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

UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE FIRST QUARTER ENDED 31 MARCH 2017

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

	Group		
	3 Months ended 31/3/2017 (Unaudited) S$	Adjusted 3 Months ended 31/3/2016^ (Unaudited) S$	Increase/ (Decrease) %
Revenue	6,988,502	6,584,273	6.1%
Other operating income	44,826	102,374	(56.2%)
Consumables and medical supplies used	(1,058,967)	(1,017,935)	4.0%
Employee benefits expense	(2,814,799)	(2,528,275)	11.3%
Depreciation of plant and equipment	(118,281)	(76,316)	55.0%
Other operating expense	(652,166)	(709,107)	(8.0%)
Profit from operations	**2,389,115**	**2,355,014**	**1.4%**
Finance income	5,900	-	>100%
Finance expense	(59,709)	(112,350)	(46.9%)
Net finance income/(expense)	**(53,809)**	**(112,350)**	**(52.1%)**
Profit before income tax	**2,335,306**	**2,242,664**	**4.1%**
Income tax expense	(334,192)	(296,967)	12.5%
Profit for the period	**2,001,114**	**1,945,697**	**2.8%**
Other comprehensive income, at nil tax	-	-	-
Total comprehensive income for the period	**2,001,114**	**1,945,697**	**2.8%**

Notes to the Income Statement and Statement of Comprehensive Income:

^ With reference to the Financial Statement Announcement for the year ended 31 December 2016, the following illustrates the Group's profit for the 3 months ended 31 March 2016 if:

1. The Group has accrued S$0.5 million per quarter (S$2.0 million for FY 2016) for FY 2016 bonuses for specialist medical practitioners, clinical and management staff instead of booking the whole of the expense in December 2016; and

2. The Group has accrued S$0.1 million per quarter (S$0.4 million for FY 2016) for FY 2016 finance expense for the unwinding of the discount implicit on the second cash consideration of S$4.0 million paid for the acquisition of the entire rights, title and interest of Dr. Joyce Lim Teng Ee ("Dr. Joyce Lim") and JL Laser & Surgery Centre Pte. Ltd. ("JLLSC"), JL Esthetic Research Centre Pte. Ltd. ("JLERC") and JL Dermatology Pte. Ltd. ("JLD", and together with JLLSC and JLERC, collectively known as the "Targets"), in the Target's business and medical practices on 1 January 2016 (the "Acquisition of JL"). For the avoidance of doubt, the Group paid no interest on the amount owing to Dr. Joyce Lim. The amount is an accounting standards requirement and purely a book entry.

	3 Months ended 31/3/2016 (Unaudited) S$	Adjusted 3 Months ended 31/3/2016 (Unaudited) S$	Increase/ (Decrease) After Adjustments S$	Remarks
Revenue	6,584,273	6,584,273	-	
Other operating income	102,374	102,374	-	
Consumables and medical supplies used	(1,017,935)	(1,017,935)	-	
Employee benefits expense	(1,973,487)	(2,528,275)	554,788	Refer to Note #1 above.
Depreciation of plant and equipment	(76,316)	(76,316)	-	
Other operating expense	(709,107)	(709,107)	-	
Profit from operations	**2,909,802**	**2,355,014**	**(554,788)**	
Finance income	-	-	-	
Finance expense	-	(112,350)	112,350	Refer to Note #2 above.
Net finance expense	**-**	**(112,350)**	**(112,350)**	
Profit before income tax	**2,909,802**	**2,242,664**	**(667,138)**	
Income tax expense	(391,281)	(296,967)	(94,314)	Tax effect on Note #1.
Profit for the period	**2,518,521**	**1,945,697**	**(512,905)**	
Other comprehensive income, at nil tax	-	-	-	
Total comprehensive income for the period	**2,518,521**	**1,945,697**	**(512,905)**	

