board</u>	

The Audit Committee has tasked the CFO to assist the Board in the discharge of the compliance duties such as the review and implementation of the overall risk management philosophy, guidelines and major policies for effective risk management, including the risk profile, risk tolerance level and risk strategy.

# Corporate Governance Report

**TABLE I - COMPLIANCE WITH THE CODE**

<b>Principle/ Provision</b>	<b>Code and/ or Guide Description</b>	<b>Company's Compliance or Explanation</b>
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**ACCOUNTABILITY AND AUDIT**

**RISK MANAGEMENT AND INTERNAL CONTROLS**

*Identification of the Group's risks*

The Group has in place an Enterprise Risk Management ("ERM") system and aims to mitigate the exposures through appropriate risk management strategies and internal controls, which parameters have been reviewed and approved by the Board on an annual basis. Risk management in the Group is a continuous, iterative and integrated process which has been incorporated into various planning, approval, execution, monitoring, review and reporting systems. The Group adopts a top-down as well as bottom-up approach on risk management to ensure strategic, business, operational, financial, reporting, compliance and information technology risk exposures are identified and appropriately managed.

*Management of risks*

Operational business risks are identified, addressed and reviewed on an ongoing basis by the Management. The Management then reports and updates the AC on a regular basis. For material risks which include breaches in regulations or events that would potentially incur substantial damages/ loss, the Board has a practice in place, whereby the Board is notified of such major incidents to be able to provide oversight and advise the Management accordingly.

For FY 2020, the Board and AC has reviewed that the Group's key risks largely lies in the area of operational, information technology and data security, compliance and financial. They have been mitigated by way of enhancing and improving the Group's existing risk management and internal controls framework.

# Corporate Governance Report

**TABLE I - COMPLIANCE WITH THE CODE**

<b>Principle/ Provision</b>	<b>Code and/ or Guide Description</b>	<b>Company's Compliance or Explanation</b>
<b>ACCOUNTABILITY AND AUDIT</b>		
<b>RISK MANAGEMENT AND INTERNAL CONTROLS</b>		
9.2	<u>Confirmation of Internal Controls</u>	The Board and the AC are of the view that the Company's internal controls (including operational, information technology controls, compliance and financial) and risk management systems were adequate and effective for FY 2020.
	(a) In relation to the major risks faced by the Company, including financial, operational, compliance, information technology and sustainability, please state the bases for the Board's view on the adequacy and effectiveness of the Company's internal controls and risk management systems.	<p>The bases for the Board and AC's views are as follows:</p> <ol style="list-style-type: none"> <li>1. Assurance has been received from the CEO and CFO (refer to Section 9.2(b) of Table I);</li> <li>2. An internal audit has been done by the IA and significant matters highlighted to the AC and key management personnel were appropriately addressed;</li> <li>3. Key management personnel evaluates, monitors material risks and reports to the AC on a regular basis;</li> <li>4. Discussions were held between the AC and auditors in the absence of the key management personnel to review and address any potential concerns;</li> <li>5. An ERM framework was established to identify, manage and mitigate significant risks; and</li> <li>6. Risk appetite statements with tolerance limits have been approved by the Board to contain risks within acceptable levels.</li> </ol>
	(b) In respect of the past 12 months, has the Board received assurance from the CEO and the CFO as well as the IA that: (i) the financial records have been properly maintained and the financial statements give true and fair view of the Company's operations and finances; and (ii) the Company's risk management and internal control systems are effective? If not, how does the Board assure itself of points (i) and (ii) above?	Yes, the Board has obtained such assurance from the CEO and CFO in respect of FY 2020.

# Corporate Governance Report

**TABLE I - COMPLIANCE WITH THE CODE**

<b>Principle/ Provision</b>	<b>Code and/ or Guide Description</b>	<b>Company's Compliance or Explanation</b>
<b>ACCOUNTABILITY AND AUDIT</b>		
<b>AUDIT COMMITTEE</b>		
10.1 10.3	<i>Role of the AC</i>	<p>All members of the AC are Non-Executive Directors who are independent and do not have any management and business relationships with the Company or any substantial shareholder of the Company. None of the AC members were previous partners or directors of the Company's external audit firm within a period of two years commencing on the date of their ceasing to be a partner of the external audit firm and none of the AC members holds any financial interest in the external audit firm.</p> <p>The AC is guided by its key terms of reference, which includes:</p> <ul style="list-style-type: none"> <li>(a) reviewing with the external auditors their audit plan, their evaluation of the systems of internal controls, their audit report, their letter to Management and Management's responses;</li> <li>(b) reviewing with the internal auditors their internal audit plans and their evaluation of the adequacy of our internal control and accounting system before submission of the results of such review to the Board for approval prior to the incorporation of such results in the Company's Annual Report, where necessary;</li> <li>(c) reviewing the internal control procedures to ensure co-ordination between the external auditors and the Management, and review the co-operation from Management and assistance given to facilitate their respective audits and discussing problems and concerns, if any, arising from the interim and final audits, and any matters which the external auditors may wish to discuss (in the absence of Management, where necessary);</li> <li>(d) reviewing the quarterly and full-year financial statements and results announcements of the Group before submission to the Board for approval, focusing in particular on changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, the going concern statement, compliance with accounting standards and compliance with the Catalist Rules and other relevant statutory or regulatory requirements;</li> <li>(e) reviewing the assurance from the CEO and the CFO on the financial records and financial statements;</li> </ul>

# Corporate Governance Report

**TABLE I - COMPLIANCE WITH THE CODE**

<b>Principle/ Provision</b>	<b>Code and/ or Guide Description</b>	<b>Company's Compliance or Explanation</b>
<b>ACCOUNTABILITY AND AUDIT</b>		
<b>AUDIT COMMITTEE</b>		
		(f) reviewing and discussing with the external and internal auditors any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules or regulations which has or is likely to have material impact on the Group's operating results or financial position, and Management's response;
		(g) consider and make recommendations to the Board on the proposals to shareholders on the appointment or re-appointment of the external and internal auditors and matters relating to resignation or dismissal of the external and internal auditors;
		(h) consider and make recommendations to the Board on the proposals to shareholders on the remuneration and terms of engagement of the external and internal auditors;
		(i) reviewing the adequacy, effectiveness, independence, scope and results of the external audit and the Company's internal audit function;
		(j) reviewing transactions falling within the scope of Chapter 9 and Chapter 10 of the Catalist Rules (if any);
		(k) reviewing potential conflicts of interests (if any) and to set out a framework to resolve or mitigate any potential conflicts of interests;
		(l) reviewing the effectiveness and adequacy of the administrative, operating, internal accounting and financial control procedures;
		(m) reviewing the Group's key financial risk areas, to provide an independent oversight on the Group's financial reporting, the outcome of such review to be disclosed in the annual reports or if the findings are material, immediately announced via SGXNET;
		(n) undertake such other reviews and projects as may be requested by the Board and report to the Board its findings from time to time on matters arising and requiring the attention of the AC;
		(o) reviewing annually the cost-effectiveness of the audit, independence, objectivity and performance of the internal and external auditors;

# Corporate Governance Report

**TABLE I - COMPLIANCE WITH THE CODE**

Principle/ Provision	Code and/ or Guide Description	Company's Compliance or Explanation
<b>ACCOUNTABILITY AND AUDIT</b>		
<b>AUDIT COMMITTEE</b>		
		<p>(p) reviewing arrangements by which employees of the Group may in confidence, raise concerns about possible improprieties in matters of financial reporting and to ensure that arrangements are in place for the investigations of such matter and appropriate follow-up; and</p> <p>(q) reviewing the Group's compliance with such functions and duties as may be required under the relevant statutes of the Catalyst Rules, including such amendments made thereto from time to time.</p>
	<u>Whistle Blowing Policy</u>	<p>The Company's employees (including specialist medical practitioners) and any other stakeholders concerned such as patients and their families, suppliers, competitors and contractors may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters by submitting a whistle blowing report to the following channels:</p> <ol style="list-style-type: none"> <li>1. Audit Committee Chairman Mr. Ng Boon Yew boonyew@rafflescampus.edu.sg</li> <li>2. Auditors Foo Kon Tan LLP Attention to Audit Partner-in-charge: Mr. Chan Ser ser.chan@fookontan.com</li> </ol>



# Corporate Governance Report

**TABLE I - COMPLIANCE WITH THE CODE**

Principle/ Provision	Code and/ or Guide Description	Company's Compliance or Explanation
<b>ACCOUNTABILITY AND AUDIT</b>		
<b>AUDIT COMMITTEE</b>		
10.2	<u>Qualification of the AC members</u>	<p>Yes. The Board considers Mr. Ng Boon Yew, who has extensive and practical accounting and financial management knowledge and experience, well qualified to chair the AC. Mr. Chan Heng Toong and Ms. See Tho Soat Ching of the AC also have recent and relevant experience in accounting and financial management.</p> <p>Further details on the key information and profile of the AC members, including their academic and professional qualifications, are presented under the "Board of Directors" sections of this Annual Report.</p> <p>The members of the AC collectively have strong accounting and related financial management expertise and experience and are appropriately qualified to discharge their responsibilities.</p>
10.4	<u>Internal Audit Function</u>	<p>The Company's internal audit function is outsourced to BDO LLP that reports directly to the AC Chairman and administratively to the Management. The AC is responsible for the hiring, removal, evaluation and compensation of the accounting or audit firm or corporation which the internal audit function of the Company is outsourced to.</p> <p>The AC reviews and approves the internal audit plan to ensure the adequacy of the scope of audit. The internal audit plan complements that of the external auditors and together forms a robust risk-based audit approach to facilitate the AC's review of the adequacy and effectiveness of the Group's risk management and internal control systems.</p> <p>The AC is satisfied that the internal auditor is able to discharge its duties effectively as the internal auditor:</p> <ul style="list-style-type: none"> <li>▪ is adequately qualified, given that it is a member of the Institute of Internal Auditors and it adheres to the Standards for the Professional Practice of Internal Auditing laid down in the International Professional Practices Framework issued by the Institute of Internal Auditors;</li> <li>▪ is adequately resourced as there is a team assigned to the Company's internal audit, led by Mr. Willy Leow who has relevant years of diverse audit experience; and</li> <li>▪ has the appropriate standing in the Company, given, inter alia, its involvement in certain AC meetings and its unfettered access to all the Group's documents, records, properties and personnel, including direct access to the AC.</li> </ul>

# Corporate Governance Report

**TABLE I - COMPLIANCE WITH THE CODE**

<b>Principle/ Provision</b>	<b>Code and/ or Guide Description</b>	<b>Company's Compliance or Explanation</b>
<b>ACCOUNTABILITY AND AUDIT</b>		
<b>AUDIT COMMITTEE</b>		
10.5	<u>Met Auditors in Management's Absence</u>	The AC has met with the IA and the EA once in the absence of key management personnel in FY 2020.
<b>SHAREHOLDER RIGHTS AND ENGAGEMENT</b>		
<b>SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS</b>		
11.1	<u>Shareholders' Participation at General Meetings</u>	Shareholders are entitled to attend the general meetings and are afforded the opportunity to participate effectively in and vote at general meetings. An independent polling agent is appointed by the Company for general meetings who will explain the rules, including the voting procedures, that govern the general meetings of shareholders.
	<u>Appointment of Proxies</u>	The Company's Constitution allows a shareholder to appoint up to two proxies to attend and vote in the shareholder's place at the general meetings. Specified intermediaries, such as banks and capital markets services licence holders which provide custodial services, may appoint more than two proxies.
11.2	<u>Bundling of Resolutions</u>	Resolutions requiring shareholders' approval are tabled separately for adoption at the Company's general meetings unless they are closely related and are more appropriately tabled together. Reasons, and implications of why resolutions are bundled will be set out in the circulars sent out.
11.3	<u>Directors' Attendance</u>	The Company requires all Directors (including the respective chairman of the Board Committees) to be present at all general meetings, unless of exigencies. The EA is also required to be present to address shareholders' queries about the conduct of audit and the preparation and content of the independent auditor's report. All Directors attended the annual general meeting for the Company's financial year ended 31 December 2019 ("FY 2019 AGM"), held on 22 May 2020 via electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for meetings for companies, variable capital companies, business trusts, unit trusts and debenture holders) Order 2020.

# Corporate Governance Report

**TABLE I - COMPLIANCE WITH THE CODE**

<b>Principle/ Provision</b>	<b>Code and/ or Guide Description</b>	<b>Company's Compliance or Explanation</b>
<b>SHAREHOLDER RIGHTS AND ENGAGEMENT</b>		
<b>SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS</b>		
11.4	<u>Absentia Voting</u>	The Company's Constitution allows for absentia voting, (including but not limited to the voting by mail, electronic mail or facsimile). However, as the authentication of shareholder identity information and other related security issues still remain a concern, the Group has decided not to implement voting in absentia by mail, email or fax until issues on security and integrity are satisfactorily resolved.
11.5	<u>Publication of Minutes</u>	All minutes of general meetings, including the substantial and relevant comments or queries raised by shareholders in relation to the meeting agenda and the responses from the Board and/ or Management, will be made available to shareholders via SGXNET and on the Company's website at <a href="https://www.sog.com.sg">https://www.sog.com.sg</a> within 3 days from the date of the general meeting, together with the Corporate Presentation slides that were presented to shareholders at the general meeting (if any).
11.6	<u>Dividend Policy</u>	The Company does not have a fixed dividend policy. Nonetheless, key management personnel will review, <i>inter alia</i> , the Group's performance in the relevant financial period, projected capital needs and working capital requirements and make appropriate recommendations to the Board on dividend declaration.
	(a) Does the Company have a dividend policy?	
	(b) Is the Company paying dividends for the financial year? If not, please explain why.	The Board of Directors has proposed a final one-tier tax exempt dividend of 1.20 Singapore cents per ordinary share for FY 2020 which will be subject to shareholders' approval at the forthcoming AGM.  Together with the interim dividend of 0.50 Singapore cents per ordinary share paid on 1 September 2020, the total dividend for FY 2020 is 1.70 Singapore cents per ordinary share.

# Corporate Governance Report

**TABLE I - COMPLIANCE WITH THE CODE**

Principle/ Provision	Code and/ or Guide Description	Company's Compliance or Explanation
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## SHAREHOLDER RIGHTS AND ENGAGEMENT

### ENGAGEMENT WITH SHAREHOLDERS

12.1	<u>Communication with</u>	The Company solicits feedback from and addresses the concerns of shareholders (including institutional and retail investors) via:
12.2	<u>Shareholders</u>	
12.3		
13.3	(a) Does the Company regularly communicate with shareholders and attend to their questions? How often does the Company meet with institutional and retail investors?	<ul style="list-style-type: none"> <li>▪ investor/ analyst briefings; and</li> <li>▪ the corporate/ investor relations email address on its website.</li> </ul> <p>The Company held 2 investor briefings in FY 2020 to meet with its institutional and retail investors. In FY 2020, the Management has also briefed shareholders on the Company's performance during the FY 2019 AGM.</p>
	(b) Is this done by a dedicated investor relations team (or equivalent)? If not, who performs this role?	<p>The Company handles all its investor relations matters internally and the core IR function is coordinated by our chief financial officer. This includes managing the dissemination of corporate information to the media, institutional investors and public shareholders and facilitating effective and regular communication to such parties.</p> <p>In addition, the Company has in place a dedicated section of its website labelled "Investor Relations" at <a href="https://sog.listedcompany.com/">https://sog.listedcompany.com/</a>, to promote regular, effective and fair communication. The Company's investor relations website is a key resource of information for the investment community. It contains comprehensive information on the Company, including investor presentations, annual reports, past financial results and announcements, upcoming events, shares and dividend information.</p>
	(c) How does the Company keep shareholders informed of corporate developments, apart from SGXNET announcements and the annual report?	<p>Apart from the SGXNET announcements and its annual report, the Company updates shareholders on its corporate developments through its corporate website at <a href="https://sog.listedcompany.com/">https://sog.listedcompany.com/</a>. All materials presented in general meetings are uploaded on the SGXNET.</p> <p>For enquires and all other matters, Shareholders and all other parties can contact the Company at <a href="mailto:ir@sog.com.sg">ir@sog.com.sg</a>.</p>

## MANAGING STAKEHOLDERS RELATIONSHIP

### ENGAGEMENT WITH SHAREHOLDERS

13.1	<u>Stakeholders Management</u>	The Company undertakes an annual review in identifying its material stakeholders. It assesses the material environmental, social and governance factors that affects the Group.
13.2		
		Please refer to the Company's latest sustainability report in this annual report for the assessment process and how such relationships with stakeholders are managed.

# Corporate Governance Report

**TABLE II - COMPLIANCE WITH CATALIST RULES**

<b>Rule</b>	<b>Rule Description</b>	<b>Company's Compliance or Explanation</b>												
720(5)	<u>Information relating to Directors seeking re-election</u>	In addition to the information relating to the Directors seeking re-election as per Appendix 7F of the Catalist Rules, which are set out in page 220 to 228 of this Annual Report, there is no change to the disclosures of each Directors for the disclosures labelled (a) to (k) as per previously announced.												
1204(6)(A)	<u>Non-audit fees</u> (a) Please provide a breakdown of the fees paid in total to the EA for audit and non-audit services for the financial year.	<p><b>Table 1204(6)(A) - Fees Paid/ Payable to the EA for FY 2020</b></p> <table border="1"> <thead> <tr> <th></th> <th><b>S\$</b></th> <th><b>% of total</b></th> </tr> </thead> <tbody> <tr> <td><b>Audit fees</b></td> <td>167,000</td> <td>100</td> </tr> <tr> <td><b>Non-Audit fees</b></td> <td>-</td> <td>-</td> </tr> <tr> <td><b>Total</b></td> <td><b>167,000</b></td> <td><b>100</b></td> </tr> </tbody> </table>		<b>S\$</b>	<b>% of total</b>	<b>Audit fees</b>	167,000	100	<b>Non-Audit fees</b>	-	-	<b>Total</b>	<b>167,000</b>	<b>100</b>
	<b>S\$</b>	<b>% of total</b>												
<b>Audit fees</b>	167,000	100												
<b>Non-Audit fees</b>	-	-												
<b>Total</b>	<b>167,000</b>	<b>100</b>												
1204(6)(B)	<u>Confirmation by AC</u> (b) If the EA have supplied a substantial volume of non-audit services to the Company, please state the bases for the AC's view on the independence of the EA.	There were no non-audit services rendered during FY 2020.												
1204(6)(C)	<u>Appointment of Auditors</u>	The Company confirms its compliance to Rules 712 and 715 of the Catalist Rules.												
1204(8)	<u>Material Contracts</u>	Save for the service agreements between the Executive Directors and the Company, there were no material contracts entered into by the Group involving the interest of the CEO, any Director, or controlling shareholder, which are either still subsisting at the end of FY 2020 or if not then subsisting, entered into since the end of the previous financial year.												
1204(10)	<u>Adequacy of Internal Controls</u>	Please refer to the confirmation provided by the Board in Section 9.2 of Table I.												
1204(10B)	<u>Adequacy of Internal Audit Function</u>	The AC is of the opinion that the internal audit function is independent, effective and adequately resourced.												

# Corporate Governance Report

**TABLE II - COMPLIANCE WITH CATALIST RULES**

Rule	Rule Description	Company's Compliance or Explanation			
1204(17)	<u>Interested Person Transactions ("IPT")</u>	The Group has procedures governing all IPTs to ensure that they are properly documented and reported on a timely manner to the AC and that they are carried out on normal commercial terms and are not prejudicial to the interests of the Company and its minority shareholders.			
				<b>Aggregate value of all IPTs during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)</b>	<b>Aggregate value of all IPTs conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)</b>
		<b>Name of interested person</b>	<b>Nature of relationship</b>	<b>S\$'000</b>	<b>S\$'000</b>
		<u>Lee &amp; Lee Clinic Pte. Ltd.</u>	Tenancy agreement entered between subsidiaries of the Company with Lee & Lee Clinic Pte. Ltd. which is 60% owned by Dr. Lee Keen Whye, a director and controlling shareholder of the Company.	295	-
		<u>Avesa Pte. Ltd.</u>	Tenancy agreement entered between subsidiaries of the Company with Avesa Pte. Ltd. which is 50% owned by Dr. Lee Keen Whye, a director and controlling shareholder of the Company.	120	-

Save as disclosed, there were no IPTs with value of more than S\$100,000 transacted during FY 2020.