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

		Group		Company	
		31/3/2017	31/12/2016	31/3/2017	31/12/2016
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
	Note	S$	S$	S$	S$
ASSETS					
Non-current assets					
Goodwill		26,929,999	26,929,999	-	-
Plant and equipment		1,586,161	1,554,794	127,073	91,709
Available-for-sale financial assets		148,411	148,411	148,411	148,411
Deferred tax assets		11,943	10,450	9,145	7,652
Investment in subsidiaries		-	-	34,328,536	34,328,536
		28,676,514	**28,643,654**	**34,613,165**	**34,576,308**
Current assets					
Inventories		2,024,954	2,152,469	-	-
Trade and other receivables	A	1,776,571	2,092,939	2,751,129	1,994,016
Cash and cash equivalents		20,410,568	21,376,324	5,911,584	10,548,940
		24,212,093	25,621,732	8,662,713	12,542,956
Total assets		**52,888,607**	**54,265,386**	**43,275,878**	**47,119,264**
EQUITY AND LIABILITIES					
Capital and reserves					
Share capital		29,645,500	29,645,500	29,645,500	29,645,500
Reserves		13,999,601	11,998,487	9,171,919	9,340,068
Total equity		**43,645,101**	**41,643,987**	**38,817,419**	**38,985,568**
Non-current liabilities					
Deferred tax liabilities		71,286	66,601	-	-
Trade and other payables	B	-	3,761,166	-	3,761,166
		71,286	**3,827,767**	**-**	**3,761,166**
Current liabilities					
Trade and other payables	B	7,067,063	7,052,275	4,455,459	4,372,530
Deferred revenue		413,143	380,343	3,000	-
Current tax liabilities		1,692,014	1,361,014	-	-
		9,172,220	8,793,632	4,458,459	4,372,530
Total liabilities		**9,243,506**	**12,621,399**	**4,458,459**	**8,133,696**
Total equity and liabilities		**52,888,607**	**54,265,386**	**43,275,878**	**47,119,264**

Notes to the Statement of Financial Position:

A. The breakdown of trade and other receivables are as follows:

	Group		Company	
	31/3/2017 (Unaudited) S$	**31/12/2016 (Audited) S$**	**31/3/2017 (Unaudited) S$**	**31/12/2016 (Audited) S$**
Current				
Trade receivables	1,103,453	1,338,515	11,900	12,222
Amounts due from subsidiaries (non-trade)	-	-	2,578,181	1,732,832
Deposits	341,785	344,285	98,002	98,582
Other receivables	4,438	86,707	-	86,707
Loans and receivables	1,449,676	1,769,507	2,688,083	1,930,343
Prepayments	326,895	323,432	63,046	63,673
	1,776,571	**2,092,939**	**2,751,129**	**1,994,016**

B. The breakdown of trade and other payables are as follows:

	Group		Company	
	31/3/2017 (Unaudited) S$	**31/12/2016 (Audited) S$**	**31/3/2017 (Unaudited) S$**	**31/12/2016 (Audited) S$**
Non-current				
Contingent consideration	**-**	**3,761,166**	**-**	**3,761,166**
Current				
Trade payables	732,021	839,749	265,248	282,273
Accrued operating expense	1,883,920	1,813,596	278,618	189,162
Amounts due to subsidiaries (non-trade)	-	-	76,020	119,021
Amounts due to director (non-trade)	244,000	244,000	-	-
Other payables	386,248	389,547	14,699	16,691
Contingent consideration*	3,820,874	3,765,383	3,820,874	3,765,383
	7,067,063	**7,052,275**	**4,455,459**	**4,372,530**

* As at 31 March 2017, the current contingent consideration relates to the fair value of the third tranche cash consideration payable for the Acquisition of JL due on 1 January 2018.

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

(A) the amount repayable in one year or less, or on demand:
None.

(B) the amount repayable after one year:
None.

(C) whether the amounts are secured or unsecured; and
None.

(D) details of any collaterals.
None.