# Corporate Governance Report

**TABLE II - COMPLIANCE WITH CATALIST RULES**

<b>Rule</b>	<b>Rule Description</b>	<b>Company's Compliance or Explanation</b>
1204(19)	<u>Dealing in Securities</u>	<p>The Company has adopted an internal code of conduct which prohibits the Directors and officers from dealing in the securities of the Company while in possession of price-sensitive information.</p> <p>The Company, its Directors and officers are also discouraged from dealing in the Company's securities on short-term considerations and are prohibited from dealing in the Company's securities during the period commencing one month before the announcement of the Company's half-year and full-year financial statements, and ending on the date of the announcement of the relevant results. Independent Directors are prohibited from selling/ disposing their shares prior to leaving the Group.</p>
1204(21)	<u>Non-sponsor Fees</u>	The total amount of non-sponsor fees paid/ payable to the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd., for FY 2020 was S\$5,000.
1204(22)	<u>Use of IPO Proceeds</u>	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 Annual Report, the use of IPO proceeds are as follows:

	<b>Amount Allocated</b>	<b>Amount Utilised</b>	<b>Amount Unutilised</b>
<b>Use of IPO proceeds</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
Expansion of business operations <sup>1</sup>	3,000	(1,178)	1,822
Investments in healthcare professionals and synergistic businesses <sup>2</sup>	6,000	(6,000)	-
Working capital purposes <sup>3</sup>	200	(200)	-
<b>Total</b>	<b>9,200</b>	<b>(7,378)</b>	<b>1,822</b>

# Corporate Governance Report

**TABLE II - COMPLIANCE WITH CATALIST RULES**

Rule	Rule Description	Company's Compliance or Explanation
		<p>Notes:</p> <ol style="list-style-type: none"> <li> <p>The amount of S\$1.2 million from the expansion of business operations category has been mainly utilised for the set-up cost of the following clinics/ subsidiary:</p> <ul style="list-style-type: none"> <li>S\$186,000 for SOG - SK Lim Breast &amp; General Surgicare, located at Mount Elizabeth Novena Specialist Centre #06-53 in May 2016;</li> <li>S\$215,000 for SOG - SC Hong Clinic for Women, located at Mount Alvernia Medical Centre #07-62 in July 2016;</li> <li>S\$80,000 for SOG - Clinic for Children (Central), located at 11A Boon Tiong Road #01-11 in November 2017;</li> <li>S\$117,000 for SOG - Christina Ong Clinic for Children and Gastroenterology, located at Mount Elizabeth Novena Specialist Centre #07-53 in November 2018;</li> <li>S\$327,000 for SOG - HM Liew Skin and Laser Clinic, located at Gleneagles Medical Centre #06-01 in January 2019;</li> <li>S\$134,000 for SOG - Petrina Wong Clinic for Children Respiratory and Sleep, located at Gleneagles Medical Centre #08-14 in February 2019;</li> <li>S\$119,000 for SOG - Clara Ong Clinic for Women, located at Gleneagles Medical Centre #08-15/16 in May 2019; and</li> <li>S\$1,000 for SOG Mummy and Baby Centre Pte. Ltd..</li> </ul> </li> <li> <p>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 cash consideration of S\$6.0 million for the JL Acquisition in January 2016, 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.</p> </li> <li> <p>The amount of S\$0.2 million from the working capital purposes category has been utilised for the working capitals of SOG Dermatology (Gleneagles) and SOG-Clinic for Children (Gleneagles), as disclosed in the Company's Q1 2019 announcement dated 9 May 2019.</p> </li> </ol> <p>The above utilisations are in accordance with the intended use of the IPO proceeds, as stated in the offer document of the Company dated 26 May 2015.</p> <p>The Company will continue to provide periodic updates on the use of the balance of the proceeds through SGXNET as and when such funds are materially disbursed.</p>



# Corporate Governance Report

**TABLE II - COMPLIANCE WITH CATALIST RULES**

<b>Rule</b>	<b>Rule Description</b>	<b>Company's Compliance or Explanation</b>
N/ A	<u>Others</u>	<p>In addition to the above, the Group also adopted the following internal policies/ guidelines during FY 2020:</p> <p><u>Code of Conduct &amp; Practices</u></p> <p>The Group recognises the importance of integrity, professionalism on the conduct of its business activities.</p> <p>The Group has developed a code of ethics that is expected to continue to refine with various stakeholders (the "<b>Code of Ethics</b>"). Employees are expected to embrace, practise and adopt these values and principles as outlined in the Code of Ethics while performing their duties and always to act in the best interest of the Group and avoid situations that may create conflicts of interest.</p> <p><u>Code of Ethics</u></p> <p>The Group has adopted an ethics policy that clearly states the ethics upon which the Group, its senior management and employees shall operate. The policy describes in detail how the Group is to do business and provides protection for all its stakeholders as well as procedures for reporting and dealing with breaches in our policy. There were no reported breaches of the Code of Ethics in FY 2020.</p> <p><u>Personal Data Privacy Policy</u></p> <p>The Group has adopted a privacy policy to better manage the sensitivities around patient records and other data.</p> <p>The policy states that all patient data is sensitive and lists the type of data we can collect, unless a specific circumstance requires other additional data. For instance, the Group is not to collect data on the patient's partner or their sexual history unless there is clear and immediate requirement. The policy provides guidelines on who can access the data, how it should be kept and under what circumstances it can be shared. There were no reported breaches of the Personal Data Privacy Policy in FY 2020.</p>

# Corporate Governance Report

**TABLE II - COMPLIANCE WITH CATALIST RULES**

<b>Rule</b>	<b>Rule Description</b>	<b>Company's Compliance or Explanation</b>
		<p><u>Corporate Responsibility Statement</u></p> <p>The statement makes clear that the Group seeks to be a good corporate citizen. The Group views being a good corporate citizen as being law abiding, meeting all reasonable expectations of stakeholders (and in the event an expectation cannot be met, why it could not be met and what the Group is doing about it), paying its fair share towards society and volunteering time and resources to improve the society it operates in. In FY 2020, the Group has complied with all Singapore laws and regulations that applies to it. In addition:</p> <ul style="list-style-type: none"><li>▪ The Group believes that it has met all reasonable expectations set out under the Code.</li><li>▪ The Group has paid dividends and made provision of approximately S\$1.5 million for income taxes.</li><li>▪ The Group has organised a free public forum and its specialist medical practitioners have given various educational talks to corporates, schools and other organisations to promote health and wellness for women and children.</li><li>▪ The Group has supported and made donations to charities.</li></ul>

# Directors' Statement

For the financial year ended 31 December 2020

We are pleased to submit this statement to the members together with the audited consolidated financial statements of Singapore O&G Ltd. (the "Company") and its subsidiaries (collectively the "Group") for the financial year ended 31 December 2020 and the statement of financial position of the Company as at 31 December 2020.

In our opinion:

- (a) the accompanying financial statements of the Group and the Company are drawn up so as to give a true and fair view of the financial positions of the Group and of the Company as at 31 December 2020 and the financial performance, changes in equity and cash flows of the Group for the year ended on that date in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards (International); and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

## NAMES OF DIRECTORS

The directors in office at the date of this statement are as follows:

Dr. Beh Suan Tiong (Executive Chairman)  
Dr. Heng Tung Lan (Executive Director)  
Dr. Lee Keen Whye (Executive Director)  
Ng Boon Yew (Lead Independent Director)  
Chan Heng Toong (Independent Director)  
Chooi Yee-Choong (Independent Director)  
See Tho Soat Ching (Independent Director)

## DIRECTORS' INTEREST IN SHARES OR DEBENTURES

According to the Register of Directors' Shareholdings kept by the Company under Section 164 of the Act, particulars of interests of directors who held office at the end of the financial year (including those of their spouses and infant children) in shares, debentures, warrants and share options in the Company are as follows:

	Holdings registered in the name of director or nominee		Holdings in which director is deemed to have an interest	
	As at 1.1.2020	As at 31.12.2020 and 21.1.2021	As at 1.1.2020	As at 31.12.2020 and 21.1.2021
<b>The Company - Singapore O&amp;G Ltd.</b>	<b>Number of ordinary shares</b>			
Dr. Beh Suan Tiong <sup>(1)</sup>	48,008,452	48,008,452	472,000	472,000
Dr. Heng Tung Lan	140,453,614	140,453,614	-	-
Dr. Lee Keen Whye <sup>(2)</sup>	75,600,356	75,600,356	6,104,524	6,104,524
Chan Heng Toong	200,000	200,000	-	-
Chooi Yee-Choong	600,000	600,000	-	-

Notes:

- (1) Dr. Beh Suan Tiong is deemed to have an interest in the shareholding of Veronica Heng Siok Hong and vice versa by virtue of their relationship as husband and wife.
- (2) Dr. Lee Keen Whye is deemed to have an interest in the shareholding of Dr. Wong Chui Fong and vice versa by virtue of their relationship as husband and wife.

# Directors' Statement

For the financial year ended 31 December 2020

## DIRECTORS' INTEREST IN SHARES OR DEBENTURES (CONT'D)

By virtue of the provisions of Section 7 of the Act, Dr. Heng Tung Lan is deemed to have an interest in the whole of the issued share capital of all subsidiaries of the Company.

There are no changes to the above shareholdings as at 21 January 2021.

Except as disclosed in this statement, no director who held office at the end of the financial year had interests in shares, debentures, warrants or share options of the Company or its related corporations, either at the beginning of the financial year or at the end of the financial year.

## SHARE OPTIONS SCHEME AND PERFORMANCE SHARE PLAN

On 6 May 2015, the shareholders approved the SOG Employee Share Option Scheme (the "**SOG ESOS**" or "**Scheme**") and SOG Performance Share Plan (the "**SOG PSP**" or "**Plan**") by shareholders' written resolutions.

### SOG Employee Share Option Scheme

Under the Scheme, the Company may grant options to Executive Directors and employees of the Group and associated companies ("**Group Employees**") and Non-Executive Directors (including Independent Directors of the Group), who are also controlling shareholders or associates of such controlling shareholders, to subscribe for ordinary shares in the Company. For this purpose, a company is an "associated company" if the Company and/ or the subsidiaries hold at least 20% but not more than 50% of the issued shares in that company and provided the Company has control (as defined in the Listing Manual) over the associated company. The number of shares in respect of which options may be granted to are as follows:

- (i) Each participant who is a controlling shareholder or his associate shall not exceed 10% of the shares available under the Scheme;
- (ii) The aggregate number of shares over which the Remuneration Committee may grant options on any date, when added to the number of shares issued and issuable or transferred and to be transferred in respect of all options granted under the SOG ESOS and the number of shares issued and issuable or transferred and to be transferred in respect of all options or awards granted under any other share option schemes or share schemes of the Company, shall not exceed 15% of the total number of issued shares (excluding shares held by the Company as treasury shares) on the day immediately preceding the date on which an offer to grant an option is made; and
- (iii) The aggregate number of shares which may be issued or transferred pursuant to options under the Scheme to participants who are controlling shareholders and their associates shall not exceed 25% of the shares available under the Scheme.

The SOG ESOS shall continue in operation for a maximum duration of ten years and may be continued for any further period thereafter with the approval of the shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required.

The Scheme is administered by the Company's Remuneration Committee, comprising Chooi Yee-Choong (Chairman), Chan Heng Toong and See Tho Soat Ching, all Independent Directors of the Company.

# Directors' Statement

For the financial year ended 31 December 2020

## SHARE OPTIONS SCHEME AND PERFORMANCE SHARE PLAN (CONT'D)

### **SOG Performance Share Plan**

Under the Plan, the Company may award fully paid shares to Group Employees who have attained the age of twenty-one years and hold such rank as may be designated by the Remuneration Committee from time to time, and Non-Executive Directors (including Independent Directors). This is provided that certain prescribed performance targets (if any) are met and the Plan is awarded before expiry of the prescribed performance period.

Controlling shareholders of the Company or associates of such controlling shareholders are also eligible to participate in the Plan, subject to independent approval for each grant to such a person.

The Plan allows the Company to target specific performance objectives and to provide an incentive for participants to achieve these targets. The Directors believe that the Plan will provide the Company with a flexible approach to provide performance incentives to the employees and Non-Executive Directors and, consequently, to improve performance and achieve sustainable growth for the Company in the changing business environment, and to foster a greater ownership culture amongst senior management and Non-Executive Directors.

The total number of shares which may be issued or transferred pursuant to awards granted under the Plan, when aggregated with the aggregate number of shares over which options are granted under any other share option schemes of the Company, shall not exceed 15% of the total number of issued shares (excluding shares held by the Company as treasury shares) from time to time.

The Plan shall continue in force at the discretion of the Remuneration Committee, subject to a maximum period of ten years commencing on the date on which the Plan is adopted by the Company in general meeting, provided always that the Plan may continue beyond the above stipulated period with the approval of shareholders in general meeting and of any relevant authorities which may then be required.

Notwithstanding the expiry or termination of the Plan, any awards made to participants prior to such expiry or termination will continue to remain valid.

## SHARE AWARDS GRANTED

On 8 June 2020, the Company granted share awards ("**Awards**") to eligible employees pursuant to the SOG PSP. The number of ordinary shares to be granted under the Awards is 2,000,000. One third of the Awards shall be vested each on the last working day of June 2020, 2021 and 2022 respectively. The share price used to determine the fair value of the Awards granted was estimated to be S\$0.1663, S\$0.1609 and S\$0.1560 for the relevant Awards which shall be vested on the last working day of June 2020, 2021 and 2022 respectively.

The Company had on 30 June 2020, allotted and issued an aggregate of 666,666 new ordinary shares in the capital of the Company (the "**New Shares**") to the eligible employees pursuant to the vesting of one third of the Awards under the SOG PSP. The New Shares issued shall rank *pari passu* in all respects with the existing shares of the Company. The employees have undertaken not to, directly or indirectly, offer, sell, contract to sell, realise, transfer, assign, pledge, grant any option or right to purchase, grant any security over, encumber or otherwise dispose of, all or any part of his or her shareholding in those New Shares immediately after the allotment of the New Shares for a period of twelve months commencing from the date of allotment.

	<b>2020</b>
Number of Awards granted during the financial year	2,000,000
Number of Awards vested during the financial year	(666,666)
Number of Awards outstanding as at 31 December	1,333,334

# Directors' Statement

For the financial year ended 31 December 2020

## SHARE AWARDS GRANTED (CONT'D)

There were no options granted under the SOG ESOS during the current financial year.

The Awards were not granted to the directors, controlling shareholders of the Company or their associates. There were also no other options and share awards granted to the directors, controlling shareholders of the Company or their associates.

No Group Employees and Non-Executive Directors have received 5% or more of the total number of options available under the Scheme or the Plan. The Company does not have any parent company.

No options to take up unissued shares of the Company and the subsidiaries have been granted during the financial year and at the end of the financial year. No options were granted at a discount to market price during the financial year.

There were no unissued shares of the Company and of the subsidiaries under option at the end of the financial year.

Accordingly, the disclosures required under Catalist Rule 851(1)(b)(i), (ii), (iii), (c) and (d) are not applicable.

## AUDIT COMMITTEE

The Audit Committee during the year and at the date of this statement are:

Ng Boon Yew (Chairman)  
Chan Heng Toong  
See Tho Soat Ching

The Audit Committee performs the functions specified in Section 201B (5) of the Act, the Catalist Rules and the Code of Corporate Governance. In performing those functions, the Committee reviewed the following:

- (i) overall scope of both the internal and external audits and the assistance given by the Company's officers to the auditors. It met with the Company's internal and external auditors to discuss the results of their respective examinations and their evaluation of the Company's system of internal accounting controls;
- (ii) the audit plan of the Company's independent auditor and any recommendations on internal accounting controls arising from the statutory audit;
- (iii) the quarterly, half-yearly and annual financial information and the statement of financial position of the Company and the consolidated financial statements of the Group for the financial year ended 31 December 2020 as well as the auditor's report thereon;
- (iv) effectiveness of the Group's material internal controls, including financial, operational and compliance controls and information technology controls and risk management systems via reviews carried out by the internal auditor;
- (v) met with the external auditor, other committees, and management in separate executive sessions to discuss any matters that these groups believe should be discussed privately with the Audit Committee;
- (vi) reviewed legal and regulatory matters that may have a material impact on the financial statements, related compliance policies and programmes and any reports received from regulators;
- (vii) reviewed the cost effectiveness and the independence and objectivity of the external auditor;

# Directors' Statement

For the financial year ended 31 December 2020

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## AUDIT COMMITTEE (CONT'D)

- (viii) reviewed the nature and extent of non-audit services provided by the external auditor;
- (ix) recommended to the Board of Directors the external auditor to be nominated, approved the compensation of the external auditor, and reviewed the scope and results of the audit;
- (x) reported actions and minutes of the Audit Committee to the Board of Directors with such recommendations as the Audit Committee considered appropriate; and
- (xi) interested person transactions (as defined in Chapter 9 of the Catalist Rules).

The Audit Committee has full access to management and is given the resources required for it to discharge its functions. It has full authority and the discretion to invite any director or executive officer to attend its meetings. The Audit Committee also recommends the appointment of the external auditor and reviews the level of audit and non-audit fees.

The Audit Committee is satisfied with the independence and objectivity of the external auditor and has recommended to the Board of Directors that the auditor, Foo Kon Tan LLP, be nominated for re-appointment as auditor at the forthcoming Annual General Meeting of the Company.

Full details regarding the Audit Committee are provided in the Corporate Governance Report.

In appointing our auditor for the Company and subsidiaries, we have complied with Rules 712 and 715 of the Catalist Rules.

## INDEPENDENT AUDITOR

The independent auditor, Foo Kon Tan LLP, Public Accountants and Chartered Accountants, has expressed its willingness to accept re-appointment.

On behalf of the Directors

.....  
DR. BEH SUAN TIONG

.....  
NG BOON YEW

Dated: 24 March 2021

# Independent Auditor's Report

To the members of Singapore O&G Ltd.

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Opinion

We have audited the financial statements of Singapore O&G Ltd. (the "**Company**") and its subsidiaries (collectively, the "**Group**"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2020, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "**Act**") and Singapore Financial Reporting Standards (International) ("**SFRS(I)**") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2020, and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("**SSAs**"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("**ACRA**") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("**ACRA Code**") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



# Independent Auditor's Report

To the members of Singapore O&G Ltd.

## Key Audit Matters (Cont'd)

Key Audit Matter	Risk	Our responses and work performed
Impairment of goodwill	<p>Under SFRS(I) 1-36, <i>Impairment of Assets</i>, the Group is required to annually test the carrying amount of goodwill for impairment. This annual impairment test is important to our audit as the carrying amount of S\$12.2 million (2019: S\$12.2 million) as of 31 December 2020 is material to the consolidated financial statements. The recoverable amount is based on the higher of fair value less cost to sell ("<b>FVLCTS</b>") and value-in-use ("<b>VIU</b>"). We focus on goodwill impairment testing of cash-generating units ("<b>CGUs</b>") by estimating the recoverable amount of the relevant CGUs that are determined based on VIU calculations. VIU is determined based on future cash flows projection which involved significant management judgement, and is based on assumptions that are affected by expected future market and economic conditions.</p> <p>The key assumptions used for the VIU calculations include the discount rate, revenue growth rate and gross profit margin for the forecasted periods. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGUs. The revenue growth rate is projected based on historical growth of respective CGUs and other available benchmark. Gross profit margin is based on past practices and expectations of future market changes.</p> <p>No impairment loss has been recognised on goodwill based on impairment assessment performed by management as at 31 December 2020.</p>	<p>We assessed the Group's processes for the determination of the scope of work of management's expert, and the review and acceptance of the valuations reported by management's expert. We performed the following:</p> <ul style="list-style-type: none"> <li>a) Evaluated the competence, capabilities and objectivity of the expert;</li> <li>b) Obtained an understanding of the work of management's expert; and</li> <li>c) Evaluated the appropriateness of that management expert's work, including the key assumptions used in determining the recoverable amount of the CGU to which the goodwill is allocated to.</li> </ul> <p>In addition, we also engaged an auditor's expert to assist us in evaluating the assumptions, methodologies and data used in the VIU calculation by comparing the key assumptions used against historical information together with market and other externally available information. We have evaluated whether the auditor's expert has the necessary competency, capabilities and objectivity for our purposes. The auditor's expert independently developed expectations of the key assumptions used in the impairment analysis, in particular, the discount rate and revenue growth rate used in VIU, and compared the expectations to those used by management.</p> <p>We reviewed the budget prepared by management by comparing the actual results to previously forecasted results. We have also performed sensitivity test to determine the available headroom of the recoverable amount of the CGU, and whether a reasonably possible change in assumptions could cause the recoverable amount to be less than the carrying amount.</p> <p>Based on our procedures, we noted management's key assumptions to be within a reasonable range of our expectations.</p> <p>We have also assessed the adequacy and appropriateness of the disclosures made in the financial statements. The Group's disclosures on goodwill and its impairment testings are included in Note 5 to the financial statements.</p>

# Independent Auditor's Report

To the members of Singapore O&G Ltd.

## Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I), and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The director's responsibilities include overseeing the Group's financial reporting process.

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

# Independent Auditor's Report

To the members of Singapore O&G Ltd.

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## Auditor's Responsibilities for the Audit of the Financial Statements (Cont'd)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Chan Ser.

Foo Kon Tan LLP  
*Public Accountants and  
Chartered Accountants*

Singapore, 24 March 2021

# Statements Of Financial Position

As at 31 December 2020

	Note	Group		Company	
		2020 S\$'000	2019 S\$'000	2020 S\$'000	2019 S\$'000
<b>ASSETS</b>					
<b>Non-Current Assets</b>					
Investment in subsidiaries	4	-	-	24,464	23,562
Goodwill	5	12,230	12,230	-	-
Plant and equipment	6	1,489	1,595	88	132
Right-of-use assets	7	3,164	3,698	149	248
Financial assets, at FVOCI	8	-	-	-	-
Deferred tax assets	20	3	3	-	-
		16,886	17,526	24,701	23,942
<b>Current Assets</b>					
Inventories	9	1,908	2,030	-	-
Trade and other receivables	10	3,552	3,517	4,587	6,421
Cash and cash equivalents	11	35,514	25,985	17,704	9,068
		40,974	31,532	22,291	15,489
<b>Total Assets</b>		<b>57,860</b>	<b>49,058</b>	<b>46,992</b>	<b>39,431</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Capital and Reserves</b>					
Share capital	12	29,809	29,646	29,809	29,646
Treasury shares	13	(471)	-	(471)	-
Capital reserve	14	1,719	1,771	1,719	1,771
Share-based payment reserve	15	80	-	80	-
Merger reserve	16	(1,695)	(1,695)	-	-
Retained earnings		13,600	6,488	11,854	3,279
<b>Total Equity</b>		<b>43,042</b>	<b>36,210</b>	<b>42,991</b>	<b>34,696</b>
<b>Non-Current Liabilities</b>					
Lease liabilities	18	1,826	2,381	87	180
Deferred tax liabilities	20	120	134	7	9
		1,946	2,515	94	189
<b>Current Liabilities</b>					
Trade and other payables	17	8,936	6,412	3,831	4,471
Lease liabilities	18	1,475	1,434	70	75
Contract liabilities	19	577	613	-	-
Deferred grant income		6	-	6	-
Current tax liabilities		1,878	1,874	-	-
		12,872	10,333	3,907	4,546
<b>Total Liabilities</b>		<b>14,818</b>	<b>12,848</b>	<b>4,001</b>	<b>4,735</b>
<b>Total Equity and Liabilities</b>		<b>57,860</b>	<b>49,058</b>	<b>46,992</b>	<b>39,431</b>

The annexed notes form an integral part of and should be read in conjunction with the financial statements.

# Consolidated Statement Of Comprehensive Income

for the financial year ended 31 December 2020

	Note	2020 S\$'000	2019 S\$'000
Revenue	3	39,889	39,757
Other operating income	21	1,435	449
Consumables and medical supplies used	22	(6,705)	(6,466)
Employee remuneration expense	23	(19,472)	(16,481)
Depreciation	6, 7, 31	(2,177)	(2,207)
Other operating expenses	24	(2,192)	(2,503)
<b>Profit from operations</b>		<b>10,778</b>	<b>12,549</b>
Impairment of goodwill	5	-	(11,900)
Finance income	25	184	153
Finance expense	25	(154)	(183)
<b>Net finance income/ (expense)</b>		<b>30</b>	<b>(30)</b>
<b>Profit before income tax</b>		<b>10,808</b>	<b>619</b>
Income tax expense	26	(1,315)	(1,752)
<b>Profit/ (Loss) for the year</b>		<b>9,493</b>	<b>(1,133)</b>
<b>Other comprehensive income, at nil tax</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income/ (loss) for the year</b>		<b>9,493</b>	<b>(1,133)</b>
<b>Earnings/ (Loss) per share attributable to equity holders of the Company:</b>			
- Basic (Cents)	28	1.99	(0.24)
- Diluted (Cents)	28	1.99	(0.24)

The annexed notes form an integral part of and should be read in conjunction with the financial statements.

# Consolidated Statement Of Changes In Equity

For the financial year ended 31 December 2020

SINGAPORE O&G LTD.

	Share capital S\$'000	Treasury shares S\$'000	Capital reserve S\$'000	Share-based payment reserve S\$'000	Merger reserve S\$'000	Retained earnings S\$'000	Total S\$'000
<b>At 1 January 2019</b>	29,646	-	1,771	-	(1,695)	14,868	44,590
<b>Total comprehensive loss for the year</b>							
Loss for the year	-	-	-	-	-	(1,133)	(1,133)
Other comprehensive income, at nil tax	-	-	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	-	-	(1,133)	(1,133)
<b>Transactions with owners of the Company recognised directly in equity</b>							
<b>Contributions by and distributions to owners of the Company</b>							
Dividends paid to shareholders (Note 27)	-	-	-	-	-	(7,247)	(7,247)
<b>Total contributions by and distribution to owners</b>	-	-	-	-	-	(7,247)	(7,247)
<b>At 31 December 2019</b>	29,646	-	1,771	-	(1,695)	6,488	36,210
<b>At 1 January 2020</b>	29,646	-	1,771	-	(1,695)	6,488	36,210
<b>Total comprehensive income for the year</b>							
Profit for the year	-	-	-	-	-	9,493	9,493
Other comprehensive income, at nil tax	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	9,493	9,493
<b>Transactions with owners of the Company recognised directly in equity</b>							
<b>Contributions by and distributions to owners of the Company</b>							
Purchase of treasury shares	-	(471)	-	-	-	-	(471)
Recognition of share-based payments	-	-	-	191	-	-	191
Exercise of share awards	163	-	(52)	(111)	-	-	-
Dividends paid to shareholders (Note 27)	-	-	-	-	-	(2,381)	(2,381)
<b>Total contributions by and distribution to owners</b>	163	(471)	(52)	80	-	(2,381)	(2,661)
<b>At 31 December 2020</b>	29,809	(471)	1,719	80	(1,695)	13,600	43,042

The annexed notes form an integral part of and should be read in conjunction with the financial statements.

# Consolidated Statement Of Cash Flows

For the financial year ended 31 December 2020

	Note	2020 S\$'000	2019 S\$'000
<b>Cash Flows from Operating Activities</b>			
Profit before taxation		10,808	619
Adjustments for:			
Depreciation of plant and equipment and right-of-use assets	6, 7	2,177	2,207
Plant and equipment written-off	24	-	22
Loss on disposal of plant and equipment	24	1	68
Gain on termination of leases	21	-	(3)
Impairment of goodwill	5	-	11,900
Interest expense	25	154	183
Interest income	25	(184)	(153)
Equity-settled share-based payment transactions		191	-
Operating profit before working capital changes		13,147	14,843
Changes in inventories		122	(373)
Changes in trade and other receivables		(54)	(530)
Changes in trade and other payables and contract liabilities		2,492	1,858
Changes in deferred grant income		6	-
Cash generated from operations		15,713	15,798
Income taxes paid		(1,325)	(1,709)
<b>Net cash generated from operating activities</b>		<b>14,388</b>	<b>14,089</b>
<b>Cash Flows from Investing Activities</b>			
Purchase of plant and equipment (Note A)		(629)	(949)
Proceed from sales of plant and equipment		1	-
Interest received		203	148
<b>Net cash used in investing activities</b>		<b>(425)</b>	<b>(801)</b>
<b>Cash Flows from Financing Activities</b>			
Dividends paid to shareholders	27	(2,381)	(7,247)
Purchase of treasury shares	13	(471)	-
Principal element of lease payments (Note B)		(1,428)	(1,419)
Interest paid (Note B)		(154)	(183)
<b>Net cash used in financing activities</b>		<b>(4,434)</b>	<b>(8,849)</b>
<b>Net increase in cash and cash equivalents</b>		<b>9,529</b>	<b>4,439</b>
Cash and cash equivalents at beginning of year	11	25,985	21,546
<b>Cash and cash equivalents at end of year</b>	<b>11</b>	<b>35,514</b>	<b>25,985</b>

Notes:

(A) In the last financial year ended 31 December 2019, the Group acquired plant and equipment with an aggregate cost of S\$950,000 of which S\$1,000 was included in trade payables. Cash payment of S\$949,000 was made to purchase plant and equipment.

The annexed notes form an integral part of and should be read in conjunction with the financial statements.

# Consolidated Statement Of Cash Flows

For the financial year ended 31 December 2020

Notes: (Cont'd)

(B) The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes:

		Cash flows			Non-cash changes			At 31 December
		At 1 January	Principal elements of lease payments	Interest paid	New leases	Interest	Lease modification	
2020	Note	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Lease liabilities	18	3,815	(1,428)	(154)	1,035	154	(121)	3,301

		Cash flows			Non-cash changes			At 31 December	
		At 1 January	Principal elements of lease payments	Interest paid	Adoption of SFRS(I) 16	New leases	Interest		Termination of leases
2019	Note	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	
Lease liabilities	18	-	(1,419)	(183)	3,808	1,535	183	(109)	3,815

The annexed notes form an integral part of and should be read in conjunction with the financial statements.



# Notes To The Financial Statements

For the financial year ended 31 December 2020

## 1 THE COMPANY

The financial statements of the Group and of the Company for the year ended 31 December 2020 were authorised for issue in accordance with a resolution of the directors on the date of the Directors' Statement.

Singapore O&G Ltd. (the "Company") is a company incorporated in Singapore. The address of the Company's registered office is at 229 Mountbatten Road, #02-02 Mountbatten Square, Singapore 398007.

The Company and its subsidiaries are collectively known as the "Group" in the consolidated financial statements.

The principal activities of the Company are those of provision of specialised medical and management services, and investment holding. The principal activities of the subsidiaries are set out in Note 4.

## 2(A) BASIS OF PREPARATION

The financial statements are drawn up in accordance with the provisions of the Act and SFRS(I) including related interpretations promulgated by the Accounting Standards Council, and have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The financial statements are presented in Singapore dollars ("SGD") which is the Company's functional currency. All financial information presented in SGD have been rounded to the nearest thousand (S\$'000), unless otherwise stated.

## 2(B) ADOPTION OF NEW AND REVISED SFRS(I) EFFECTIVE FOR THE CURRENT FINANCIAL YEAR

On 1 January 2020, the Group and the Company have adopted all the new and revised SFRS(I), SFRS(I) interpretations ("**SFRS(I) INT**") and amendments to SFRS(I), effective for the current financial year that are relevant to them. The adoption of these new and revised SFRS(I) pronouncements does not result in significant changes to the Group's and the Company's accounting policies and has no material effect on the amounts or the disclosures reported for the current or prior reporting periods.

Reference	Description	Effective date (Annual periods beginning on or after)
Amendments to SFRS(I) 3	<i>Definition of a Business</i>	1 January 2020
Amendments to SFRS(I) 1-1 and SFRS(I) 1-8	<i>Definition of Material</i>	1 January 2020
	<i>Revised Conceptual Framework for Financial Reporting</i>	1 January 2020

### **Amendments to SFRS(I) 3 *Definition of a Business***

The amendments clarify that, while businesses usually have outputs, outputs are not required for an integrated set of activities and assets to qualify as a business. To be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs. The amendments remove the assessment of whether market participants are capable of replacing any missing inputs or processes and continuing to produce outputs.

# Notes To The Financial Statements

For the financial year ended 31 December 2020

## 2(B) ADOPTION OF NEW AND REVISED SFRS(I) EFFECTIVE FOR THE CURRENT FINANCIAL YEAR (CONT'D)

### **Amendments to SFRS(I) 3 *Definition of a Business* (Cont'd)**

The amendments introduce an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business. Under the optional concentration test, the acquired set of activities and assets is not a business if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar assets.

The amendments are applied prospectively to all business combinations and asset acquisitions for which the acquisition date is on or after 1 January 2020.

### **Amendments to SFRS(I) 1-1 and SFRS(I) 1-8 *Definition of Material***

The amendments include clarifications to the definition of 'material' and the related guidance:

- the threshold of 'could influence' has been replaced with 'could reasonably be expected to influence';
- the term of 'obscuring information' has been included in the definition of 'material' to incorporate the existing concept in SFRS(I) 1-1 and examples have been provided of circumstances that may result in information being obscured; and
- the scope of 'users' has been clarified to mean the primary users of general purpose financial statements and their characteristics have been defined.

The amendments are to be applied prospectively and are effective for annual periods beginning on or after 1 January 2020.

### **Revised *Conceptual Framework for Financial Reporting***

The purpose of the *Conceptual Framework* is to assist in developing financial reporting standards. The *Conceptual Framework* is not a standard itself and none of the concepts contained therein override the requirements in any standard. The main changes to the *Conceptual Framework's* principles have implications for how and when assets and liabilities are recognised and derecognised in the financial statements. These revisions affect those entities which had developed their accounting policies based on the *Conceptual Framework* in the absence of specific SFRS(I) requirements. In such cases, the entities shall review those policies and apply the new guidance retrospective for annual periods beginning on or after 1 January 2020.

Some SFRS(I), their accompanying documents and SFRS(I) practice statements contain references to, or quotations from the *Conceptual Framework*. The *Amendments to References to the Conceptual Framework in SFRS(I)*, issued together with the revised *Conceptual Framework*, sets out updates to SFRS(I), their accompanying documents and SFRS(I) practice statements to reflect the issue of the revised *Conceptual Framework*. These amendments are effective for annual periods beginning on or after 1 January 2020.

The adoption of the above amendments to SFRS(I) does not have a material impact to the Group's and the Company's financial statements on initial application.

# Notes To The Financial Statements

For the financial year ended 31 December 2020

## 2(C) NEW AND REVISED SFRS(I) IN ISSUE BUT NOT YET EFFECTIVE

At the date of authorisation of these financial statements, the Group and the Company have not adopted the new and revised SFRS(I), SFRS(I) INT and amendments to SFRS(I) that have been issued but are not yet effective to them. Management anticipates that the adoption of these new and revised SFRS(I) pronouncements in future periods will not have a material impact on the Group's and the Company's financial statements in the period of their initial application.

Reference	Description	Effective date (Annual periods beginning on or after)
Amendments to SFRS(I) 16	<i>COVID-19 Related Rent Concessions</i>	1 June 2020
Amendments to SFRS(I) 3	<i>Reference to the Conceptual Framework</i>	1 January 2022
Amendments to SFRS(I) 1-16	<i>Property, Plant and Equipment – Proceeds before Intended Use</i>	1 January 2022
<i>Annual Improvements to SFRS(I)s 2018–2020:</i>		
Amendments to SFRS(I) 1	<i>Subsidiary as a First-time Adopter</i>	1 January 2022
Amendments to SFRS(I) 9	<i>Fees in the '10 per cent' Test for Derecognition of Financial Liabilities</i>	1 January 2022
Amendments to SFRS(I) 16	<i>Lease Incentives</i>	1 January 2022
Amendments to SFRS(I) 1-41	<i>Taxation in Fair Value Measurements</i>	1 January 2022
Amendments to SFRS(I) 1-1	<i>Classification of Liabilities as Current or Non-current</i>	1 January 2023

### **Amendments to SFRS(I) 16 COVID-19 Related Rent Concessions**

The amendments provide relief to lessees from applying SFRS(I) 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Coronavirus Disease 2019 ("COVID-19") pandemic. As a practical expedient, a lessee may elect not to assess whether a COVID-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the COVID-19 related rent concession the same way it would account for the change under SFRS(I) 16 if the change were not a lease modification. The amendments are applicable on a modified retrospective basis for annual reporting periods beginning on or after 1 June 2020. Early application is permitted.

It is currently impractical to disclose any further information on the known or reasonably estimable impact to the Group's and the Company's financial statements in the period of initial application.

### **Amendments to SFRS(I) 3 Reference to the Conceptual Framework**

The amendments update SFRS(I) 3 so that it refers to the 2018 Conceptual Framework instead of the 1989 Conceptual Framework. According to the amendments, for obligations within the scope of SFRS(I) 1-37, the acquirer shall apply SFRS(I) 1-37 to determine whether a present obligation exists at the acquisition date as a result of past events, and for a levy within the scope of SFRS(I) INT 21 Levies, the acquirer shall apply SFRS(I) INT 21 to determine whether the obligating event giving rise to a liability to pay the levy has occurred by the acquisition date. The amendments also add an explicit statement that an acquirer shall not recognise contingent assets acquired in a business combination.

# Notes To The Financial Statements

For the financial year ended 31 December 2020

## 2(C) NEW AND REVISED SFRS(I) IN ISSUE BUT NOT YET EFFECTIVE (CONT'D)

### **Amendments to SFRS(I) 3 *Reference to the Conceptual Framework* (Cont'd)**

The amendments are effective for business combinations for which the date of acquisition is on or after the beginning of the first annual period beginning on or after 1 January 2022. Early application is permitted if the entity also applies all other updated references (published together with the updated Conceptual Framework) at the same time or earlier.

There is no material impact expected to the Group's and the Company's financial statements on initial application.

### **Amendments to SFRS(I) 1-16 *Property, Plant and Equipment - Proceeds before Intended Use***

The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced before that asset is available for use, i.e., proceeds while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. An entity shall recognise such sales proceeds and related costs in profit or loss and measure the cost of those items in accordance with SFRS(I) 1-2 *Inventories*.

The amendments also clarify the meaning of 'testing whether an asset is functioning properly' and specify this as assessing whether the technical and physical performance of the asset is such that it is capable of being used in the production or supply of goods or services, for rental to others, or for administrative purposes.

The amendments are effective for annual periods beginning on or after 1 January 2022, with early application permitted. The amendments are applied retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. The entity shall recognise the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.

There is no material impact expected to the Group's and the Company's financial statements on initial application.

### **Annual Improvements to SFRS(I)s 2018-2020**

The annual improvements include amendments to the following SFRS(I):

#### **(i) Amendments to SFRS(I) 1 *Subsidiary as a First-time Adopter***

The amendments provide additional exemption relief to a subsidiary which becomes a first-time adopter of SFRS(I) later than its parent in respect of accounting for cumulative translation differences. As a result of the amendments, a subsidiary that uses the exemption can now also elect to measure cumulative translation differences for all foreign operations at the carrying amount that would be included in the parent's consolidated financial statements, based on the parent's date of transition to SFRS(I), if no adjustments were made for consolidation procedures and the effects of the business combination in which the parent acquired the subsidiary. A similar election is available to an associate or joint venture that uses the exemption. The amendments are effective for annual periods beginning on or after 1 January 2022, with early application permitted.

#### **(ii) Amendments to SFRS(I) 9 *Fees in the '10 per cent' Test for Derecognition of Financial Liabilities***

The amendments clarify that in applying the '10 per cent' test to assess whether to derecognise a financial liability, an entity shall include only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf. The amendments are applied prospectively to modifications and exchanges that occur on or after the date the entity first applies the amendments. The amendments are effective for annual periods beginning on or after 1 January 2022, with early application permitted.

# Notes To The Financial Statements

For the financial year ended 31 December 2020

## 2(C) NEW AND REVISED SFRS(I) IN ISSUE BUT NOT YET EFFECTIVE (CONT'D)

### **Annual Improvements to SFRS(I)s 2018–2020 (Cont'd)**

The annual improvements include amendments to the following SFRS(I): (Cont'd)

#### **(iii) Amendments to SFRS(I) 16 Lease Incentives**

The amendments remove the illustration of the reimbursement of leasehold improvements. As the amendments are only with regards to an illustrative example, no effective date is stated.

#### **(iv) Amendments to SFRS(I) 1-41 Taxation in Fair Value Measurements**

The amendments remove the requirement for entities to exclude cash flows for taxation when measuring fair value. This aligns the fair value measurement in SFRS(I) 1-41 with the requirements of SFRS(I) 13 *Fair Value Measurement* to use internally consistent cash flows and discount rates and enables preparers to determine whether to use pre-tax or post-tax cash flows and discount rates for the most appropriate fair value measurement. The amendments are applied prospectively, i.e., for fair value measurements on or after the date an entity initially applies the amendments. The amendments are effective for annual periods beginning on or after 1 January 2022, with early application permitted.

In respect of the above amendments to SFRS(I), there is no material impact expected to the Group's and the Company's financial statements on initial application.

#### **Amendments to SFRS(I) 1-1 Classification of Liabilities as Current or Non-current**

The amendments affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.

The amendments clarify that the classification of liabilities as current or non-current is based on the rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise the right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer of cash, equity instruments, other assets or services to the counterparty.

The amendments are applied retrospectively for annual periods beginning on or after 1 January 2023, with early application permitted.

There is no material impact expected to the Group's and the Company's financial statements on initial application.

## 2(D) CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the financial statements in conformity with SFRS(I) requires the use of judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

# Notes To The Financial Statements

For the financial year ended 31 December 2020

## 2(D) CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONT'D)

The critical accounting estimates and assumptions used and areas involving a significant judgement are described below.

### Significant judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations (which are presented separately below), that have been made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

#### (a) Income taxes

Significant judgement is involved in determining the group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issue based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such a determination is made.

As at 31 December 2020, the carrying amounts of the Group's and the Company's current tax liabilities are S\$1,878,000 (2019: S\$1,874,000) and S\$Nil (2019: S\$Nil) respectively. The carrying amounts of the Group's and the Company's deferred tax assets and liabilities are disclosed in Note 20 to the financial statements.

#### (b) Determination of lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it.

The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects the assessment, and that is within the control of the lessee. For leases of office and clinic premises, the Group considers factors including historical lease durations and the costs and business disruption required to replace the leased asset.

As at 31 December 2020, potential future cash outflows of S\$267,000 (2019: S\$1,166,000) (undiscounted) have not been included in the lease liabilities because it is not reasonably certain that the leases will be extended (or not terminated) (Note 31).

#### (c) Accounting for government assistance (Note 21)

SFRS(I) 1-20 *Accounting for Government Grants and Disclosures of Government Assistance* shall be applied when there is a transfer of resources from the government to an entity in return for meeting the stipulated conditions related to the operating activities of the entity and there is no service or goods provided back to the government by the entity. Government grant is recognised when there is reasonable assurance that it will comply with the conditions attached to them and the grants will be received. Government grant shall be recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate. Significant judgement is required in determining the systematic basis, and timing of recognition of grant receivable and realisation to profit or loss.

# Notes To The Financial Statements

For the financial year ended 31 December 2020

## 2(D) CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONT'D)

### Significant judgements in applying accounting policies (Cont'd)

#### (c) Accounting for government assistance (Note 21) (Cont'd)

Included in the government grant income for the current year of S\$893,000 was in relation to the Jobs Support Scheme ("JSS") announced by the Singapore Government to provide wage support to employers during the period of economic uncertainty caused by the COVID-19 pandemic. In determining the timing of recognition of the JSS grant income, management has evaluated and assessed that the adverse impact of this economic uncertainty to the Group commenced in April 2020 when significant volume of patient visits declined following the lockdown measures and travel restrictions.

#### (d) Determination of operating segments

Management will first identify the Chief Operating Decision Maker ("CODM") and then identify the business activities (which may not necessarily earn revenue or incur expenses). Management will further determine whether discrete financial information is available for the business activities and whether that information is regularly reviewed by the CODM. Judgement is applied by management of the aggregation criteria to operating segments.

### Key sources of estimation uncertainty

#### (a) Impairment tests for cash-generating units containing goodwill (Note 5)

The carrying amounts of goodwill attributable to the Group's cash-generating unit ("CGU") comprise of:

- Beh's Clinic for Women Pte. Ltd. ("Beh's Clinic CGU");
- Choo Wan Ling Women's Clinic Pte. Ltd. ("CWL Clinic CGU"); and
- SOG Dermatology Pte. Ltd. and SOG Dermatology (Gleneagles) Pte. Ltd. (collectively as "Dermatology Clinic CGU").

	2020	2019
	S\$'000	S\$'000
Beh's Clinic CGU	446	446
CWL Clinic CGU	396	396
Dermatology Clinic CGU	11,388	11,388
	12,230	12,230

The recoverable amount of a CGU is determined based on the higher of fair value less cost to sell ("FVLCTS") and value-in-use ("VIU") calculations. The VIU calculations use cash flow projections based on financial budgets prepared by management covering a seven-year period each for Beh's Clinic CGU and CWL Clinic CGU, and a five-year period with terminal value for Dermatology Clinic CGU. Key assumptions used for VIU calculations are disclosed in Note 5 to the financial statements.

The key assumptions for the value-in-use calculations are those regarding the discount rates, revenue growth rates, terminal growth rate and gross profit margin for the forecasted periods. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGUs. The revenue growth rates are estimated based on historical growth of respective CGUs and the long-term average growth rate of Singapore's Consumer Price Index ("CPI"). Gross profit margin is based on past practices and expectations of future market changes.

# Notes To The Financial Statements

For the financial year ended 31 December 2020

## 2(D) CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONT'D)

### Key sources of estimation uncertainty (Cont'd)

#### (a) Impairment tests for cash-generating units containing goodwill (Note 5) (Cont'd)

These assumptions have been used for the analysis of each CGU. The above estimates are particularly sensitive in the following parameters:

- An increase of one percentage point in the discount rate used would decrease the VIU of Beh's Clinic CGU and CWL Clinic CGU by S\$344,000 (2019: S\$474,000) but no impairment is required.
- A 1% decrease in future revenue growth rate would decrease the VIU of Beh's Clinic CGU and CWL Clinic CGU by S\$555,000 (2019: S\$722,000) but no impairment is required.
- An increase of 0.5 percentage point in the discount rate used and a 1% decrease in future revenue growth rate would decrease the VIU of Dermatology Clinic CGU by S\$672,000 and S\$920,000 respectively as at 31 December 2020, but no impairment is required.

In the last financial year ended 31 December 2019, the recoverable amount of Dermatology Clinic CGU was determined based on VIU calculations as VIU was estimated to be higher than the FVLCTS. Accordingly, an impairment loss of S\$11.90 million was recognised on goodwill allocated to Dermatology Clinic CGU for the financial year ended 31 December 2019 ("FY 2019"). Following the recognition of impairment loss in the Dermatology Clinic CGU, its recoverable amount was equal to the carrying amount. Therefore, any adverse movement in a key assumption would lead to further impairment loss for this CGU.

The carrying amount of goodwill as at 31 December 2020 amounted to S\$12,230,000 (2019: S\$12,230,000).

#### (b) Impairment tests for plant and equipment and right-of-use assets

Plant and equipment and right-of-use ("ROU") assets are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

The recoverable amounts of these assets and, where applicable, cash-generating units, have been determined based on value-in-use calculations. These calculations require the use of estimates. Estimating the value-in-use requires the Group to make an estimate of the expected future cash flows from the cash-generating unit (or group of cash-generating units) and also to use other estimates and assumptions such as future market growth, forecast revenue and costs, utilisation period of the assets, discount rates and other factors.