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

	Group	
	3 Months ended 2017 (Unaudited) S$	**3 Months ended 2016 (Unaudited) S$**
Cash Flows from Operating Activities		
Profit before taxation	2,335,306	2,242,664
Adjustments for:		
Depreciation of plant and equipment	118,281	76,316
Interest expense	59,709	112,350
Interest income	(5,900)	-
Operating profit before working capital changes	2,507,396	2,431,330
Changes in inventories	127,515	72,927
Changes in trade and other receivables	234,099	(450,168)
Changes in trade and other payables	(120,806)	555,113
Cash generated from operations	2,748,204	2,609,202
Income tax paid	-	(621,366)
Net cash generated from operating activities	**2,748,204**	**1,987,836**
Cash Flows from Investing Activities		
Acquisition of subsidiaries, net of cash acquired[1]	(3,765,383)	(6,000,000)
Purchase of plant and equipment[1A]	(36,746)	(111,286)
Interest received	88,169	-
Net cash used in investing activities	**(3,713,960)**	**(6,111,286)**

	Group	
	3 Months ended 2017 (Unaudited) S$	3 Months ended 2016 (Unaudited) S$
Net decrease in cash and cash equivalents	**(965,756)**	**(4,123,450)**
Cash and cash equivalents at beginning of period	21,376,324	24,209,144
Cash and cash equivalents at end of period	**20,410,568**	**20,085,694**

Note:

[1] In January 2017, the Group paid the second tranche cash consideration of S$3.8 million (S$4.0 million less final dividend of S$234,617 for FY 2015 received by Dr. Joyce Lim in respect of the 20,401,501 consideration shares allotted) for the Acquisition of JL.

[1A] During the 3 months period ended 31 March 2017, the Group acquired plant and equipment with an aggregate cost of S$150,000 (3 months period ended 31 March 2016: S$113,000) of which S$113,000 (3 months period ended 31 March 2016: S$2,000) was included in trade payables. Cash payment of S$37,000 (3 months period ended 31 March 2016: S$111,000) was made to purchase plant and equipment.

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

The Group (Unaudited)	Share Capital S$	Capital Reserve S$	Merger Reserve S$	Retained Earnings S$	Total S$
At 1 January 2016	14,428,020	1,771,070	(1,695,311)	9,508,210	24,011,989
Total comprehensive income for the period					
Profit for the period	-	-	-	1,945,697	1,945,697
Other comprehensive income, at nil tax	-	-	-	-	-
	-	-	-	1,945,697	1,945,697
Transactions with owners of the Company, recognised directly in equity					
Contributions by and distributions to owners of the Company					
Issuance of new ordinary shares	15,217,480	-	-	-	15,217,480
At 31 March 2016	**29,645,500**	**1,771,070**	**(1,695,311)**	**11,453,907**	**41,175,166**

The Group (Unaudited)	Share Capital S$	Capital Reserve S$	Merger Reserve S$	Retained Earnings S$	Total S$
At 1 January 2017	29,645,500	1,771,070	(1,695,311)	11,922,728	41,643,987
Total comprehensive income for the period					
Profit for the period	-	-	-	2,001,114	2,001,114
Other comprehensive income, at nil tax	-	-	-	-	-
	-	-	-	2,001,114	2,001,114
At 31 March 2017	**29,645,500**	**1,771,070**	**(1,695,311)**	**13,923,842**	**43,645,101**

The Company (Unaudited)	Share Capital S$	Capital Reserve S$	Merger Reserve S$	Retained Earnings S$	Total S$
At 1 January 2016	14,428,020	1,771,070	-	6,751,881	22,950,971
Total comprehensive income for the period					
Profit for the period	-	-	-	(210,071)	(210,071)
Other comprehensive income, at nil tax	-	-	-	-	-
	-	-	-	(210,071)	(210,071)
Transactions with owners of the Company, recognised directly in equity					
Contributions by and distributions to owners of the Company					
Issuance of new ordinary shares	15,217,480	-	-	-	15,217,480
At 31 March 2016	**29,645,500**	**1,771,070**	**-**	**6,541,810**	**37,958,380**

The Company (Unaudited)	Share Capital S$	Capital Reserve S$	Merger Reserve S$	Retained Earnings S$	Total S$
At 1 January 2017	29,645,500	1,771,070	-	7,568,998	38,985,568
Total comprehensive income for the period					
Profit for the period	-	-	-	(168,149)	(168,149)
Other comprehensive income, at nil tax	-	-	-	-	-
	-	-	-	-	-
At 31 March 2017	**29,645,500**	**1,771,070**	**-**	**7,400,849**	**38,817,419**

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

As at 31 March 2017, there are no changes in the Company's share capital since the end of the previous period reported on i.e. 31 December 2016.