A reasonable change in key parameters such as discount rate and revenue growth rate will not result in a significant impact to the Group's plant and equipment and ROU assets. The carrying amounts of the Group's and the Company's plant and equipment and ROU assets are disclosed in Note 6 and Note 7 to the financial statements respectively.

#### (c) Impairment of investment in subsidiaries

Determining whether investment in subsidiaries is impaired requires an estimation of the value-in-use of the investments. The value-in-use calculation requires the Company to estimate the future cash flows expected from the cash-generating units and an appropriate discount rate in order to calculate the present value of the future cash flows.

At the reporting date, the carrying amount of investment in subsidiaries is S\$24,464,000 (2019: S\$23,562,000). Management has evaluated the recoverability of the investments based on such estimates. An increase of 0.5 percentage point in the discount rate used and a 1% decrease in future revenue growth rate would decrease the carrying amount of investment in a significant subsidiary by S\$672,000 and S\$920,000 respectively as at 31 December 2020.



# Notes To The Financial Statements

For the financial year ended 31 December 2020

## 2(E) SIGNIFICANT ACCOUNTING POLICIES

### Group accounting

#### (a) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and investees (including structured entities) controlled by the Company and its subsidiaries. Control is achieved when the Company or its subsidiary:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company or its subsidiary reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company or its subsidiary has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company or its subsidiary considers all relevant facts and circumstances in assessing whether or not the Company's or its subsidiary's voting rights in an investee are sufficient to give it power, including:

- size of the Company's or its subsidiary's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company or its subsidiary, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances which indicate that the Company or its subsidiary has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company or its subsidiary obtains control over the subsidiary or investee and ceases when the Company or its subsidiary loses control of the subsidiary or investee. Specifically, income and expenses of a subsidiary or an investee acquired or disposed during the year are included in the consolidated statement of comprehensive income from the date the Company or its subsidiary gains control until the date when the Company or its subsidiary ceases to control the subsidiary or investee.

# Notes To The Financial Statements

For the financial year ended 31 December 2020

## 2(E) SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### Group accounting (Cont'd)

#### (a) Basis of consolidation (Cont'd)

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries and investees are attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries or investees to bring their accounting policies in line with the Group's accounting policies.

#### (b) Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill) and liabilities of the subsidiary, and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e., reclassified to profit or loss or transferred to another category of equity as specified/ permitted by applicable SFRS(I)). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under SFRS(I) 9, or when applicable, the cost on initial recognition of an investment in an associate.

In the Company's separate financial statements, investment in subsidiaries is carried at cost less any accumulated impairment losses. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

# Notes To The Financial Statements

For the financial year ended 31 December 2020

## 2(E) SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### Business combinations

Business combination is accounted for using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether it includes, at a minimum, an input and substantive process, and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional 'concentration test' is met, and the acquired set of activities and assets is not a business, if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The consideration for each acquisition is measured at the aggregate of the acquisition date fair values of assets given, liabilities incurred by the Group to the former owners of the acquiree, and equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at its acquisition-date fair value. Subsequent changes in such fair values are adjusted against the cost of acquisition where they qualify as measurement period adjustments. The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified.

Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates at fair value, with changes in fair value recognised in profit or loss.

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e., the date on which the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, as would be required if the acquirer had disposed directly of the previously held equity interest.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with SFRS(I) 1-12 *Income Taxes* and SFRS(I) 1-19 *Employee Benefits* respectively;
- liabilities or equity instruments related to share-based payment transactions of the acquiree or the replacement of an acquiree's share-based payment awards transactions with share-based payment awards transactions of the acquirer in accordance with the method in SFRS(I) 2 *Share-based Payment* at the acquisition date; and
- disposal groups that are classified as held for sale in accordance with SFRS(I) 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that standard.

# Notes To The Financial Statements

For the financial year ended 31 December 2020

## 2(E) SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### **Business combinations (Cont'd)**

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date and is subject to a maximum of one year from acquisition date.

### **Intangible assets**

Intangible assets are accounted for using the cost model with the exception of goodwill. Capitalised costs are amortised on a straight-line basis over their estimated useful lives for those considered as finite useful lives. After initial recognition, they are carried at cost less accumulated amortisation and accumulated impairment losses, if any. In addition, they are subject to annual impairment testing whenever indication of impairment exists. Indefinite life intangibles are not amortised but are subject to annual impairment testing.

Intangible assets are written off where, in the opinion of the directors, no further future economic benefits are expected to arise.

### Goodwill

Goodwill arising in a business combination is recognised as an asset at the date that control is acquired (the acquisition date). Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest (if any) in the entity over net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

If, after reassessment, the Group's interest in the fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

# Notes To The Financial Statements

For the financial year ended 31 December 2020

## 2(E) SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### Intangible assets (Cont'd)

#### Goodwill (Cont'd)

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the cash generating unit pro-rata on the basis of the carrying amount of each asset in the cash generating unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the gain or loss on disposal of the entity or the relevant cash generating unit.

### Leases

#### The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of twelve months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

#### (i) *Lease liability*

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate specific to the lessee. The incremental borrowing rate is defined as the rate of interest that the lessee would have to pay to borrow over a similar term and with a similar security the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

# Notes To The Financial Statements

For the financial year ended 31 December 2020

## 2(E) SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### Leases (Cont'd)

#### The Group as lessee (Cont'd)

##### (i) *Lease liability (Cont'd)*

Variable lease payments that are not based on an index or a rate are not included as part of the measurement and initial recognition of the lease liability. The Group shall recognise those lease payments in profit or loss in the periods that trigger those lease payments.

For all contracts that contain both lease and non-lease components, the Group has elected to not separate lease and non-lease components and account these as one single lease component.

The lease liabilities are presented as a separate line item in the statements of financial position.

The lease liability is subsequently measured at amortised cost, by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (with a corresponding adjustment to the related right-of-use asset or to profit or loss if the carrying amount of the right-of-use asset has already been reduced to nil) whenever:

- the lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used); or
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

##### (ii) *Right-of-use asset*

The right-of-use asset comprises the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under SFRS(I) 1-37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

# Notes To The Financial Statements

For the financial year ended 31 December 2020

## 2(E) SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### Leases (Cont'd)

#### The Group as lessee (Cont'd)

#### (ii) *Right-of-use asset (Cont'd)*

Depreciation on right-of-use assets is calculated using the straight-line method to allocate their depreciable amounts over the shorter period of lease term and useful life of the underlying asset, as follows:

Office and clinic premises: over lease term of 2 to 6 years

If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line item in the statements of financial position.

The Group applies SFRS(I) 1-36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss.

### Plant and equipment and depreciation

Plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation on items of plant and equipment is calculated using the straight-line method to allocate their depreciable amount over their estimated useful lives as follows:

Office equipment	5 years
Furniture and fittings	5 years
Medical equipment	5 years
Renovation	5 years
Computer and software	1 year

The cost of plant and equipment includes expenditure that is directly attributable to the acquisition of the items. Dismantlement, removal or restoration costs are included as part of the cost of plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset. Cost may also include transfers from equity of any gains/ losses on qualifying cash flow hedges of foreign currency purchases of plant and equipment.

Subsequent expenditure relating to plant and equipment that have been recognised is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the standard of performance of the asset before the expenditure was made, will flow to the Group and the cost can be reliably measured. Other subsequent expenditure is recognised as an expense during the financial year in which it is incurred.

The gain or loss arising on disposal or retirement of an item of plant and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognised in profit or loss.

# Notes To The Financial Statements

For the financial year ended 31 December 2020

## 2(E) SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### Plant and equipment and depreciation (Cont'd)

For acquisitions and disposals during the financial year, depreciation is provided from the month of acquisition and to the month before disposal respectively. Fully depreciated plant and equipment are retained in the books of accounts until they are no longer in use.

Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at each reporting date as a change in estimates.

### Investment in subsidiaries

In the Company's separate financial statements, investment in subsidiaries is stated at cost less allowance for any impairment losses on an individual subsidiary basis.

### Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### (a) Financial assets

##### Initial recognition and measurement

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

The classification of financial assets, at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Trade receivables are measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party if the trade receivables do not contain a significant financing component at initial recognition.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income ("OCI"), it needs to give rise to cash flows that are "solely payments of principal and interest ("SPPI")" on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchase or sales of financial assets that required delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.



# Notes To The Financial Statements

For the financial year ended 31 December 2020

## 2(E) SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### Financial instruments (Cont'd)

#### (a) Financial assets (Cont'd)

##### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments);
- Financial assets at fair value through OCI ("FVOCI") with recycling of cumulative gains and losses (debt instruments);
- Financial assets designated at FVOCI with no recycling of cumulative gains and losses upon derecognition (equity instruments); and
- Financial assets at fair value through profit or loss ("FVPL").

##### Financial assets at amortised cost (debt instruments)

Subsequent measurement of debt instruments depends on the Group's business model with the objective to hold financial assets in order to collect contractual cash flows and the contractual cash terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding on the asset.

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through amortisation process.

The Group's financial assets at amortised cost include trade and other receivables (excluding prepayments) and cash and cash equivalents.

##### Financial assets at FVOCI (debt instruments)

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Financial assets measured at FVOCI are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in OCI, except for impairment losses, foreign exchange gains and losses and interest calculated using the effective interest method are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost. The cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is derecognised.

# Notes To The Financial Statements

For the financial year ended 31 December 2020

## 2(E) SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### Financial instruments (Cont'd)

#### (a) Financial assets (Cont'd)

##### Financial assets designated at FVOCI (equity instruments)

On initial recognition of an equity instrument that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in OCI. The classification is determined on an instrument-by-instrument basis. The Group subsequently measures its qualifying equity instruments designated at FVOCI at fair value. Dividends from such investments are recognised in profit or loss when the Group's right to receive payments is established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Changes in fair value of financial assets designated at FVOCI (equity instruments) are recognised in OCI and are never recycled to profit or loss.

The Group elected to classify irrevocably its unquoted equity investments in SG Meditech Pte. Ltd. ("**SG Meditech**") under this category (Note 8).

##### Financial assets at FVPL

Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. Financial assets at FVPL include financial assets held for trading, financial assets designated upon initial recognition at FVPL, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at FVPL, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at FVOCI, as described above, debt instruments may be designated at FVPL on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch. A gain or loss on a debt instruments that is subsequently measured at FVPL and is not part of a hedging relationship is recognised in profit or loss in the period in which it arises. Interest income from these financial assets is included in finance income.

Financial assets at FVPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

Dividends on equity instruments are also recognised as other income in the statement of comprehensive income when the right of payment has been established.

The Group does not hold any financial asset at FVPL.

# Notes To The Financial Statements

For the financial year ended 31 December 2020

## 2(E) SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### Financial instruments (Cont'd)

#### (a) Financial assets (Cont'd)

##### Derecognition

A financial asset (or, where applicable, part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

##### Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit losses ("ECLs") associated with its financial assets carried at amortised cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a "12-months ECLs"). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a "lifetime ECLs").

# Notes To The Financial Statements

For the financial year ended 31 December 2020

## 2(E) SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### Financial instruments (Cont'd)

#### (a) Financial assets (Cont'd)

##### Impairment of financial assets (Cont'd)

For trade and other receivables, the Group measures the loss allowance at an amount equal to the lifetime expected credit losses. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 90 days due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

#### (b) Financial liabilities

##### Initial recognition and measurement

Financial liabilities are recognised initially at fair value less directly attributable transaction costs. The Group's financial liabilities comprise trade and other payables and lease liabilities.

##### Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

##### Financial liabilities at FVPL

Financial liabilities at FVPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by SFRS(I) 9. Separate embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in profit or loss.

Financial liabilities designated upon initial recognition at FVPL are designated at the initial date of recognition, and only if the criteria in SFRS(I) 9 are satisfied. The Group has not designated any financial liability as FVPL.

##### Financial liabilities at amortised cost

After initial recognition, financial liabilities that are not carried at FVPL are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss.

# Notes To The Financial Statements

For the financial year ended 31 December 2020

## 2(E) SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### Financial instruments (Cont'd)

#### (b) Financial liabilities (Cont'd)

##### Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

##### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to either settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

##### Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a weighted average basis, and includes all costs of purchases and other costs incurred in bringing the inventories to their present location and condition.

Provision is made for obsolete, slow-moving and defective inventories in arriving at the net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

##### Cash and cash equivalents

Cash and cash equivalents comprise cash balances and bank deposits.

##### Impairment of non-financial assets

The carrying amounts of the Group's and Company's non-financial assets subject to impairment are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

If it is not possible to estimate the recoverable amount of the individual asset, then the recoverable amount of the cash-generating unit to which the assets belong will be identified.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows ("cash-generating units"). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. Goodwill is allocated to those cash-generating units that are expected to benefit from synergies of the related business combination and represent the lowest level within the Group at which management controls the related cash flows.

# Notes To The Financial Statements

For the financial year ended 31 December 2020

## 2(E) SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### **Impairment of non-financial assets (Cont'd)**

Individual assets or cash-generating units that include goodwill and other intangible assets with an indefinite useful life or those not yet available for use are tested for impairment at least annually. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell and value-in-use, based on an internal discounted cash flow evaluation. Impairment losses recognised for cash-generating units, to which goodwill has been allocated are credited initially to the carrying amount of goodwill. Any remaining impairment loss is charged pro rata to the other assets in the cash-generating unit. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist.

Any impairment loss is charged to the profit or loss unless it reverses a previous revaluation in which case it is charged to equity.

With the exception of goodwill,

- An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount or when there is an indication that the impairment loss recognised for the asset no longer exists or decrease.
- An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised.
- A reversal of an impairment loss on a revalued asset is credited directly to equity. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense in the profit or loss, a reversal of that impairment loss is recognised as income in profit or loss.

An impairment loss in respect of goodwill is not reversed, even if it relates to impairment loss recognised in an interim period that would have been reduced or avoided had the impairment assessment been made at a subsequent reporting or end of the reporting period.

### **Contract liabilities**

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from customer. If customer pays consideration before the Group transfers good or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

### **Share capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

# Notes To The Financial Statements

For the financial year ended 31 December 2020

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## 2(E) SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### Treasury shares

When any entity within the Group purchases the Company's ordinary shares ("treasury shares"), the carrying amount which includes the consideration paid and any directly attributable transaction cost is presented as a component within equity attributable to the Company's equity holders, until they are cancelled, sold or reissued.

When treasury shares are subsequently cancelled, the cost of treasury shares are deducted against the share capital account if the shares are purchased out of capital of the Company, or against the retained profits of the Company if the shares are purchased out of earnings of the Company.

When treasury shares are subsequently sold or reissued pursuant to an employee share option scheme, the cost of treasury shares is reversed from the treasury share account and the realised gain or loss on sale or reissue, net of any directly attributable incremental transaction costs and related income tax, is recognised in the capital reserve.

### Dividends

Final dividends proposed by the directors are not accounted for in shareholders' equity as an appropriation of retained earnings, until they have been approved by the shareholders in a general meeting. When these dividends have been approved by the shareholders and declared, they are recognised as a liability.

Interim dividends are simultaneously proposed and declared, because of the articles of association of the Company grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised directly as a liability when they are proposed and declared.

### Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries, associates and joint arrangements, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

# Notes To The Financial Statements

For the financial year ended 31 December 2020

## 2(E) SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### **Income taxes (Cont'd)**

Deferred income tax is measured:

- (i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the date of the financial position; and
- (ii) based on the tax consequence that will follow from the manner in which the Group expects, at the date of the financial position, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised either in other comprehensive income or directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they relate to income taxes levied by the same tax authorities on the same taxable entity, or on different tax entities, provided they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

### **Revenue from contracts with customers**

Revenue comprises the fair value of the consideration received or receivable for the rendering of services, net of goods and services tax, rebates and discounts. Revenue is recognised as follows:

#### Provision of specialised medical services

Revenue from the provision of specialised medical services (namely, obstetrics and gynaecology, cancer-related, dermatology and paediatrics services) is recognised when the Group satisfies a performance obligation by transferring control of those services to the patients. The amount of revenue recognised is the amount of the transaction price allocated to the satisfied performance obligation. The transaction price is the amount of consideration in the contract to which the Group expects to be entitled in exchange for transferring the specialised medical services to patients. There is no significant financing component arising from the rendering of those services.

Revenue may be recognised at a point of time or over time following the timing of satisfaction of the performance obligation. If a performance obligation is satisfied over time, revenue is recognised based on the progress of the completion of the services for antenatal maternity, dermatology and vaccination packages sold.

#### Finance income

Finance income relates to interest income from bank deposits that is recognised as it accrues, using the effective interest method.

#### Dividend income

Dividend income is recognised when the right to receive payment is established.



# Notes To The Financial Statements

For the financial year ended 31 December 2020

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## 2(E) SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### **Employee benefits**

#### Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

#### Pension obligations

The Group and the Company contribute to the Central Provident Fund, a defined contribution plan regulated and managed by the Government of Singapore, which applies to the majority of the employees. The contributions to national pension schemes are charged to the profit or loss in the period to which the contributions relate.

#### Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. Accrual is made for the unconsumed leave as a result of services rendered by employees up to the end of the reporting period.

#### Employee Share Option Scheme and Performance Share Plan

The Company also has an employee share option plan for the granting of non-transferable options. The Group may issue equity-settled share-based payments to certain employees. The fair value of the employee services received in exchange for the grant of options is recognised as an expense in the profit or loss with a corresponding increase in the share-based payment reserve over the vesting period. The total amount to be recognised over the vesting period is determined by reference to the fair value of the options granted on the date of the grant. Non-market vesting conditions are included in the estimation of the number of shares under options that are expected to become exercisable on the vesting date.

At the end of each reporting period, the Group will revise its estimates of the number of shares under options that are expected to become exercisable on the vesting date and recognises the impact of the revision of the estimates in the profit or loss, with a corresponding adjustment to the share-based payment reserve over the remaining vesting period.

When the options are exercised, the proceeds received (net of transaction costs) and the related balance previously recognised in the share-based payment reserve are credited to share capital account, when new ordinary shares are issued, or to the 'treasury shares' account, when treasury shares are re-issued to the employees.

#### Key management personnel

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the entity. Directors and certain management executives are considered key management personnel.

# Notes To The Financial Statements

For the financial year ended 31 December 2020

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## 2(E) SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### Related parties

A related party is defined as follows:

- (a) A person or a close member of that person's family is related to the Group and the Company if that person:
  - (i) has control or joint control over the Company;
  - (ii) has significant influence over the Company; or
  - (iii) is a member of the key management personnel of the Group or Company.
  
- (b) An entity is related to the Group and the Company if any of the following conditions applies:
  - (i) the entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
  - (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
  - (iii) both entities are joint ventures of the same third party;
  - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
  - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;
  - (vi) the entity is controlled or jointly controlled by a person identified in (a);
  - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or
  - (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or Company.

# Notes To The Financial Statements

For the financial year ended 31 December 2020

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## 2(E) SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### Government grants

Government grants are recognised initially as deferred income at fair value when there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant.

Grants that compensate the Group for expenses incurred are recognised in profit or loss as other income on a systematic basis in the same periods in which the expenses are recognised. Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to profit or loss over the expected useful life of the asset.

### Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("**functional currency**"). The financial statements of the Group and the Company are presented in SGD, which is also the functional currency of the Company.

### Conversion of foreign currencies

Transactions in a currency other than the functional currency ("**foreign currency**") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency translation differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the reporting date are recognised in profit or loss.

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the date of the transactions.

### Operating segments

For management purposes, operating segments are organised based on their services which are independently managed by the respective segment managers (i.e., specialist medical practitioners) responsible for the performance of the respective segments under their charge. The segment managers are directly accountable to the Chief Executive Officer ("**CEO**") who regularly reviews the segment results in order to allocate resources to the segments and to assess segment performance.

# Notes To The Financial Statements

For the financial year ended 31 December 2020

## 3 PRINCIPAL ACTIVITIES AND REVENUE

The principal activities of the Company are those of provision of specialised medical and management services, and investment holding. The principal activities of the subsidiaries are set out in Note 4.

### Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods and services over time and at a point in time in the following medical services lines.

	Group					
	2020			2019		
	At a point in time S\$'000	Over time S\$'000	Total S\$'000	At a point in time S\$'000	Over time S\$'000	Total S\$'000
<u>Singapore</u>						
Obstetrics and gynaecology revenue	20,774	1,483	22,257	19,922	1,544	21,466
Dermatology revenue	6,626	90	6,716	7,233	146	7,379
Cancer-related revenue	5,818	167	5,985	6,137	104	6,241
Paediatrics revenue	4,815	116	4,931	4,563	108	4,671
	38,033	1,856	39,889	37,855	1,902	39,757

## 4 INVESTMENT IN SUBSIDIARIES

	Company	
	2020 S\$'000	2019 S\$'000
Unquoted equity shares, at cost	34,334	34,334
<b>Allowance for impairment losses</b>		
At 1 January	(10,772)	-
Reversal/ (Allowance) for impairment loss	902	(10,772)
At 31 December	(9,870)	(10,772)
<b>Carrying amounts</b>	24,464	23,562

# Notes To The Financial Statements

For the financial year ended 31 December 2020

## 4 INVESTMENT IN SUBSIDIARIES (CONT'D)

### Impairment test for investment in SOG Dermatology Pte. Ltd. ("DERM")

In the last financial year ended 31 December 2019, there was indication of impairment for investment in DERM as an impairment loss of S\$11.90 million was recognised on goodwill allocated to Dermatology Clinic CGU. Based on management's assessment, the recoverable amount of Dermatology Clinic CGU, determined based on the higher of FVLCTS and VIU calculations, has been estimated to be lower than the carrying amount of the cost of investment in DERM and thus impairment loss of S\$10.77 million had been recognised in the profit or loss of the Company for 2019.

As at 31 December 2020, no impairment loss has been recognised on goodwill for Dermatology Clinic CGU and the actual performance for SOG Dermatology (Gleneagles) Pte. Ltd. in the financial year ended 31 December 2020 ("FY 2020") was better than forecasted. This is indication that impairment loss recognised in prior year for investment in DERM may have decreased. Based on management's assessment, recoverable amount of Dermatology Clinic CGU as at 31 December 2020 was determined to be higher than its carrying amount. Accordingly, a reversal of impairment loss of S\$0.90 million has been recognised in the profit or loss of the Company for FY 2020. The recoverable amount of Dermatology Clinic CGU was determined based on VIU calculation, which is a discounted cash flow model using cash flow projections based on approved financial budget prepared by management covering a five-year period with terminal value. Refer to Note 5 for details of impairment tests on goodwill for Dermatology Clinic CGU.

### Group subsidiaries

Details of the Group's subsidiaries are set out below:

Entity	Principal activities	Country of incorporation	Percentage of interest held	
			2020 %	2019 %
<u>Held by the Company</u>				
Beh's Clinic for Women Pte. Ltd.	Provision of obstetrical and gynaecological services	Singapore	100	100
Choo Wan Ling Women's Clinic Pte. Ltd.	Provision of obstetrical and gynaecological services	Singapore	100	100
Heng Clinic for Women Pte. Ltd.	Provision of obstetrical and gynaecological services	Singapore	100	100
K W Lee Clinic & Surgery for Women Pte. Ltd.	Provision of obstetrical and gynaecological services	Singapore	100	100
SOG-Natalie Chua Clinic for Women Pte. Ltd.	Provision of obstetrical and gynaecological services	Singapore	100	100
SOG-SC Hong Clinic for Women Pte. Ltd.	Provision of obstetrical and gynaecological services	Singapore	100	100

# Notes To The Financial Statements

For the financial year ended 31 December 2020

## 4 INVESTMENT IN SUBSIDIARIES (CONT'D)

### Group subsidiaries (Cont'd)

Details of the Group's subsidiaries are set out below: (Cont'd)

Entity	Principal activities	Country of incorporation	Percentage of interest held	
			2020 %	2019 %
<u>Held by the Company (Cont'd)</u>				
SOG-Clara Ong Clinic for Women Pte. Ltd.	Provision of obstetrical and gynaecological services	Singapore	100	100
SOG Dermatology Pte. Ltd.	Provision of dermatological services	Singapore	100	100
SOG-Cindy Pang Clinic for Women Pte. Ltd.	Provision of cancer-related and general surgery services	Singapore	100	100
SOG General Surgicare Pte. Ltd. (f.k.a. SOG-Radhika Breast and General Surgicare Pte. Ltd.)	Provision of general medical services	Singapore	100	100
SOG-SK Lim Breast & General Surgicare Pte. Ltd.	Provision of cancer-related and general surgery services	Singapore	100	100
SOG Children (Paediatrics - Central) Pte. Ltd.	Provision of paediatrics services	Singapore	100	100
SOG Children (Paediatrics - East) Pte. Ltd.	Provision of paediatrics services	Singapore	100	100
SOG Children (Paediatrics - Gastroenterology Liver) Pte. Ltd.	Provision of paediatrics services	Singapore	100	100
SOG Children (Paediatrics - Gleneagles) Pte. Ltd.	Provision of paediatrics services	Singapore	100	100
<u>Held by SOG Dermatology Pte. Ltd.</u>				
SOG Dermatology (Gleneagles) Pte. Ltd.	Provision of dermatological services	Singapore	100	100

All entities are audited by Foo Kon Tan LLP.

# Notes To The Financial Statements

For the financial year ended 31 December 2020

## 5 GOODWILL

	Group	
	2020 S\$'000	2019 S\$'000
<b>Cost</b>	26,930	26,930
<b>Allowance for impairment losses</b>		
At 1 January	(14,700)	(2,800)
Impairment loss	-	(11,900)
At 31 December	(14,700)	(14,700)
<b>Carrying amounts</b>	12,230	12,230

### Impairment tests for goodwill

As at 31 December 2020, the carrying amount of goodwill is attributable to the Group's cash-generating units ("CGU") comprising of Beh's Clinic for Women Pte. Ltd. ("Beh's Clinic CGU"), Choo Wan Ling Women's Clinic Pte. Ltd. ("CWL Clinic CGU") and SOG Dermatology Pte. Ltd. & SOG Dermatology (Gleneagles) Pte. Ltd. (collectively as the "Dermatology Clinic CGU").

	Group	
	2020 S\$'000	2019 S\$'000
Beh's Clinic CGU	446	446
CWL Clinic CGU	396	396
Dermatology Clinic CGU	11,388	11,388
	12,230	12,230

The recoverable amounts of the CGUs were determined based on VIU calculations and VIU of these CGUs were estimated to be higher than their carrying amounts. The VIU calculation is a discounted cash flow model using cash flow projections based on financial budget prepared by management covering a seven-year period each for Beh's Clinic CGU and CWL Clinic CGU, and a five-year period with terminal value for Dermatology Clinic CGU. Cash flows for the budgeted period were extrapolated using the estimated growth rates stated below. The growth rates do not exceed the long-term average growth rates in which the CGUs operate.

Key assumptions used for value-in-use calculations:

	Beh's Clinic CGU	CWL Clinic CGU	Dermatology Clinic CGU
31 December 2020	%	%	%
Gross profit margin <sup>(1)</sup>	92.0	87.1	71.0
Growth rate <sup>(2)</sup>	3.4	2.0	8.7
Terminal growth rate <sup>(3)</sup>	-	-	1.1
Discount rate <sup>(4)</sup>	18.5	18.5	12.5

# Notes To The Financial Statements

For the financial year ended 31 December 2020

## 5 GOODWILL (CONT'D)

### Impairment tests for goodwill (Cont'd)

Key assumptions used for value-in-use calculations: (Cont'd)

	Beh's Clinic CGU	CWL Clinic CGU	Dermatology Clinic CGU
31 December 2019	%	%	%
Gross profit margin <sup>(1)</sup>	92.0	87.1	70.0
Growth rate <sup>(2)</sup>	2.0	1.9	5.4
Terminal growth rate <sup>(3)</sup>	–	–	1.4
Discount rate <sup>(4)</sup>	14.5	15.0	12.5

(1) Budgeted gross profit margin

(2) Compound annual growth rate

(3) Long term average growth rate of Singapore

(4) Pre-tax discount rate applied to the pre-tax cash flow projections

The discount rate was determined based on the rate of 10-year government bonds issued by the government in the relevant market and in the same currency as the cash flows, adjusted for a risk premium to reflect both the increased risk of investing in equities generally and the systematic risk of the specific CGU. A long-term growth rate into perpetuity has been determined based on the long-term average growth rate of Singapore's CPI.

These assumptions were used for the analysis of each CGU within the business segment. Management determined budgeted gross profit margin and revenue growth rate based on expectation of future outcomes taking into account past experiences. Revenue growth was projected taking into account the average growth level experienced over the past years. The discount rates used reflected specific risks relating to the relevant CGUs.

As at 31 December 2019, the recoverable amount of Dermatology Clinic CGU was determined based on the higher of FVLCTS and VIU calculations. FVLCTS was determined using discounted cash flow method based on the financial forecast used for VIU calculation adjusted to market participants' perspective. Market assumptions including market participants' margins and cash conversion cycle based on the latest publicly available information have been considered to determine the FVLCTS. FVLCTS of Dermatology Clinic CGU has been estimated to be lower than its VIU as at 31 December 2019.

As at 31 December 2020, the Group believes that any reasonably possible changes in the above key assumptions applied are not likely to materially result in the recoverable amounts to be lower than their carrying amounts for the CGUs. The recoverable amounts of these three CGUs have been estimated to be higher than their carrying amounts, and thus no impairment is required at the reporting date.



# Notes To The Financial Statements

For the financial year ended 31 December 2020

## 6 PLANT AND EQUIPMENT

Group	Office	Furniture	Medical	Renovation	Computer	Total
	equipment	and	equipment		and	
	SS'000	fittings	SS'000	SS'000	software	SS'000
	SS'000	SS'000	SS'000	SS'000	SS'000	SS'000
<u>Cost</u>						
At 1 January 2019	49	56	1,967	979	183	3,234
Additions	25	3	545	336	41	950
Write-off	(13)	(16)	(152)	(60)	(24)	(265)
Disposal	-	-	-	(84)	-	(84)
At 31 December 2019	61	43	2,360	1,171	200	3,835
Additions	*	6	550	-	73	629
Write-off	*	(3)	*	(1)	(29)	(33)
Disposals	-	-	(15)	-	(3)	(18)
<b>At 31 December 2020</b>	<b>61</b>	<b>46</b>	<b>2,895</b>	<b>1,170</b>	<b>241</b>	<b>4,413</b>
<u>Accumulated depreciation</u>						
At 1 January 2019	23	39	1,049	545	166	1,822
Depreciation for the year	12	6	427	191	41	677
Write-off	(13)	(13)	(138)	(56)	(23)	(243)
Disposal	-	-	-	(16)	-	(16)
At 31 December 2019	22	32	1,338	664	184	2,240
Depreciation for the year	13	5	462	181	68	729
Write-off	*	(3)	*	(1)	(29)	(33)
Disposals	-	-	(12)	-	*	(12)
<b>At 31 December 2020</b>	<b>35</b>	<b>34</b>	<b>1,788</b>	<b>844</b>	<b>223</b>	<b>2,924</b>
<u>Net book value</u>						
<b>At 31 December 2020</b>	<b>26</b>	<b>12</b>	<b>1,107</b>	<b>326</b>	<b>18</b>	<b>1,489</b>
At 31 December 2019	39	11	1,022	507	16	1,595

\* Less than S\$1,000

# Notes To The Financial Statements

For the financial year ended 31 December 2020

## 6 PLANT AND EQUIPMENT (CONT'D)

Company	Office equipment	Furniture and fittings	Medical equipment	Renovation	Computer and software	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<u>Cost</u>						
At 1 January 2019	12	20	178	117	61	388
Additions	1	-	36	-	15	52
Write-off	(3)	(8)	(74)	(55)	(9)	(149)
At 31 December 2019	10	12	140	62	67	291
Additions	-	-	-	-	62	62
Write-off	-	(3)	*	-	-	(3)
Disposal	-	-	-	-	(3)	(3)
<b>At 31 December 2020</b>	<b>10</b>	<b>9</b>	<b>140</b>	<b>62</b>	<b>126</b>	<b>347</b>
<u>Accumulated depreciation</u>						
At 1 January 2019	6	18	105	74	58	261
Depreciation for the year	2	*	22	12	9	45
Write-off	(2)	(7)	(74)	(55)	(9)	(147)
At 31 December 2019	6	11	53	31	58	159
Depreciation for the year	2	*	31	12	58	103
Write-off	-	(3)	*	-	-	(3)
Disposal	-	-	-	-	*	-
<b>At 31 December 2020</b>	<b>8</b>	<b>8</b>	<b>84</b>	<b>43</b>	<b>116</b>	<b>259</b>
<u>Net book value</u>						
<b>At 31 December 2020</b>	<b>2</b>	<b>1</b>	<b>56</b>	<b>19</b>	<b>10</b>	<b>88</b>
At 31 December 2019	4	1	87	31	9	132

\* Less than S\$1,000

# Notes To The Financial Statements

For the financial year ended 31 December 2020

## 7 RIGHT-OF-USE ASSETS

	<b>Group</b>	<b>Company</b>
	<b>Office and clinic premises</b>	<b>Office premise</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<u>Cost</u>		
At 1 January 2019	3,799	335
Additions	1,535	-
Termination of leases	(139)	(9)
At 31 December 2019	5,195	326
Additions	1,035	-
Lease modification	(121)	(29)
<b>At 31 December 2020</b>	<b>6,109</b>	<b>297</b>
<u>Accumulated depreciation</u>		
At 1 January 2019	-	-
Depreciation during the year	1,530	87
Termination of leases	(33)	(9)
At 31 December 2019	1,497	78
Depreciation during the year	1,448	70
<b>At 31 December 2020</b>	<b>2,945</b>	<b>148</b>
<u>Net book value</u>		
<b>At 31 December 2020</b>	<b>3,164</b>	<b>149</b>
At 31 December 2019	3,698	248

# Notes To The Financial Statements

For the financial year ended 31 December 2020

## 8 FINANCIAL ASSETS, AT FVOCI

	Group and Company	
	2020	2019
	S\$'000	S\$'000
<b><i>Equity instrument designated at fair value through OCI</i></b>		
Fair value of FVOCI, presented as non-current assets	-	-

Equity instrument designated at fair value through OCI comprises investments in equity shares of SG Meditech Pte. Ltd. ("**SG Meditech**"), intended as a third party investment to the Singapore Government National Research Foundation Technology's Incubation Scheme (the "**NRFTI Scheme**"). Under the NRFTI Scheme, SG Meditech is developing a device aimed at providing a more sustainable solution to improve the cord blood collection process. The Company invested S\$250,000 (2019: S\$250,000) to acquire 5% of the ordinary shares of SG Meditech.

As the unquoted equity shares are not publicly traded, the fair values presented are determined based on the adjusted net assets ("ANA") of the underlying investee by management as at 31 December 2020. The ANA method was adopted on the basis that SG Meditech has going concern issue after considering the following:

- (i) SG Meditech has been loss making for the last 6 years;
- (ii) SG Meditech does not have any signed customer contracts as at 31 December 2020;
- (iii) SG Meditech has been in a net liability position for the last 6 years;
- (iv) SG Meditech appears not to have sufficient cash to sustain its business operations for the next twelve months.

The ANA method estimates the equity value of SG Meditech by adjusting the book value of all assets and liabilities to reflect their current market values. Based on management's assessment, the adjusted net assets value of SG Meditech approximates its fair value at the financial year end. As SG Meditech is in a net liability position as at 31 December 2020, the fair valuation of SG Meditech is determined to be S\$Nil (2019: S\$Nil). No fair value gain or loss was recognised in other comprehensive income for the financial years ended 31 December 2020 and 31 December 2019.

## 9 INVENTORIES

	Group		Company	
	2020	2019	2020	2019
	S\$'000	S\$'000	S\$'000	S\$'000
Medical supplies, at cost	1,908	2,030	-	-

There was no write-down in value of inventories and no write-off of inventories during FY 2020 and FY 2019.

# Notes To The Financial Statements

For the financial year ended 31 December 2020

## 10 TRADE AND OTHER RECEIVABLES

	Group		Company	
	2020 S\$'000	2019 S\$'000	2020 S\$'000	2019 S\$'000
Trade receivables	2,485	2,295	13	56
Impairment losses:				
At 1 January	(71)	(28)	(3)	(2)
Allowance for the year	(80)	(48)	-	(3)
Allowance reversed	71	5	3	2
At 31 December	(80)	(71)	-	(3)
Net trade receivables	2,405	2,224	13	53
Amounts due from subsidiaries (non-trade)	-	-	4,449	6,178
Deposits	407	416	42	46
Other receivables	16	111	16	35
	2,828	2,751	4,520	6,312
Prepayments	724	766	67	109
	3,552	3,517	4,587	6,421

Bad debts written off directly in the profit or loss during FY 2020 amounted to S\$38,000 (2019: S\$6,000) for the Group.

Trade receivables have credit terms of 30-90 days (2019: 30-90 days).

Refer to Note 33 for details of credit risk exposures.

### Non-trade amounts due from subsidiaries

Non-trade amounts due from subsidiaries are unsecured, interest-free and repayable on demand. There is no allowance for impairment losses arising from these outstanding balances as the expected credit loss is not assessed to be material.

## 11 CASH AND CASH EQUIVALENTS

	Group		Company	
	2020 S\$'000	2019 S\$'000	2020 S\$'000	2019 S\$'000
Cash on hand	10	9	1	1
Cash at bank	23,404	17,976	5,603	1,067
Fixed deposits	12,100	8,000	12,100	8,000
	35,514	25,985	17,704	9,068

The fixed deposits mature in 2 months (2019: 3-6 months) after the end of the reporting date with a weighted average interest rate of 0.43% (2019: 1.85%) per annum.

# Notes To The Financial Statements

For the financial year ended 31 December 2020

## 12 SHARE CAPITAL

	Group and Company			
	2020	2019	2020	2019
	No. of ordinary shares		S\$'000	
	'000		S\$'000	S\$'000
<b>Issued and fully paid with no par value:</b>				
Balance at 1 January	476,803	476,803	29,646	29,646
Issue of new shares	667	-	163	-
Balance at 31 December	477,470	476,803	29,809	29,646

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

On 30 June 2020, 666,666 ordinary shares was issued pursuant to the vesting of the share awards granted under the SOG Performance Share Plan at a price of S\$0.245 per share. Information relating to the SOG Performance Share Plan, including share awards granted and vested during the financial year and share awards outstanding as at 31 December 2020 are set out in Note 29.

## 13 TREASURY SHARES

	Group and Company			
	2020	2019	2020	2019
	No. of ordinary shares		S\$'000	
	'000		S\$'000	S\$'000
<b>Treasury shares:</b>				
Balance at 1 January	-	-	-	-
Purchase of treasury shares	2,000	-	471	-
Balance at 31 December	2,000	-	471	-

During the financial year, the Company purchased 1,999,990 of its ordinary shares by way of on-market purchases at an average share price of S\$0.2352. The total amount paid to purchase the shares was S\$471,000. Treasury shares held by the Company as at the financial year end is presented as a component within the shareholder's equity.

# Notes To The Financial Statements

For the financial year ended 31 December 2020

## 14 CAPITAL RESERVE

	Group and Company	
	2020	2019
	S\$'000	S\$'000
Balance at 1 January	1,771	1,771
Issue of new shares under the SOG PSP	(52)	-
Balance at 31 December	1,719	1,771

Capital reserve of S\$1,771,000 represents the difference between the fair value of the purchase consideration paid by the Company and the net assets of Choo Wan Ling Women's Clinic Pte. Ltd. and Beh's Clinic for Women Pte. Ltd. acquired by the Company during the financial year ended 31 December 2014.

The movement in capital reserve of S\$52,000 in 2020 represents the difference between the amounts from the issuance of 666,666 new ordinary shares pursuant to the vesting of the share awards granted under the SOG PSP and the amount previously recognised in the share-based payment reserve.

## 15 SHARE-BASED PAYMENT RESERVE

	Group and Company	
	2020	2019
	S\$'000	S\$'000
Balance at 1 January	-	-
Recognition of share awards granted under SOG PSP	191	-
Exercised share awards	(111)	-
Balance at 31 December	80	-

The share-based payment reserve arises on the grant of share awards to employees under the SOG Performance Share Plan (Note 29).

## 16 MERGER RESERVE

Merger reserve 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.

# Notes To The Financial Statements

For the financial year ended 31 December 2020

## 17 TRADE AND OTHER PAYABLES

	Group		Company	
	2020 S\$'000	2019 S\$'000	2020 S\$'000	2019 S\$'000
Trade payables	1,553	1,257	506	942
Accrued operating expense	7,122	4,377	305	473
Amounts due to subsidiaries (non-trade)	-	-	3,000	3,039
Amounts due to a director (non-trade)	244	244	-	-
Other payables	17	534	20	17
	8,936	6,412	3,831	4,471

Non-trade amounts due to a director, comprising advances and payable for the lease of a subsidiary's clinic premise, are unsecured, interest-free and repayable on demand.

Trade payables have credit terms of 30 days (2019: 30 days).

Non-trade amounts due to subsidiaries are unsecured, interest-free and repayable on demand.

Refer to Note 33 for details of liquidity risk exposure.

## 18 LEASE LIABILITIES

	Group		Company	
	2020 S\$'000	2019 S\$'000	2020 S\$'000	2019 S\$'000
Undiscounted lease payments due:				
- Year 1	1,603	1,590	76	86
- Year 2	1,233	1,101	76	86
- Year 3	549	769	13	86
- Year 4	93	552	-	18
- Year 5	32	93	-	-
- More than 5 years	-	32	-	-
	3,510	4,137	165	276
Less: Future interest cost	(209)	(322)	(8)	(21)
Lease liabilities	3,301	3,815	157	255
Presented as:				
- Non-current	1,826	2,381	87	180
- Current	1,475	1,434	70	75
	3,301	3,815	157	255

Interest expense on lease liabilities of S\$154,000 (2019: S\$183,000) is recognised within "finance expense" in profit or loss.

Total cash outflows for all leases in the year amount to S\$1,582,000 (2019: S\$1,602,000).

Information about the Group's leases are disclosed in Note 31.

Further information about the financial risk management are disclosed in Note 33.



# Notes To The Financial Statements

For the financial year ended 31 December 2020

## 19 CONTRACT LIABILITIES

	Group		Company	
	2020 S\$'000	2019 S\$'000	2020 S\$'000	2019 S\$'000
At 1 January	613	437	-	-
Fee received during the year	1,820	2,078	-	-
Revenue recognised that was included in the contract liabilities balance at 1 January	(613)	(437)	-	-
Revenue recognised for fees received during the year	(1,243)	(1,465)	-	-
At 31 December	577	613	-	-

The Group offers 'Antenatal' maternity, dermatology and vaccination packages to patients. Under these packages, the patients pay an upfront package fee which the Group recognises the fee collected as contract liabilities. For 'Antenatal' maternity package, the contract liabilities is amortised over the remaining pregnancy period till the birth of the baby. For dermatology and vaccination packages, the contract liabilities are recognised as revenue when the medical services are rendered to patients.

## 20 DEFERRED TAXATION

	Group		Company	
	2020 S\$'000	2019 S\$'000	2020 S\$'000	2019 S\$'000
Deferred tax assets	(3)	(3)	-	-
Deferred tax liabilities	120	134	7	9
	117	131	7	9

The movement in the net deferred income tax account is as follows:

	Group		Company	
	2020 S\$'000	2019 S\$'000	2020 S\$'000	2019 S\$'000
At 1 January	131	139	9	10
Recognised in profit or loss (Note 26)	(14)	(8)	(2)	(1)
At 31 December	117	131	7	9

# Notes To The Financial Statements

For the financial year ended 31 December 2020

## 20 DEFERRED TAXATION (CONT'D)

Deferred tax (assets) and liabilities comprised the following:

	Group			
	Assets		Liabilities	
	2020 S\$'000	2019 S\$'000	2020 S\$'000	2019 S\$'000
Plant and equipment	4	1	133	142
Interest receivables	-	-	3	6
ROU assets and lease liabilities	(7)	(4)	(16)	(14)
Deferred tax (assets)/ liabilities	(3)	(3)	120	134

	Company			
	Assets		Liabilities	
	2020 S\$'000	2019 S\$'000	2020 S\$'000	2019 S\$'000
Plant and equipment	-	-	6	4
Interest receivables	-	-	3	6
ROU assets and lease liabilities	-	-	(2)	(1)
Deferred tax liabilities	-	-	7	9

The balance comprises tax on the following temporary differences:

	Group		
	Plant and equipment S\$'000	ROU assets and lease liabilities S\$'000	Total S\$'000
<b>Deferred tax assets</b>			
At 1 January 2019	(1)	-	(1)
Recognised in profit or loss	2	(4)	(2)
At 31 December 2019	1	(4)	(3)
Recognised in profit or loss	3	(3)	-
<b>At 31 December 2020</b>	<b>4</b>	<b>(7)</b>	<b>(3)</b>

	Group			
	Plant and equipment S\$'000	Interest receivable S\$'000	ROU assets and lease liabilities S\$'000	Total S\$'000
<b>Deferred tax liabilities</b>				
At 1 January 2019	135	5	-	140
Recognised in profit or loss	7	1	(14)	(6)
At 31 December 2019	142	6	(14)	134
Recognised in profit or loss	(9)	(3)	(2)	(14)
<b>At 31 December 2020</b>	<b>133</b>	<b>3</b>	<b>(16)</b>	<b>120</b>

# Notes To The Financial Statements

For the financial year ended 31 December 2020

## 20 DEFERRED TAXATION (CONT'D)

	Company			
	Plant and equipment	Interest receivable	ROU assets and lease liabilities	Total
Deferred tax liabilities	S\$'000	S\$'000	S\$'000	S\$'000
At 1 January 2019	6	4	-	10
Recognised in profit or loss	(2)	2	(1)	(1)
At 31 December 2019	4	6	(1)	9
Recognised in profit or loss	2	(3)	(1)	(2)
<b>At 31 December 2020</b>	<b>6</b>	<b>3</b>	<b>(2)</b>	<b>7</b>

## 21 OTHER OPERATING INCOME

	Group	
	2020	2019
	S\$'000	S\$'000
Government grant	1,208	62
Rental rebate		
- variable lease incentives not dependant on an index or rate	88	251
Gain on termination of leases		
- derecognition of ROU assets and lease liabilities	-	3
- lease termination compensation receivable	-	74
Rental concession	61	-
Sponsorship income	49	39
Sundry income	29	20
	<b>1,435</b>	<b>449</b>

Included in government grant income is JSS grant of S\$893,000 and property tax rebate of S\$165,000 from the Singapore Government. JSS grant is to help employers to retain their local employees during the period of economic uncertainty as a result of COVID-19. JSS grant income is allocated over the period of uncertainty to match the related staff costs for which the grant is intended to compensate. The property tax rebate is mandated to be fully passed on by the landlord to the Group as a tenant.