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

	Number of Ordinary Shares	
	31/3/2017	**31/12/2016**
Issued ordinary shares	238,401,501	238,401,501

The Company does not have any treasury shares as at 31 March 2017 and 31 December 2016.

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

Not applicable.

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable.

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

The figures have not been audited or reviewed by auditors.

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

Not applicable.

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

Except as disclosed in Section 5 below, the accounting policies and methods of computation used in the consolidated financial statements for the 3 months period ended 31 March 2017 are consistent with those applied in the audited financial statements for the year ended 31 December 2016.

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

The Group adopted a number of new or revised FRS and INT FRS that are effective for annual periods beginning on or after 1 January 2017. The adoption of these FRS and INT FRS has no significant impact on the Group's consolidated financial statements.

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

	Group	
	3 Months ended 2017 (Unaudited) S$	**3 Months ended 2016 (Unaudited) S$**
Profit attributable to equity holders of the Company (S$)	2,001,114	1,945,697
Weighted average number of ordinary shares	238,401,501	231,147,634
Basic and diluted earnings per share based on the weighted average number of ordinary shares (Cents)	0.84	0.84
For illustrative purposes[2] (Based on 238,401,501 shares)		
Basic and diluted earnings per share (Cents)	0.84	0.82

Note:
Basic and diluted earnings per share for the 3 months period ended 31 March 2017 and 2016 are computed using the net profit after tax divided by the number of ordinary shares issued and outstanding at the end of each financial period.

The Company did not have any stock options or dilutive potential ordinary shares during the 3 months period ended 31 March 2017 and 2016.

[2] Earnings per share is computed using the net profit after tax for the 3 months period ended 31 March 2017 and 2016 divided by 238,401,501 shares of the Company as at 31 March 2017 for illustration purposes only.

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

	Group		Company	
	31/3/2017 (Unaudited)	31/12/2016 (Audited)	31/3/2017 (Unaudited)	31/12/2016 (Audited)
Net assets value (S$)	43,645,101	41,643,987	38,817,419	38,985,568
Net assets value per ordinary share based on the total number of issued shares as at end of the period reported on (Cents)[3]	18.31	17.47	16.28	16.35

Note:
[3] The calculation of net asset value per ordinary share was based on 238,401,501 shares as at 31 March 2017 (31 December 2016: 238,401,501).

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

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

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

Review of the Group's Performance

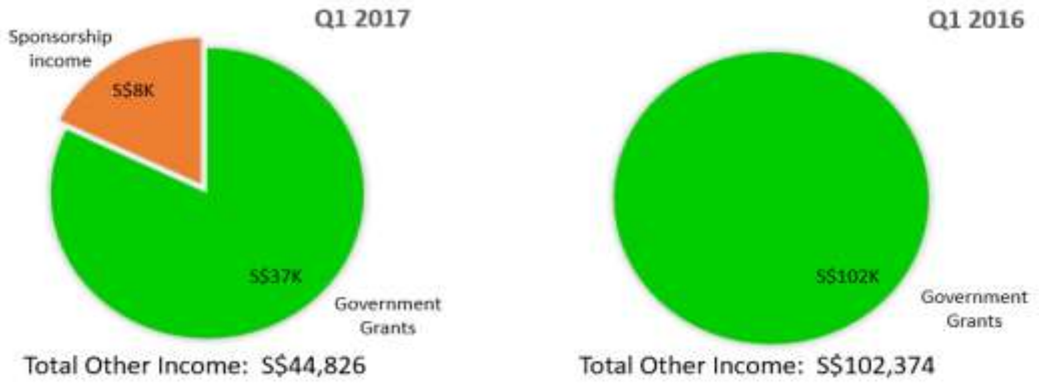
	Q1 2017 (S$)	Q1 2016 (S$)	Increase/ (Decrease) (S$)	%	The increase or (decline) in Q1 2017 as compared to Q1 2016 is mainly due to:
Revenue	6,988,502	6,584,273	404,229	6.1%	• An increase of S$0.3 million and S$0.1 million revenue from O&G and Cancer-related segments for Q1 2017, respectively.
Other operating income	44,826	102,374	(57,548)	(56.2%)	• Fewer government grants received in Q1 2017.

	Q1 2017 (S$)	Q1 2016 (S$)	Increase/ (Decrease) (S$)	%	The increase or (decline) in Q1 2017 as compared to Q1 2016 is mainly due to:
Consumables and medical supplies used	(1,058,967)	(1,017,935)	41,032	4.0%	• Increase in consumables and medical supplies used by our O&G segment arising from the increase in patient load in Q1 2017.
Employee benefits expense	(2,814,799)	(2,528,275)	286,524	11.3%	• Two new specialist medical practitioners; and • Increase in average clinical staff headcount from 29 for Q1 2016 to 34 for Q1 2017.
Depreciation of plant and equipment	(118,281)	(76,316)	41,965	55.0%	• The purchase of two new ultrasound machines for SK Lim Clinic and SC Hong Clinic in May and July 2016; and • The purchase of two new ultrasound machines for O&G and Cancer-related segments in Q1 2017.
Other operating expense	(652,166)	(709,107)	(56,941)	(8.0%)	• Professional and legal fees of S$115,000 incurred in relation to the Acquisition of JL in Q1 2016; offset by • Increase of S$49,000 for the clinic rental of SK Lim Clinic and SC Hong Clinic in Q1 2017.
Profit from operations	**2,389,115**	**2,355,014**	**34,101**	**1.4%**	
Finance income	5,900	-	5,900	>100%	• Interest income earned from cash and deposits.
Finance expense	(59,709)	(112,350)	(52,641)	(46.9%)	• An accounting (i.e. non-cash flows item) finance expense related to the Acquisition of JL. • Finance expense for Q1 2017 relates to the accrual of the unwinding of the discount implicit in the third cash tranche consideration due on 1 January 2018. The second cash tranche consideration had been paid in January 2017.
Net finance income/ (expense)	**(53,809)**	**(112,350)**	**(58,541)**	**(52.1%)**	
Profit before income tax	**2,335,306**	**2,242,664**	**92,642**	**4.1%**	
Income tax expense	(334,192)	(296,967)	37,225	12.5%	• Higher profits for Q1 2017.
Profit for the period	**2,001,114**	**1,945,697**	**55,417**	**2.8%**	

Revenue

Revenue increased by S$0.4 million or 6.1% from S$6.6 million for 3 months period ended 31 March 2016 ("**Q1 2016**") to S$7.0 million for 3 months period ended 31 March 2017 ("**Q1 2017**"). The increase was due to an increase of S$0.3 million and S$0.1 million revenue from our Obstetrics & Gynaecology ("**O&G**") and Cancer-related segments for Q1 2017, respectively.

Other Operating Income



Other operating income mainly includes government grants and sponsorship income received. Sponsorship income relates to contributions received from sponsors for public events and activities organised by the Company.