Included in rental concession is rental rebate of S\$61,000 for the Group's leased office and clinic premises under the Rental Relief Framework as mandated by the Singapore Government whereby the landlord is obliged to waive up to 4 months of rental to the Group as tenant.

# Notes To The Financial Statements

For the financial year ended 31 December 2020

## 22 CONSUMABLES AND MEDICAL SUPPLIES USED

	Group	
	2020 S\$'000	2019 S\$'000
Changes in inventories	122	(373)
Inventories purchased	3,785	4,393
Laboratory test and charges	2,421	2,090
Hospital facility charges	370	346
Others	7	10
	6,705	6,466

## 23 EMPLOYEE REMUNERATION EXPENSE

	Group	
	2020 S\$'000	2019 S\$'000
Directors' remuneration		
- Directors of the Company	4,060	2,155
- Directors of subsidiaries	10,324	8,776
- Share-based compensation (equity-settled)	191	-
- Central Provident Fund contributions	172	171
Key management personnel (Other than directors)		
- Salaries and other related costs	458	651
- Central Provident Fund contributions	38	39
Other than directors and key management personnel		
- Salaries and other related costs	3,856	4,230
- Central Provident Fund contributions	373	459
	19,472	16,481

## 24 OTHER OPERATING EXPENSES

	Group	
	2020 S\$'000	2019 S\$'000
Advertisement	289	272
Audit fees paid/ payable to auditor of the Company	167	177
Bad debts written off (trade)	38	6
Credit card charges	435	393
Entertainment expenses	23	44
Insurance	356	385
Software subscription fees	102	76
Office supplies	58	75
Plant and equipment written off	-	22
Loss on disposal of plant and equipment	1	68
Professional and legal fees	303	378
Impairment loss on trade receivables, net	9	43
Transportation	56	87
Telecommunication charges	62	67
Administrative charges	13	69
Upkeep of clinics	46	47
Utilities	28	32
Printing and stationery	25	40
Other expenses	181	222
	2,192	2,503

# Notes To The Financial Statements

For the financial year ended 31 December 2020

## 25 FINANCE INCOME/ EXPENSE

	Group	
	2020 S\$'000	2019 S\$'000
<b>Finance income</b>		
Interest income	184	153
<b>Finance expense</b>		
Interest expense on lease liabilities	154	183

## 26 INCOME TAX EXPENSE

	Group	
	2020 S\$'000	2019 S\$'000
<b>Current tax expense</b>		
Current year	1,490	1,873
Overprovision of current taxation in respect of prior years	(161)	(113)
	1,329	1,760
<b>Deferred tax credit</b>		
Origination and reversal of temporary differences (Note 20)	(14)	(8)
	1,315	1,752

The tax expense on the results of the financial year varies from the amount of income tax determined by applying the Singapore statutory rate of income tax on profits as a result of the following:

	Group	
	2020 S\$'000	2019 S\$'000
Profit before taxation	10,808	619
Tax at statutory rate of 17% (2019: 17%)	1,837	105
Tax effect on non-deductible expenses <sup>(1)</sup>	70	2,065
Tax effect of non-taxable income <sup>(2)</sup>	(197)	-
Effect of partial tax exemption and tax relief	(234)	(305)
Overprovision of current taxation in respect of prior years	(161)	(113)
	1,315	1,752

<sup>(1)</sup> Tax effect on non-deductible expenses for FY 2019 includes S\$2,023,000 which arose from impairment of goodwill attributable to Dermatology Clinic CGU, amounting to S\$11.9 million.

<sup>(2)</sup> Income not subject to tax relates mainly to government grant received under JSS and property tax rebate amounting to S\$893,000 and S\$165,000 respectively, and rental concession of S\$61,000 (Note 21).

# Notes To The Financial Statements

For the financial year ended 31 December 2020

## 27 DIVIDENDS

	<b>Group and Company</b>	
	<b>2020</b>	<b>2019</b>
	<b>S\$'000</b>	<b>S\$'000</b>
Ordinary dividends paid		
- Final tax-exempt (one-tier) dividend paid in respect of the previous financial year of Nil cents (2019: 0.90 cents) per share	-	4,291
- Interim tax-exempt (one-tier) dividend paid in respect of the current financial year of 0.50 cents (2019: 0.62 cents) per share	2,381	2,956
	<b>2,381</b>	<b>7,247</b>

A final dividend in respect of the current financial year of 1.20 cents per share amounting to S\$5,706,000 will be recommended at the Annual General Meeting to be held on 23 April 2021. These financial statements do not reflect this dividend, which will be accounted for in shareholders' equity as an appropriation of retained earnings in the financial year ending 31 December 2021. The payment of this dividend will not have any tax consequences for the Group.

## 28 EARNINGS PER SHARE

The earnings per share is calculated based on the consolidated profits attributable to owners of the Company divided by the weighted average number of shares in issue of 476,200,767 (2019: 476,803,002) shares during the financial year.

Fully diluted earnings per share were calculated on the consolidated profits attributable to owners of the Company divided by 476,994,939 (2019: 476,803,002) ordinary shares. The number of ordinary shares is calculated based on the weighted average number of shares in issue during the financial year adjusted for the effects of all dilutive issuable shares under the SOG PSP for FY 2020. The Company does not have potentially dilutive shares during FY 2019.

	<b>Group</b>	
	<b>2020</b>	<b>2019</b>
<u>Basic earnings per share</u>		
Profit/ (Loss) attributable to equity holders of the Company (S\$'000)	9,493	(1,133)
Weighted average number of ordinary shares ('000)	476,201	476,803
Basic earnings/ (loss) per share based on the weighted average number of ordinary shares (cents)	1.99	(0.24)
<u>Diluted earnings per share</u>		
Profit/ (Loss) attributable to equity holders of the Company (S\$'000)	9,493	(1,133)
Weighted average number of ordinary shares ('000)	476,201	476,803
Adjustment for potential shares issuable under the SOG PSP ('000)	794	-
Weighted average number of ordinary shares (diluted) ('000)	476,995	476,803
Diluted earnings/ (loss) per share based on the weighted average number of ordinary shares (cents)	1.99	(0.24)

# Notes To The Financial Statements

For the financial year ended 31 December 2020

## 29 SHARE-BASED PAYMENTS

The SOG Performance Share Plan (the "SOG PSP" or "Plan") was approved by shareholders on 6 May 2015 by shareholders' written resolutions.

Under the Plan, the Company may award fully paid shares to Group Employees who have attained the age of twenty-one years and hold such rank as may be designated by the Remuneration Committee from time to time, and Non-Executive Directors (including Independent Directors). This is provided that certain prescribed performance targets (if any) are met and the Plan is awarded before expiry of the prescribed performance period.

Controlling shareholders of the Company or associates of such controlling shareholders are also eligible to participate in the Plan, subject to independent approval for each grant to such a person.

The Plan allows the Company to target specific performance objectives and to provide an incentive for participants to achieve these targets. The Directors believe that the plan will provide the Company with a flexible approach to provide performance incentives to the employees and Non-Executive Directors and, consequently, to improve performance and achieve sustainable growth for the Company in the changing business environment, and to foster a greater ownership culture amongst senior management and Non-Executive Directors.

The total number of shares which may be issued or transferred pursuant to awards granted under the Plan, when aggregated with the aggregate number of shares over which options are granted under any other share option schemes of the Company, shall not exceed 15% of the total number of issued shares (excluding shares held by the Company as treasury shares) from time to time.

The Plan shall continue in force at the discretion of the Remuneration Committee, subject to a maximum period of ten years commencing on the date on which the Plan is adopted by the Company in general meeting, provided always that the Plan may continue beyond the above stipulated period with the approval of shareholders in general meeting and of any relevant authorities which may then be required.

Notwithstanding the expiry or termination of the Plan, any awards made to participants prior to such expiry or termination will continue to remain valid.

Details of the share awards granted and vested are as follows:

### Group and Company

Date of share awards granted	Tranches	Vesting date - last working day of	Balance at 1 January 2020 No.	Granted during the year No.	Vested during the year No.	Balance at 31 December 2020 No.	Fair value of share awards S\$
8 June 2020	Tranche 1	June 2020	-	666,666	(666,666)	-	0.1663
	Tranche 2	June 2021	-	666,666	-	666,666	0.1609
	Tranche 3	June 2022	-	666,668	-	666,668	0.1560
			-	2,000,000	(666,666)	1,333,334	

# Notes To The Financial Statements

For the financial year ended 31 December 2020

## 29 SHARE-BASED PAYMENTS (CONT'D)

On 8 June 2020, the Company granted share awards ("**Awards**") to eligible employees pursuant to the SOG PSP. The number of ordinary shares to be granted under the Awards is 2,000,000. One third of the Awards shall be vested each on the last working day of June 2020, 2021 and 2022 respectively. The share price used to determine the fair value of the Awards granted was estimated to be S\$0.1663, S\$0.1609 and S\$0.1560 for the relevant Awards which shall be vested on the last working day of June 2020, 2021 and 2022 respectively.

The fair value of the share awards was estimated using the Black-Scholes-Merton formula based on the Company's share price at the grant date, the Company's 5-year historical dividend yield, length of time between grant date to vest date, and adjusted for Discounts For Lack of Marketability ("**DLOM**") to reflect the price discount for a restricted share.

The inputs into the Black-Scholes-Merton formula are as follows:

	2020
Share price at the grant date	S\$0.2097
DLOM	20.7%
Dividend yield	3.1%
Time (year)	Tranche 1 - 0.06 Tranche 2 - 1.06 Tranche 3 - 2.06

The Company had on 30 June 2020, allotted and issued an aggregate of 666,666 new ordinary shares in the capital of the Company to the eligible employees pursuant to the vesting of tranche 1 of the Awards under the SOG PSP.

## 30 SIGNIFICANT RELATED PARTY TRANSACTIONS

- (a) Other than as disclosed elsewhere in the financial information, significant transactions with related parties are as follows:

	Group	
	2020	2019
	S\$'000	S\$'000
<b>Transactions with shareholders cum director</b>		
Rental expenses paid/ payable to Lee and Lee Clinic Pte. Ltd. and Avesa Pte. Ltd. #	415	381
Rental expense paid/ payable to a director	-	14

# This relates to the entities in which a director cum shareholder of the Company has financial interest in.



# Notes To The Financial Statements

For the financial year ended 31 December 2020

## 30 SIGNIFICANT RELATED PARTY TRANSACTIONS (CONT'D)

- (b) Key management personnel (including Directors) compensation

	Group	
	2020	2019
	S\$'000	S\$'000
Salary costs	14,842	11,582
Central Provident Fund contributions	210	210
Share-based compensation (equity-settled)	191	-
	15,243	11,792

## 31 LEASES

### The Group as lessee

- (i) *Office and clinic premises*

The Group leases several office and clinic premises for operation purposes.

- (ii) *Future cash outflows not capitalised in lease liabilities – Extension options*

The leases for certain office and clinic premises provide for optional extension periods, for which the related lease payments have not been included in lease liabilities because the Group is not reasonably certain to exercise these extension options. The Group negotiates extension options to optimise operational flexibility in terms of managing the assets used in the Group's operations. The extension options are exercisable only by the Group and not by the lessor. The undiscounted potential future cash outflows for the lease payments during the extension periods amount to S\$267,000 (2019: S\$1,166,000).

Information regarding the Group's ROU assets and lease liabilities are disclosed in Note 7 and 18 respectively.

Depreciation charge of ROU assets during the year:

	Group	
	2020	2019
	S\$'000	S\$'000
Office and clinic premises	1,448	1,530

# Notes To The Financial Statements

For the financial year ended 31 December 2020

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## 32 OPERATING SEGMENTS

For management purposes, the Group is organised into the following reportable operating segments as follows:

- (1) Obstetrics and Gynaecology segment relates to general obstetrics, labour and delivery, general gynaecology and surgery, female pelvic medicine, urogynaecology and reconstructive surgery.
- (2) Cancer-related segment relates to medical services for gynae-oncology, breast and general surgery.
- (3) Dermatology segment relates to the provision of aesthetic dermatological procedures, dermatologic and laser surgery and general skin care.
- (4) Paediatrics segment relates to the provision of general paediatrics and adolescent medical services.
- (5) Corporate segment relates to the provision of group-level corporate services and strategic management function.

No presentation of geographical information has been presented as the Group's operations are only in Singapore.

The CEO (the chief operating decision maker ("**CODM**")) monitors the operating results of its operating segments for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects, as set out below, is measured differently from operating profit or loss in the consolidated financial statements.

# Notes To The Financial Statements

For the financial year ended 31 December 2020

## 32 OPERATING SEGMENTS (CONT'D)

Group	Obstetrics and Gynaecology												
	Dermatology		Cancer-related		Paediatrics		Corporate		Elimination		Total		
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	
	SS'000	SS'000	SS'000	SS'000	SS'000	SS'000	SS'000	SS'000	SS'000	SS'000	SS'000	SS'000	SS'000
<b>Revenue</b>													
External	22,257	21,466	6,716	7,379	5,985	6,241	4,931	4,671	-	-	-	39,889	39,757
Inter-segment	208	118	10	7	8	7	28	20	(254)	(152)	(152)	-	-
Total revenue	22,465	21,584	6,726	7,386	5,993	6,248	4,959	4,691	(254)	(152)	(152)	39,889	39,757
<b>Segment Results</b>													
Segment profit/ (loss) from operations	8,948	10,954	638	887	2,247	2,309	965	937	(2,020)	(2,538)	-	10,778	12,549
Impairment of goodwill	-	-	-	(11,900)	-	-	-	-	-	-	-	-	(11,900)
Finance income	-	-	3	8	-	-	-	-	181	145	-	184	153
Finance expense	(50)	(68)	(60)	(42)	(15)	(27)	(19)	(32)	(10)	(14)	-	(154)	(183)
Profit/ (Loss) before income tax	8,898	10,886	581	(11,047)	2,232	2,282	946	905	(1,849)	(2,407)	-	10,808	619
Income tax (expense)/ credit	(1,042)	(1,539)	(23)	(110)	(240)	(271)	(63)	(94)	53	262	-	(1,315)	(1,752)
Profit/ (Loss) for the year	7,856	9,347	558	(11,157)	1,992	2,011	883	811	(1,796)	(2,145)	-	9,493	(1,133)
<b>Other information</b>													
Segment assets	14,408	13,382	20,481	21,269	4,333	4,031	2,829	3,104	46,090	39,431	(30,281)	57,860	49,058
Consolidated total assets												57,860	49,058
Segment liabilities	9,844	7,980	2,486	3,779	2,841	2,568	3,206	3,225	4,002	4,735	(7,561)	14,818	12,848
Consolidated total liabilities												14,818	12,848
Impairment of goodwill	-	-	-	11,900	-	-	-	-	-	-	-	-	11,900
Additions of plant and equipment	70	190	494	481	3	89	-	174	62	52	(36)	629	950
Depreciation	789	813	719	636	187	320	309	306	173	132	-	2,177	2,207
Loss on disposal of plant and equipment	-	-	-	-	1	68	-	-	-	-	-	1	68
Write-off of plant and equipment	-	-	-	12	-	8	-	-	-	2	-	-	22
Impairment loss/ (Reversal of) impairment on trade receivables, net	2	19	6	2	(5)	21	9	-	(3)	1	-	9	43
Share-based payment	-	-	-	-	-	-	-	-	191	-	-	191	-

# Notes To The Financial Statements

For the financial year ended 31 December 2020

## 32 OPERATING SEGMENTS (CONT'D)

Reconciliation of reportable segment revenue, profit or loss, assets and liabilities:

	2020 S\$'000	2019 S\$'000
<b>Revenue</b>		
Total revenue for reportable segments	39,889	39,757
Consolidated revenue	39,889	39,757
<b>Profit or loss</b>		
Total profit or loss for reportable segments from operations	10,778	12,549
Impairment of goodwill	–	(11,900)
Finance income	184	153
Finance expense	(154)	(183)
Consolidated profit before tax	10,808	619
<b>Segment assets</b>		
Total assets for reportable segments	88,141	81,217
Elimination	(30,281)	(32,159)
Consolidated total assets	57,860	49,058
<b>Segment liabilities</b>		
Total liabilities for reportable segments	22,379	22,287
Elimination	(7,561)	(9,439)
Consolidated total liabilities	14,818	12,848

## 33 FINANCIAL RISK MANAGEMENT

The Group and the Company have documented financial risk management policies. These policies set out the Group's and the Company's overall business strategies and its risk management philosophy. The Group and the Company are exposed to financial risks arising from their operations. The key financial risks included credit risk and liquidity risk. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

Risk management is carried out by the corporate office - Finance under policies approved by the Board of Directors. The corporate office - Finance identifies and evaluates financial risks in close co-operation with the Group's and the Company's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as credit risk and liquidity risk.

There has been no change to the Group's and Company's exposure to these financial risks or the manner in which they manage and measure the risk.

# Notes To The Financial Statements

For the financial year ended 31 December 2020

## 33 FINANCIAL RISK MANAGEMENT (CONT'D)

The carrying amounts of financial assets and financial liabilities at the reporting date by categories are as follows:

	Group		Company	
	2020 S\$'000	2019 S\$'000	2020 S\$'000	2019 S\$'000
<b>Financial assets designated at fair value through OCI</b>	-	-	-	-
<b>Financial assets at amortised cost</b>				
Trade and other receivables, excluding prepayments	2,828	2,751	4,520	6,312
Cash and cash equivalents	35,514	25,985	17,704	9,068
	<b>38,342</b>	<b>28,736</b>	<b>22,224</b>	<b>15,380</b>
<b>Financial liabilities at amortised cost</b>				
Trade and other payables	8,936	6,412	3,831	4,471
Lease liabilities	3,301	3,815	157	255
	<b>12,237</b>	<b>10,227</b>	<b>3,988</b>	<b>4,726</b>

### Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the Group or the Company to incur a financial loss. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. For trade receivables, the Group and the Company adopt the policy of dealing only with hospitals and insurance companies of appropriate credit history, and obtaining sufficient security where appropriate to mitigate credit risk. For other financial assets, the Group and the Company adopt the policy of dealing only with high credit quality counterparties.

The Group's and the Company's objective is to seek continual growth while minimising losses incurred due to increased credit risk exposure.

### Exposure to credit risk

As the Group and the Company do not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the statement of financial position.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets as follows:

	2020 S\$'000	2019 S\$'000
<b>Group</b>		
<b>Financial assets</b>		
Trade and other receivables, excluding prepayments	2,828	2,751
Cash and cash equivalents	35,514	25,985
	<b>38,342</b>	<b>28,736</b>
<b>Company</b>		
<b>Financial assets</b>		
Trade and other receivables, excluding prepayments	4,520	6,312
Cash and cash equivalents	17,704	9,068
	<b>22,224</b>	<b>15,380</b>

# Notes To The Financial Statements

For the financial year ended 31 December 2020

## 33 FINANCIAL RISK MANAGEMENT (CONT'D)

### Credit risk (Cont'd)

#### Exposure to credit risk (Cont'd)

The Group's and the Company's major classes of financial assets are trade and other receivables (excluding prepayments), and cash and cash equivalents.

The tables below detail the credit quality of the Group's and the Company's financial assets, as well as maximum exposure to credit risk:

Group	12-month/ Lifetime ECL	Gross carrying amount S\$'000	Loss allowance S\$'000	Net carrying amount S\$'000
<b>At 31 December 2020</b>				
Trade and other receivables	Lifetime ECL	2,908	(80)	2,828
<b>At 31 December 2019</b>				
Trade and other receivables	Lifetime ECL	2,822	(71)	2,751
Company	12-month/ Lifetime ECL	Gross carrying amount S\$'000	Loss allowance S\$'000	Net carrying amount S\$'000
<b>At 31 December 2020</b>				
Trade and other receivables	Lifetime ECL	71	-	71
Amounts due from subsidiaries (non-trade)	12-month ECL	4,449	-	4,449
		4,520	-	4,520
<b>At 31 December 2019</b>				
Trade and other receivables	Lifetime ECL	137	(3)	134
Amounts due from subsidiaries (non-trade)	12-month ECL	6,178	-	6,178
		6,315	(3)	6,312

#### (i) Trade and other receivables

The Group and the Company apply the SFRS(I) 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for trade and other receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and days past due. The expected loss rates are based on the historical credit loss experiences. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group and the Company have identified the Gross Domestic Product of Singapore, the country in which it operates to be the most relevant factors and accordingly adjusts the historical loss rates based on expected changes in these factors.

Trade receivables relate to the collection of doctor's professional fees to be paid by the respective hospitals in Singapore and insurance companies. The credit risks relating to outstanding balances from hospitals and insurance companies are not deemed to be significant based on the external credit ratings of the counterparties.

Trade receivables are written off when there is no reasonable expectation of recovery. Impairment losses on trade receivables are presented as net impairment losses within other operating expenses. Subsequent recoveries of amounts previously written off are credited against the same line item. The closing loss allowances for trade receivables as at the reporting date reconcile to the opening loss allowances are disclosed in Note 10.

# Notes To The Financial Statements

For the financial year ended 31 December 2020

## 33 FINANCIAL RISK MANAGEMENT (CONT'D)

### Credit risk (Cont'd)

#### Exposure to credit risk (Cont'd)

##### (ii) Amounts due from subsidiaries

Amounts due from subsidiaries are considered to have low credit risk as the Company has control over the operating, investing and financing activities of these entities. The use of loans and advances to assist with the subsidiaries' cash flow management is in line with the Group's capital management. There has been no significant increase in the credit risk of the amounts due from subsidiaries since initial recognition. In determining the ECL, management has taken into account the finances and business performance of the subsidiaries, and a forward-looking analysis of the financial performance of the subsidiaries.

Other than as disclosed, management has assessed that the Company is not exposed to significant credit loss in respect of the amounts due from the subsidiaries.

#### **Financial assets that are neither past due nor impaired**

Trade and other receivables that are neither past due nor impaired are creditworthy companies or individuals with a good payment record with the Group and the Company. Bank deposits that are neither past due nor impaired are mainly deposits with banks with high credit ratings and no history of default.

#### **Financial assets that are past due but not impaired**

There is no other class of financial assets that is past due but not impaired except for trade and other receivables.

#### **Cash and cash equivalents**

Cash is placed with financial institutions which are regulated and have good credit ratings. Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents to have low credit risk based on the external credit ratings of the counterparties. The amount of the allowance on cash and cash equivalents is negligible.

#### An ageing analysis of trade receivables, net of impairment losses at the reporting date is as follows:

Trade receivables relate to the collection of doctor's professional fees to be paid by the respective hospitals in Singapore and insurance companies. The Group generally extends between 30-day and 90-day credit terms. No interest is charged on outstanding balances. The Group actively reviews the trade receivable balances and follows up on outstanding debts with the hospitals and insurance companies.

	Group		Company	
	2020	2019	2020	2019
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Trade receivables</b>				
Not past due	1,471	1,707	13	44
Past due less than 1 month	440	147	-	1
Past due more than 1 month but less than 2 months	242	128	-	-
Past due more than 2 months	252	242	-	8
	2,405	2,224	13	53

# Notes To The Financial Statements

For the financial year ended 31 December 2020

## 33 FINANCIAL RISK MANAGEMENT (CONT'D)

### Liquidity risk

Liquidity risk is the risk that the Group and the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. As part of its overall prudent liquidity management, the Group maintains sufficient level of cash to meet its working capital requirement.

The table below analyses the maturity profile of the Group's and the Company's financial liabilities based on contractual undiscounted cash flows.

	Carrying amount S\$'000	Contractual cash flows S\$'000	Less than 1 year S\$'000	Between 2 and 5 years S\$'000	Over 5 years S\$'000
<b>Group</b>					
<b>At 31 December 2020</b>					
Trade and other payables	8,936	8,936	8,936	-	-
Lease liabilities	3,301	3,510	1,603	1,907	-
	12,237	12,446	10,539	1,907	-
<b>At 31 December 2019</b>					
Trade and other payables	6,412	6,412	6,412	-	-
Lease liabilities	3,815	4,137	1,590	2,515	32
	10,227	10,549	8,002	2,515	32
<b>Company</b>					
<b>At 31 December 2020</b>					
Trade and other payables	3,831	3,831	3,831	-	-
Lease liabilities	157	165	76	89	-
	3,988	3,996	3,907	89	-
<b>At 31 December 2019</b>					
Trade and other payables	4,471	4,471	4,471	-	-
Lease liabilities	255	276	86	190	-
	4,726	4,747	4,557	190	-

The Group and the Company ensure that there are adequate funds to meet all their obligations in a timely and cost-effective manner.



# Notes To The Financial Statements

For the financial year ended 31 December 2020

## 33 FINANCIAL RISK MANAGEMENT (CONT'D)

### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates.

The Group and the Company are not exposed to any cash flow risk as they do not have any monetary financial instruments with variable interest rates.

### Foreign currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Currency risk arises when transactions are denominated in foreign currencies.

The Group and the Company are not exposed to foreign currency risks because their transactions and related financial assets and financial liabilities are mainly transacted in the respective functional currencies of the Group entities which is SGD.

### Market price risk

Market price risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate due to changes in market prices.

The Group and the Company are not exposed to any movement in market price risk as they do not hold any quoted or marketable financial instruments.

## 34 CAPITAL MANAGEMENT

The Group's objectives when managing capital are:

- (a) To safeguard the Group's ability to continue as a going concern;
- (b) To support the Group's stability and growth;
- (c) To provide capital for the purpose of strengthening the Group's risk management capability; and
- (d) To provide an adequate return to shareholders.

The Group actively and regularly reviews and manages its capital structure to ensure optimal capital management and shareholder returns, taking into consideration the future capital requirements of the Group and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities.

The Group currently has not adopted any formal dividend policy.

The Group is not subjected to externally imposed capital requirements.

The Group monitors capital using Gearing Ratio, which is calculated using total liabilities divided by total equity.

	Group	
	2020 S\$'000	2019 S\$'000
Total liabilities	14,818	12,848
Total equity	43,042	36,210
Gearing ratio	34.4%	35.5%

# Notes To The Financial Statements

For the financial year ended 31 December 2020

## 35 FAIR VALUE MEASUREMENT

### Definition of fair value

SFRS(I) define fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

### **Fair value measurement of financial instruments**

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 : inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3 : unobservable inputs for the asset or liability

Management performs valuations of financial instruments for financial reporting purposes, including Level 3 fair values, in consultation with third party valuation specialist for complex valuations. Valuation techniques were selected based on the characteristics of each instrument, with the overall objective of maximising the use of market-based information. Management reports directly to Audit Committee. Valuation processes and fair value changes are discussed among the Audit Committee and the valuation team at least every year, in line with the Group's reporting dates.

The valuation techniques used for instruments categorised in Level 3 are described below:

### Equity investment - FVOCI financial assets (Level 3)

The fair values of the equity investment classified as FVOCI financial assets are estimated using the ANA method, which estimates the equity value by adjusting the book values of assets and liabilities to reflect their current market values. Refer to Note 8 for the basis of using ANA method to estimate the fair values as at 31 December 2020. There is no movement in the FVOCI financial assets during the year.

There are no transfers between Level 1, 2 and 3 during the year.

### **Fair value of financial instruments**

The carrying amounts of financial assets and liabilities at amortised cost with a maturity of less than one year (including trade and other receivables (excluding prepayments), cash and cash equivalents, and trade and other payables) approximate their fair values because of the short period to maturity.

The fair value disclosure of lease liabilities is not required.

# Notes To The Financial Statements

For the financial year ended 31 December 2020

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## 36 Events after end of the reporting period

(1) Proposed final dividends

On 25 February 2021, the Board of Directors has recommended a final one-tier tax exempt dividend of 1.20 Singapore cents per share in respect of FY 2020.

(2) Change of name of subsidiaries

The Company's direct wholly-owned subsidiary, SOG General Surgicare Pte. Ltd., has changed its name to SOG-HL Sim Colorectal, Endoscopy & General Surgery Pte. Ltd. with effect from 14 January 2021.

The Company's direct wholly-owned subsidiary, SOG-SK Lim Breast & General Surgicare Pte. Ltd., has changed its name to SOG-CC Tan Breast, Thyroid & General Surgery Pte. Ltd. with effect from 16 March 2021.

(3) Joint venture with LYC Mother & Child Sdn Bhd ("LYCMC") for setting up of a postpartum confinement centre

On 18 March 2021, the Group entered into a joint venture agreement (the "**JV Agreement**") with LYCMC, a wholly-owned subsidiary of LYC Healthcare Berhad, to incorporate a Special Purpose Vehicle ("**SPV**"), provisionally to be called LYC-SOG Mother & Child Centre Sdn Bhd, for the purpose of setting up a postpartum confinement centre of up to 130 beds in Johor, Malaysia ("**Johor Confinement Centre**") offering confinement care and related services. The JV Agreement also provides for the establishment of similar centres in Malaysia, as may be agreed by the Group and LYCMC from time to time.

The Group will contribute an amount of Ringgit Malaysia 1,960,000 as the initial capital, which will constitute 49% equity shareholdings of the SPV, towards the initial costs and expenditure (including renovation and preparation of the Johor Confinement Centre) deemed necessary and required for the start-up operation of the Johor Confinement Centre. The Board of Directors of the SPV shall comprise of five directors and two of which will be nominated by the Group.

# Shareholdings Statistics

As at 15 March 2021

Issued and fully paid up share capital	-	\$27,920,191.28
Total number of issued shares	-	477,469,668
Total number of issued shares (excluding treasury shares)	-	475,469,678
Number and percentage of treasury shares	-	1,999,990 or 0.42% <sup>(i)</sup>
Number and percentage of subsidiary holdings	-	Nil or 0%
Class of shares	-	Ordinary shares
Voting rights	-	One vote per share

## DISTRIBUTION OF SHAREHOLDERS BY SIZE OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	% <sup>(ii)</sup>
1 – 99	0	0.00	0	0.00
100 – 1,000	86	3.54	58,500	0.01
1,001 – 10,000	1,006	41.40	6,546,700	1.38
10,001 – 1,000,000	1,315	54.11	74,318,000	15.63
1,000,001 and above	23	0.95	394,546,478	82.98
<b>Total</b>	<b>2,430</b>	<b>100.00</b>	<b>475,469,678</b>	<b>100.00</b>

## TWENTY LARGEST SHAREHOLDERS

NO.	SHAREHOLDER'S NAME	NO. OF SHARES HELD	% <sup>(ii)</sup>
1	HENG TUNG LAN	140,453,614	29.54
2	CITIBANK NOMINEES SINGAPORE PTE LTD	60,967,002	12.82
3	DBS NOMINEES PTE LTD	39,865,000	8.38
4	LEE KEEN WHY	35,600,356	7.49
5	CHOO WAN LING	34,899,278	7.34
6	BEH SUAN TIONG	24,008,452	5.05
7	OCBC SECURITIES PRIVATE LTD	22,876,500	4.81
8	WONG CHUI FONG	6,104,524	1.28
9	PHILLIP SECURITIES PTE LTD	4,931,000	1.04
10	RAFFLES NOMINEES (PTE) LIMITED	4,574,600	0.96
11	HENG TONG BWEE	2,601,886	0.55
12	VSTL INVESTMENT LTD	2,117,000	0.45
13	ANG HAO YAO (HONG HAOYAO)	2,108,000	0.44
14	YEO WEI HUANG	1,700,000	0.36
15	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	1,659,200	0.35
16	STF INVESTMENT LTD	1,500,000	0.32
17	CHUA WEILYN NATALIE	1,425,133	0.30
18	PANG YI PING CINDY	1,393,333	0.29
19	IFAST FINANCIAL PTE LTD	1,324,800	0.28
20	OCBC NOMINEES SINGAPORE PTE LTD	1,213,200	0.26
	<b>TOTAL</b>	<b>391,322,878</b>	<b>82.30</b>

# Shareholdings Statistics

As at 15 March 2021

## SUBSTANTIAL SHAREHOLDERS

	DIRECT INTEREST		DEEMED INTEREST	
	NO. OF SHARES	% <sup>(i)</sup>	NO. OF SHARES	% <sup>(ii)</sup>
HENG TUNG LAN	140,453,614	29.54	NIL	0.00
LEE KEEN WHYE	35,600,356	7.49	46,104,524 <sup>(1)</sup>	9.69
BEH SUAN TIONG	24,008,452	5.05	24,472,000 <sup>(2)</sup>	5.15
JOYCE LIM TENG EE	130,000	0.02	40,923,002 <sup>(3)</sup>	8.61
CHOO WAN LING	34,899,278	7.34	NIL	0.00

(i) Percentage is calculated based on the total number of issued shares.

(ii) Percentage is calculated based on the total number of issued shares, excluding treasury shares.

### Notes:

- (1) Dr. Lee Keen Whye has a deemed interest in the shareholdings of 6,104,524 shares held by his wife, Dr. Wong Chui Fong, Anna and the shareholdings of each 22,000,000 shares and 18,000,000 shares are held in his name under the accounts of OCBC Securities Private Ltd and Citibank Nominees Singapore Pte Ltd respectively.
- (2) Dr. Beh Suan Tiong has a deemed interest in the shareholdings of 472,000 shares held by his wife, Ms. Heng Siok Hong Veronica and the shareholdings of 24,000,000 shares are held in his name under DBS Nominees Pte Ltd account.
- (3) Dr. Joyce Lim Teng Ee has a deemed interest in the shareholding of 40,923,002 shares held under her name under Citibank Nominees Singapore Pte Ltd account.

## PERCENTAGE OF SHAREHOLDINGS IN PUBLIC'S HANDS

Based on information available to the Company as at 15 March 2021, 25.26% of the issued ordinary shares of the Company are held in the hands of the public. Accordingly, the Company has complied with the Rule 723 of the Listing Manual (Section B: Rules of Catalyst) of the SGX-ST.

# Notice Of Annual General Meeting

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**NOTICE IS HEREBY GIVEN** that the Annual General Meeting (“AGM”) of Singapore O&G Ltd. (the “Company”) will be held by way of electronic means through a live webcast comprising both video (audio-visual) and audio-only feeds on 23 April 2021 at 10.00 a.m. (“Live AGM Webcast”) to transact the following business:

## AS ORDINARY BUSINESS

1. To receive and adopt the Audited Financial Statements of the Company for the financial year ended 31 December 2020 and the Directors’ Statement and the Independent Auditor’s Report thereon.  
**(Resolution 1)**
2. To declare a tax exempt (one-tier) final dividend of 1.20 Singapore cents per ordinary share for the financial year ended 31 December 2020.  
**(Resolution 2)**
3. To re-elect Dr. Lee Keen Whye, a Director who is retiring pursuant to Article 91 of the Company’s Constitution.  
Dr. Lee shall, upon re-election as Director of the Company, remain as the Executive Director of the Company.  
*See Explanatory Note (a)*  
**(Resolution 3)**
4. To re-elect Mr. Ng Boon Yew, a Director who is retiring pursuant to Article 91 of the Company’s Constitution.  
Mr. Ng shall, upon re-election as Director of the Company, remain as the Lead Independent Director, Chairman of the Audit Committee and a member of the Nominating Committee of the Company.  
*See Explanatory Note (b)*  
**(Resolution 4)**
5. To note the retirement of Mr. Chan Heng Toong, who is retiring as a Director pursuant to Article 91 of the Company’s Constitution.  
*See Explanatory Note (c)*
6. To approve the Independent Directors’ fees of S\$168,000 for the financial year ended 31 December 2020 (financial year ended 31 December 2019: S\$168,000).  
**(Resolution 5)**
7. To re-appoint Messrs Foo Kon Tan LLP as Auditor of the Company to hold office until the next AGM of the Company, and to authorise the Directors to fix the remuneration of Messrs Foo Kon Tan LLP.  
**(Resolution 6)**

# Notice Of Annual General Meeting

## AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following Ordinary Resolutions with or without modifications:

### 8. Authority to allot and issue shares (the "Share Issue Mandate")

"That pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore ("**Companies Act**") and Rule 806 of the Rules of Catalist, the Directors of the Company be authorised and empowered to:

- (a) (i) allot and issue shares in the Company ("**Shares**") whether by way of rights, bonus or otherwise; and/ or
- (ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into Shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and

- (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instruments made or granted by the Directors of the Company while this Resolution was in force,

provided that:

- (1) the aggregate number of Shares to be issued pursuant to this Resolution (including Shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) shall not exceed one hundred percent (100%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares to be issued other than on a pro-rata basis to existing shareholders of the Company (including Shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) shall not exceed fifty percent (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (1) above, the total number of issued Shares (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:
  - (a) new Shares arising from the conversion or exercise of any convertible securities;
  - (b) new Shares arising from exercising share options or vesting of share awards provided that the share options or share awards (as the case may be) were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and
  - (c) any subsequent bonus issue, consolidation or subdivision of Shares;

Adjustments in accordance with (a) and (b) above are only to be made in respect of new Shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of this Resolution;

# Notice Of Annual General Meeting

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- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the requirements imposed by the SGX-ST from time to time and the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST) all applicable requirements under the Companies Act and otherwise, and the Constitution for the time being of the Company; and
- (4) unless revoked or varied by the Company in a general meeting, such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date on which the next Annual General Meeting of the Company is required by law and the Catalist Rules to be held, whichever is earlier.

See Explanatory Note (d)

**(Resolution 7)**

## 9. Proposed Renewal of the Share Buyback Mandate

"That:

- (1) for the purposes of the Catalist Rules and the Companies Act, the Directors be and are hereby authorised to exercise all the powers of the Company to purchase or otherwise acquire the issued ordinary shares in the capital of the Company not exceeding in aggregate the Maximum Limit (as defined below), at such price(s) as may be determined by the Directors from time to time up to the Maximum Price (as defined below), whether by way of:
  - (a) on-market purchase(s) (each a "**Market Purchase**") which are transacted on the SGX-ST or, as the case may be, any other securities exchange on which the Shares may for the time being be listed and quoted, and which may be transacted through one or more duly licensed stockbrokers appointed by the Company for the purpose; and/ or
  - (b) off-market purchase(s) (each an "**Off-Market Purchase**"), which are purchases of Shares effected otherwise than on an approved exchange in Singapore or any securities exchange outside Singapore, in accordance with any equal access scheme(s) as defined in Section 76C of the Companies Act and as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Constitution and the Catalist Rules;

and otherwise in accordance with all other laws and regulations, including but not limited to, the provisions of the Companies Act and the Catalist Rules as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "**Share Buyback Mandate**");



# Notice Of Annual General Meeting

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- (2) unless varied or revoked by the members of the Company in a general meeting, the authority conferred on the Directors pursuant to the Share Buyback Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earlier of:
- (a) the date on which the next AGM is held or required by law or the Constitution to be held;
  - (b) the date on which the purchases or acquisitions of Shares by the Company pursuant to the Share Buyback Mandate are carried out to the full extent mandated; or
  - (c) the date on which the authority contained in the Share Buyback Mandate is varied or revoked by an ordinary resolution of the Shareholders in a general meeting.
- (3) in this Resolution:

**“Maximum Limit”** means that number of issued Shares representing ten percent (10%) of the total number of issued Shares as at the date of the passing of this Resolution, unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period, in which event the total number of Shares shall be taken to be the total number of issued Shares as altered (excluding any treasury shares and subsidiary holdings that may be held by the Company from time to time). Any shares which are held as treasury shares and subsidiary holdings will be disregarded for purposes of computing the ten percent (10%) limit;

**“Relevant Period”** means the period as set out in sub-paragraph (2) above; and

**“Maximum Price”**, in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) which shall not exceed:

- (a) in the case of a Market Purchase, one hundred and five percent (105%) of the Average Closing Price; and
- (b) in the case of an Off-Market Purchase pursuant to an equal access scheme, one hundred and twenty percent (120%) of the Average Closing Price,

where:

**“Average Closing Price”** means the average of the closing market prices of the Shares over the last five (5) market days, on which transactions in the Shares were recorded, before the day of the Market Purchase of the Company, or as the case may be, before the day of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs during the relevant five (5) market days period and the day on which the purchases are made;

**“day of the making of the offer”** means the day on which the Company announces its intention to make an offer for an Off-Market Purchase, stating therein the purchase price (which shall not be more than the Maximum Price for an Off-Market Purchase calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase; and

# Notice Of Annual General Meeting

- (4) the Directors of the Company and/ or any of the Directors be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/ or he/ she may consider necessary, expedient, incidental or in the interests of the Company to give effect to the Share Buyback Mandate and/ or this Resolution."

*See Explanatory Note (e)*

**(Resolution 8)**

10. **Authority to grant options and to issue shares under the SOG Employee Share Option Scheme**

"That, pursuant to Section 161 of the Companies Act, the Directors of the Company be and are hereby authorised to offer and grant options in accordance with the provisions of the SOG Employee Share Option Scheme (the "**Scheme**") and to allot and issue from time to time such Shares as may be required to be issued pursuant to the exercise of the options granted or to be granted under the Scheme provided always that the aggregate number of Shares issued and issuable in respect of all options granted or to be granted under the Scheme, all awards granted or to be granted under the SOG Performance Share Plan and all Shares, options or awards granted or to be granted under any other share option schemes or share plans of the Company, shall not exceed fifteen percent (15%) of the total number of issued Shares excluding treasury shares and subsidiary holdings of the Company."

*See Explanatory Note (f)*

**(Resolution 9)**

11. **Authority to grant awards and to issue shares under the SOG Performance Share Plan**

"That, pursuant to Section 161 of the Companies Act, the Directors of the Company be and are hereby authorised to grant awards in accordance with the provisions of the SOG Performance Share Plan (the "**Plan**") and to allot and issue from time to time such Shares as may be required to be issued pursuant to the Plan provided always that the aggregate number of Shares to be issued pursuant to the Plan, when added to the number of shares issued and issuable or existing Shares delivered and deliverable in respect of all awards granted or to be granted under the Plan, all options granted or to be granted under the Scheme and all shares, options or awards granted under any other share scheme of the Company, shall not exceed fifteen percent (15%) of the total number of issued Shares excluding treasury shares and subsidiary holdings of the Company."

*See Explanatory Note (g)*

**(Resolution 10)**

12. To transact any other business which may be properly transacted at an AGM.

BY ORDER OF THE BOARD

Chong Pei Wen (Ms)  
Company Secretary  
8 April 2021  
Singapore

# Notice Of Annual General Meeting

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## Explanatory Notes:

- (a) In relation to Resolution 3 proposed above, Dr. Lee Keen Whye is an Executive Director and substantial shareholder of the Company. Apart from that, there is no relationship (including immediate family relationships) between Dr. Lee and the other Directors, the Company or its 5% shareholders and the detailed information on Dr. Lee is set out in the section entitled "Board Membership" in the Corporate Governance Report and "Disclosure of Information on Directors Seeking Re-election" on page 220 to 228 of the Company's 2020 Annual Report.
- (b) In relation to Resolution 4 proposed above, there is no relationship (including immediate family relationships) between Mr. Ng Boon Yew and the other Directors, the Company or its 5% shareholders and the detailed information on Mr. Ng is set out in the section entitled "Board Membership" in the Corporate Governance Report and "Disclosure of Information on Directors Seeking Re-election" on page 220 to 228 of the Company's 2020 Annual Report.
- (c) Mr. Chan Heng Toong will not be seeking re-election and will retire from the Board at the conclusion of this AGM. Subsequent to the conclusion of the AGM, Mr. Chan will cease as the Independent Director of the Company, the Chairman of the Nominating Committee and a member of the Nominating Committee and Remuneration Committee of the Company.
- (d) The Ordinary Resolution 7 above, if passed, will empower the Directors of the Company from the date of this AGM until the date of the next AGM, or the date on which the next AGM is required by law to be held or when varied or revoked by the Company in general meeting, whichever is earlier, to allot and issue Shares and convertible securities in the Company up to an amount not exceeding in total, one hundred percent (100%) of the issued Shares excluding treasury shares and subsidiary holdings at the time of passing of this resolution, of which up to fifty percent (50%) may be issued other than on a pro-rata basis to existing shareholders.
- (e) The Ordinary Resolution 8 above, if passed, will authorise the Directors of the Company from the date of this AGM until the next AGM of the Company, or the date on which the next AGM of the Company is required by law or the Constitution to be held or when such authority is varied or revoked by an ordinary resolution of the Shareholders in a general meeting, whichever is the earlier, to purchase up to ten percent (10%) of the total number of issued Shares in the capital of the Company (excluding treasury shares and subsidiary holdings). Please refer to the Appendix to the Company's 2020 Annual Report for details.
- (f) The Ordinary Resolution 9 above, if passed, will empower the Directors to grant options and to allot and issue Shares upon the exercise of such options granted or to be granted in accordance with the Scheme provided that the number of Shares which the Directors may allot and issue under this Resolution, together with any Shares issued and issuable in respect of all options granted or to be granted under the Scheme, pursuant to the vesting of any awards granted under the Plan and any Shares, options or awards granted or to be granted under any other share schemes of the Company, shall not, in aggregate, exceed fifteen percent (15%) of the total number of issued Shares excluding treasury shares and subsidiary holdings of the Company from time to time.
- (g) The Ordinary Resolution 10 above, if passed, will empower the Directors to vest awards and to allot and issue Shares pursuant to the vesting of such awards in accordance with the Plan provided that the number of Shares which the Directors may allot and issue under this Resolution, together with any Shares issued and issuable in respect of all awards granted under the Plan and all options granted or to be granted under the Scheme and any Shares, options or awards granted or to be granted under any other share schemes of the Company, shall not, in aggregate, exceed fifteen percent (15%) of the total number of issued Shares excluding treasury shares and subsidiary holdings of the Company from time to time.

# Notice Of Annual General Meeting

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## Important Notes:

1. Pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020, the AGM of the Company will be convened and held by electronic means. **NO PHYSICAL ATTENDANCE TO THE AGM IS PERMITTED.**
2. The Notice of AGM, Proxy Form and Annual Report will be sent to the members solely by electronic means via publication on the Company's website at the URL <https://sog.listedcompany.com/> and will also be made available on SGXNet at the URL <https://www.sgx.com/securities/company-announcements>. Printed copies of these documents will NOT be despatched to members.
3. **Registration to attend Live AGM Webcast**
  - (a) All members as well as investors who hold shares through relevant intermediaries (as defined in Section 181(1C) of the Companies Act) ("**Investors**") (including Supplementary Retirement Scheme ("**SRS**") ("**SRS investors**")), who wish to follow the proceedings of the AGM through the Live AGM Webcast must pre-register online at <https://online.meetings.vision/sog-agm-registration> ("**Pre-registration**") for verification purposes. The website will be open for pre-registration from 9 April 2021, 10 a.m. and will close at 16 April 2021, 10 a.m. (the "**Registration Deadline**").
  - (b) All members who held shares through SRS investment account/ a securities sub-account in Depository Agents ("**DAs**") must inform their respective SRS Operators/ DAs that they have registered for the Live AGM Webcast and provide their SRS Operators/ DAs with their registration details.
  - (c) Following the verification, authenticated members will receive the login details to join the Live AGM Webcast or telephone number to call for the audio feeds by 21 April 2021, 10 a.m. via the e-mail address provided at Pre-registration.
  - (d) Members must not forward the login details to join the Live AGM Webcast or telephone number to call for the audio feeds to other persons who is not a member of the Company and/ or who is not authorised to attend the Live AGM Webcast.
  - (e) Members who register by the Registration Deadline but do not receive an email response by 22 April 2021, 10 a.m. may contact the Company via electronic mail to [ir@sog.com.sg](mailto:ir@sog.com.sg).
4. **Proxy Voting**
  - (a) All members (whether individual or corporate) who wish to exercise his/ her/ its voting rights at the AGM must submit a proxy form in advance to appoint the Chairman of the AGM to vote on his/ her/ its behalf. The members must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment will be treated as invalid.

For SRS investors who wish to appoint the Chairman of the AGM as their proxy should approach their respective SRS Operators to submit their votes at least seven (7) working days before the AGM (i.e., by 13 April 2021), to ensure that their votes are submitted.
  - (b) The Chairman of the AGM, as proxy, need not be a member of the Company.

# Notice Of Annual General Meeting

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- (c) The duly completed and signed proxy form must be deposited not less than forty-eight (48) hours before the time scheduled for the AGM via either the following means:
  - (i) post to the Share Registrar's office at 80 Robinson Road, #11-02, Singapore 068898;
  - (ii) electronic mail to [sg.is.proxy@sg.tricorglobal.com](mailto:sg.is.proxy@sg.tricorglobal.com);or
  - (iii) via webcast pre-registration website at <https://online.meetings.vision/sog-agm-registration>.
- (d) The Company shall be entitled to reject the instrument appointing the Chairman of the AGM as proxy if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the Chairman of the AGM as proxy (such as in the case where the appointor submits more than one instrument of proxy).
- (e) In the case of a member whose Shares are entered against his/ her name in the Depository Register, the Company may reject any instrument appointing the Chairman of the AGM as proxy lodged if such member, being the appointor, is not shown to have Shares entered against his/ her name in the Depository Register as at 72 hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

## 5. Submission of Questions

- (a) Members will not be able to ask questions during the Live AGM Webcast. It is important for Members to pre-register their participation in order to be able to submit their questions in advance of the AGM.
- (b) All members may submit questions relating to the agenda of the AGM via electronic mail to [ir@sog.com.sg](mailto:ir@sog.com.sg) or via the webcast pre-registration website. All questions must be submitted by 20 April 2021, 10 a.m.
- (c) The Company will endeavour to address substantial and relevant questions relating to the agenda of the AGM received from the members before or during the AGM.

The Company may be required to change its AGM arrangements at short notice. Members are advised to regularly check the Company's announcements on SGXNet or the Company's website at [www.sog.com.sg](http://www.sog.com.sg) for any changes or updates on the AGM.

### ***Personal data privacy:***

By submitting an instrument appointing a proxy(ies) and/ or representative(s) to vote at the AGM and/ or any adjournment thereof, a member of the Company (a) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents or service providers) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/ or guidelines (collectively, the "Purposes"), (b) warrants that where the member discloses the personal data of the member's proxy(ies) and/ or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/ or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/ or representative(s) for the Purposes, and (c) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

# Disclosure Of Information On Directors Seeking Re-Election

Dr. Lee Keen Whye and Mr. Ng Boon Yew are the Directors seeking re-election at the forthcoming Annual General Meeting of the Company to be convened on 23 April 2021 ("AGM") (collectively, the "Retiring Directors").

Pursuant to Rule 720(5) of the Catalist Rules of the SGX-ST, the information relating to the Retiring Directors as set out in Appendix 7F of the Catalist Rules of the SGX-ST is disclosed below:

	Name of Director to be re-elected	
	Dr. Lee Keen Whye	Mr. Ng Boon Yew
Designation	Executive Director	Lead Independent Director, Chairman of the Audit Committee and member of the Nominating Committee
Date of appointment	6 January 2011	1 February 2018
Date of last re-appointment	26 April 2019	20 April 2018
Age	67	66
Country of principal residence	Singapore	Singapore
Academic qualifications	<ul style="list-style-type: none"> <li>Bachelor of Medicine and Bachelor of Surgery, National University of Singapore</li> </ul>	<ul style="list-style-type: none"> <li>GCE "A" Levels</li> </ul>
Professional memberships/ qualifications	<ul style="list-style-type: none"> <li>Fellow of the Royal College of Obstetrician and Gynaecologists, United Kingdom</li> <li>Fellow of the Academy of Medicine of Singapore</li> </ul>	<ul style="list-style-type: none"> <li>Fellow Member of the Institute of Chartered Accountant in England &amp; Wales</li> <li>Fellow of CPA Australia</li> <li>Fellow of the Association of Chartered Certified Accountants</li> </ul>
	<u>Current directorships</u>	
Public companies	Nil	<ul style="list-style-type: none"> <li>Kee Song Bio-Technology Holdings Limited (listed on Taiwan Stock Exchange)</li> <li>National Kidney Foundation</li> <li>Pek Tiong Seng Foundation</li> <li>Raffles Campus Foundation Ltd.</li> <li>SingHealth Fund Limited</li> </ul>

# Disclosure Of Information On Directors Seeking Re-Election

	Name of Director to be re-elected	
	Dr. Lee Keen Whye	Mr. Ng Boon Yew
Private companies	<ul style="list-style-type: none"> <li>▪ K W Lee Clinic &amp; Surgery for Women Pte. Ltd.</li> <li>▪ Beh's Clinic for Women Pte. Ltd.</li> <li>▪ Choo Wan Ling Women's Clinic Pte. Ltd.</li> <li>▪ Heng Clinic for Women Pte. Ltd.</li> <li>▪ SOG Children (Paediatrics - Central) Pte. Ltd.</li> <li>▪ SOG Children (Paediatrics - Gastroenterology Liver) Pte. Ltd.</li> <li>▪ SOG Children (Paediatrics - Gleneagles) Pte. Ltd.</li> <li>▪ SOG Dermatology (Gleneagles) Pte. Ltd.</li> <li>▪ SOG-Cindy Pang Clinic for Women Pte. Ltd.</li> <li>▪ SOG-Clara Ong Clinic for Women Pte. Ltd.</li> <li>▪ SOG-HL Sim Colorectal, Endoscopy &amp; General Surgery Pte. Ltd.</li> <li>▪ Avesa Pte. Ltd.</li> <li>▪ Clover Mum Pte. Ltd.</li> <li>▪ Lee &amp; Lee Clinic Pte. Ltd.</li> <li>▪ Singa Hospitality Pte. Ltd.</li> <li>▪ Singa Hotel Development Pte. Ltd.</li> <li>▪ Singa Hotel Nagoya Pte. Ltd.</li> <li>▪ Singa Management Pte. Ltd.</li> <li>▪ Singa Project Development Pte. Ltd.</li> <li>▪ Singa Realty Pte. Ltd.</li> <li>▪ Singa SV Investment Pte. Ltd.</li> <li>▪ Singa Wealth Pte. Ltd.</li> <li>▪ 3LA-HK Pte. Ltd.</li> <li>▪ 3LA-SB Pte. Ltd.</li> <li>▪ 3LA-SU Pte. Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Bismac Consultants Pte. Ltd.</li> <li>▪ Pek Chuan Development Pte. Ltd.</li> <li>▪ Raffles Campus Pte. Ltd.</li> <li>▪ Biopro Holdings Pte. Ltd.</li> </ul>

# Disclosure Of Information On Directors Seeking Re-Election

	Name of Director to be re-elected	
	Dr. Lee Keen Whye	Mr. Ng Boon Yew
	<u>Past directorships (in the last 5 years)</u>	
Public companies	Nil	<ul style="list-style-type: none"> <li>▪ Fischer Tech Ltd</li> <li>▪ Equal-Ark Singapore Ltd.</li> </ul>
Private companies	Nil	<ul style="list-style-type: none"> <li>▪ Raffles Campus (Malaysia) Pte Ltd</li> <li>▪ Raffles Campus (Seri Alam) Sdn Bhd</li> <li>▪ Excelsior Education Management Sdn Bhd</li> <li>▪ Raffles Campus Sdn Bhd</li> <li>▪ Excelsior International Education Pte Ltd</li> </ul>
Principal commitments <sup>1</sup>	Dr. Lee currently operates SOG – K W Lee Clinic for Women in Gleneagles Hospital.	Mr. Ng is the Chairman and CEO of Raffles Campus Group.
Shareholding interest in the Company and its subsidiaries	Direct interest – 35,600,356 (7.49% of total no. of ordinary shares)  Deemed interest – 46,104,524 (9.69% of total no. of ordinary shares)	Nil

<sup>1</sup> Include all commitments which involve significant time commitment such as full-time occupation, consultancy work, committee work, non-listed company board representations and directorships and involvement in non-profit organisations. Where a director sits on the boards of non-active related corporations, those appointments should not normally be considered principal commitments.



# Disclosure Of Information On Directors Seeking Re-Election

	Name of Director to be re-elected	
	Dr. Lee Keen Whye	Mr. Ng Boon Yew
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The re-election of Dr. Lee as the Executive Director of the Company was recommended by the NC and the Board has accepted the recommendation, after taking into consideration his qualifications, expertise, past experiences and overall contribution since he was appointed as an Executive Director of the Company.	The re-election of Mr. Ng as the Lead Independent Director of the Company was recommended by the NC and the Board has accepted the recommendation, after taking into consideration his qualifications, expertise, past experience and overall contribution since he was appointed as an Independent Director of the Company.
Whether the appointment has changed from non-executive to executive. If so, please state the area of responsibility	N/A	N/A
Working experience and occupation(s) during the past 10 years	1987 to Present: Dr. Lee currently operates SOG – KW Lee Clinic for Women in Gleneagles Hospital.	1999 to Present: Mr. Ng is the Chairman and CEO of Raffles Campus Group.
Any relationship (including immediate family member relationships) with any existing Director, existing executive officer, the Company and/ or substantial shareholder of the Company or any of its principal subsidiaries	No	No
Conflict of Interest (including any competing business)	No	No
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) submitted to the Company?	Yes	Yes

N/A – Not Applicable

# Disclosure Of Information On Directors Seeking Re-Election

	Name of Director to be re-elected	
	Dr. Lee Keen Whye	Mr. Ng Boon Yew
<i>The general statutory disclosures of the Directors are as follows:</i>		
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a Director or an equivalent person or a key executive, at the time when he was a Director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a Director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No
(c) Whether there is any unsatisfied judgment against him?	No	No

# Disclosure Of Information On Directors Seeking Re-Election

	Name of Director to be re-elected	
	Dr. Lee Keen Whye	Mr. Ng Boon Yew
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No

# Disclosure Of Information On Directors Seeking Re-Election

	Name of Director to be re-elected	
	Dr. Lee Keen Whye	Mr. Ng Boon Yew
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
(h) whether he has ever been disqualified from acting as a Director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of: -		
i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No

# Disclosure Of Information On Directors Seeking Re-Election

	Name of Director to be re-elected	
	Dr. Lee Keen Whye	Mr. Ng Boon Yew
ii. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No
iii. any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No
iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No

# Disclosure Of Information On Directors Seeking Re-Election

	Name of Director to be re-elected	
	Dr. Lee Keen Whye	Mr. Ng Boon Yew
	<b>Prior Experience as a Director of a Listed Company on the Exchange</b>	
Any prior experience as a Director of an issuer listed on the Exchange?	N/A. This relates to the re-appointment of Dr. Lee Keen Whye as an Executive Director of the Company.	N/A. This relates to the re-appointment of Mr. Ng Boon Yew as an Independent Director of the Company.
Attended or will be attending training on the roles and responsibilities of a Director of a listed issuer as prescribed by the Exchange?	N/A	N/A
Please provide details of relevant experience and the nominating committee's reasons for not requiring the Director to undergo training as prescribed by the Exchange (if applicable).	N/A	N/A

N/A – Not Applicable

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# SINGAPORE O&G LTD.

(Company Registration No. 201100687M)

(Incorporated in the Republic of Singapore)

## PROXY FORM

### IMPORTANT:

1. Alternative arrangements relating to, among others, attendance, submission of questions in advance and/ or voting at the AGM are set out in the Annual Report.
2. This Proxy Form is not valid for use by investors who hold ordinary shares in the Company ("Shares") through relevant intermediaries (as defined in Section 181 of the Companies Act (Chapter 50 of Singapore)), including SRS investors, and shall be ineffective for all intents and purposes if used or purported to be used by them. Such investors (including SRS investors), if they wish to vote, should contact their respective relevant intermediaries as soon as possible to specify voting instructions. SRS investors should approach their respective SRS Operators to submit their votes at least **seven (7) working days** before the AGM (i.e. **by 13 April 2021**).

### PERSONAL DATA PRIVACY

3. By submitting an instrument appointing a proxy(ies) and/ or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 8 April 2021.

I/ We, \_\_\_\_\_ (Name) \_\_\_\_\_ (NRIC/ Passport/ Registration No.)  
of \_\_\_\_\_ (Address)

being \*a member/ members of **SINGAPORE O&G LTD.** (the "**Company**"), hereby appoint the Chairman of the Annual General Meeting (the "**AGM**") of the Company, as \*my/ our proxy to vote for \*me/ us on \*my/ our behalf, at the AGM of the Company to be held by way of electronic means, on Friday, 23 April 2021 at 10.00 a.m. and at any adjournment thereof.

\*I/ We direct the Chairman of AGM to vote for or against or to abstain from voting on the Ordinary Resolutions to be proposed at the AGM as indicated hereunder.

**Members should specifically indicate in this Proxy Form how they wish to vote for or against or to abstain from voting on the resolutions to be tabled at the AGM.** In the absence of specific directions in respect of a resolution, the appointment of the Chairman of the AGM as your proxy will be treated as invalid.

Note: Voting will be conducted by poll.

No.	Ordinary Resolutions	For **	Against **	Abstain **
1	Adoption of Directors' Statement and Audited Financial Statements for the financial year ended 31 December 2020 and the Independent Auditor's Report thereon.			
2	Declaration of a tax exempt (one-tier) final dividend of 1.20 Singapore cents per ordinary share for the financial year ended 31 December 2020			
3	Re-election of Director pursuant to Article 91 - Dr. Lee Keen Whye			
4	Re-election of Director pursuant to Article 91 - Mr. Ng Boon Yew			
5	Approval of the Independent Directors' fees of not exceeding S\$168,000 for the financial year ended 31 December 2020			
6	Re-appointment of Messrs Foo Kon Tan LLP as Auditors of the Company and to authorise the Directors to fix their remuneration			
7	Authority to allot and issue shares pursuant to the Share Issue Mandate			
8	Proposed Renewal of the Share Buyback Mandate			
9	Authority to grant options and issue shares under SOG Employee Share Option Scheme			
10	Authority to grant awards and to issue shares under SOG Performance Share Plan			

### Notes:

\* Please delete accordingly.

\*\* If you wish to exercise all your votes "For" or "Against" or to "Abstain", please indicate with a "✓" within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2021

\_\_\_\_\_  
Signature(s) of member(s)/

Common Seal of Corporate member

Total No. of Shares held	No. of Shares
In Depository Register	
In Register of Members	



**IMPORTANT: PLEASE READ NOTES OVERLEAF.**

**Notes:**

1. In accordance with the alternative arrangements under the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020, members of the Company who wish to have their votes cast at the AGM must appoint the Chairman of the AGM as their proxy to do so.
2. This Proxy Form is not valid for use by investors who hold Shares through relevant intermediaries (as defined in Section 181 of the Companies Act (Chapter 50 of Singapore)), including SRS investors, and shall be ineffective for all intents and purposes if used or purported to be used by them. Such investors (including SRS investors), if they wish to vote, should contact their respective relevant intermediaries as soon as possible to specify voting instructions. **SRS investors should approach their respective SRS Operators at least seven (7) working days before the AGM to specify voting instructions.**
3. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (maintained by The Central Depository (Pte) Limited), you should insert that number of Shares in the box provided next to Depository Register. If you have Shares registered in your name in the Register of Members (maintained by or on behalf of the Company), you should insert that number of Shares in the box provided next to Register of Members.
4. The Chairman of the AGM, as proxy, need not be a member of the Company.
5. The instrument appointing the Chairman of the AGM as proxy must be deposited with the Company (i) via post to the Share Registrar's office at 80 Robinson Road, #11-02, Singapore 068898; (ii) electronic mail to [sg.is.proxy@sg.tricorglobal.com](mailto:sg.is.proxy@sg.tricorglobal.com); or (iii) via webcast pre-registration website at <https://online.meetings.vision/sog-agm-registration>, and received by the Company not less than forty-eight (48) hours before the time for holding of the AGM.

Fold Here

**Affix  
Postage  
Stamp**

**The Company Secretary**  
**SINGAPORE O&G LTD.**  
C/ O Tricor Barbinder Share Registration Services  
(A division of Tricor Singapore Pte. Ltd.)  
80 Robinson Road  
#11-02  
Singapore 068898

Fold Here

6. Where an instrument appointing the Chairman of the AGM as proxy is sent by post, it must be under the hand of the appointor or of his attorney duly authorised in writing and where such instrument is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised.  
  
Where an instrument appointing the Chairman of the AGM as proxy is submitted by email, it must be authorised in the following manner:
  - (a) by way of the affixation of an electronic signature by the appointor or his duly authorised attorney or, as the case may be, an officer or duly authorised attorney of a corporation; or
  - (b) by way of the appointor or his duly authorised attorney or, as the case may be, an officer or duly authorised attorney of a corporation signing the instrument under hand and submitting a scanned copy of the signed instrument by email.  
Where an instrument appointing the Chairman of the AGM as proxy is signed or, as the case may be, authorised on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument appointing the Chairman of the AGM as proxy, failing which the instrument may be treated as invalid.
7. The Company shall be entitled to reject the instrument appointing the Chairman of the AGM as proxy if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the Chairman of the AGM as proxy (such as in the case where the appointor submits more than one instrument of proxy).
8. In the case of a member whose Shares are entered against his/ her name in the Depository Register, the Company may reject any instrument appointing the Chairman of the AGM as proxy lodged if such member, being the appointor, is not shown to have Shares entered against his/ her name in the Depository Register as at seventy-two (72) hours before the time appointed for holding of the AGM (i.e. 10.00 a.m. on 20 April 2021), as certified by The Central Depository (Pte) Limited to the Company.

**Reduces Appearance  
of Stretch Marks**

Stimulates collagen & elastin.

**Prevents  
Stretch Marks**

Hydrates and restores  
skin barrier function.

**Restores  
Skin Barrier**

Enhances,  
strengthens and  
firms the skin.

**Skin  
Firming Oil**

**Firming &  
Elasticity**

Reduces the  
formation of  
stretch marks.

**Prevents  
Premature Ageing**

Improves the appearance  
of stretch marks.

**Reduces Formation of  
Stretch Marks & Wrinkles**

Nourishes the skin and  
increases skin elasticity.



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**SINGAPORE O&G LTD.**  
CARING FOR WOMEN'S & CHILDREN'S HEALTH

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(Company Registration No: 201100687M)

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Singapore 398007

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(65) 6440 8240



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