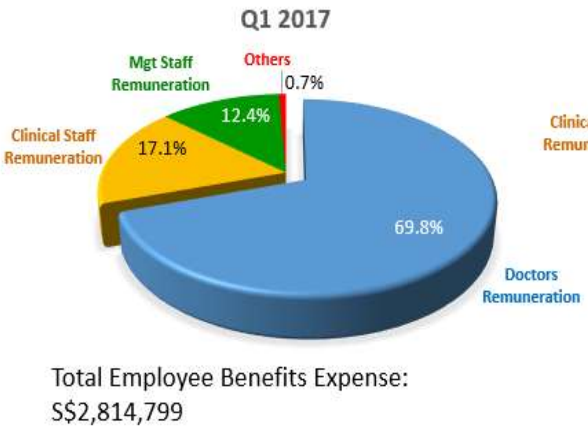
Other operating income decreased by S$58,000 or 56.2% from S$102,000 for Q1 2016 to S$45,000 for Q1 2017. The decrease is due to fewer government grants received in Q1 2017.

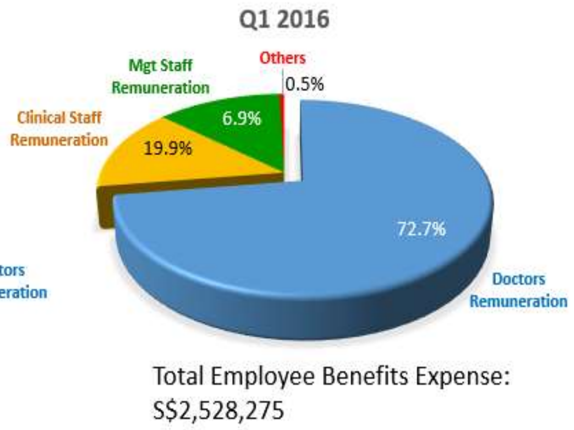
Consumables and Medical Supplies Used

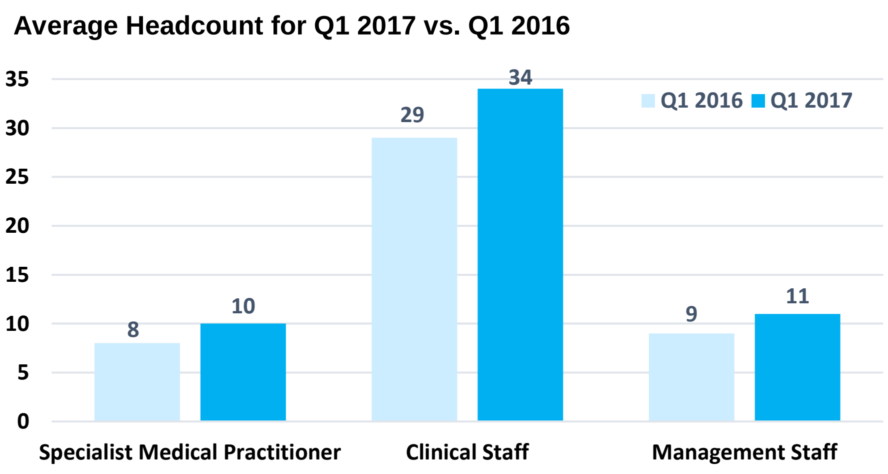
Consumables and medical supplies used increased by S$41,000 or 4.0% from S$1.0 million for Q1 2016 to S$1.1 million for Q1 2017. The increase in consumables and medical supplies used is mainly attributed to the increase in consumables and medical supplies used by our O&G segment arising from an increase in patient load for Q1 2017.

Consumables and medical supplies used as a percentage of the Group's revenue decreased by 0.3% from 15.5% for Q1 2016 to 15.2% for Q1 2017 as the speciality of O&G uses fewer consumables and medical supplies as compared to the speciality of Dermatology.

Employee Benefits Expense







Employee benefits expense increased by S$0.3 million or 11.3% from S$2.5 million for Q1 2016 to S$2.8 million for Q1 2017. The increase is mainly due to the salary and benefits expense of two new specialist medical practitioners and the increase in clinical staff headcount for the following clinics:

- SOG-SK Lim Breast and General Surgicare Clinic ("**SK Lim Clinic**") which started in May 2016,and

- SOG-SC Hong Clinic for Women ("**SC Hong Clinic**") which started in July 2016.

Employee benefits expense as a percentage of the Group's revenue increased by 1.9% from 38.4% for Q1 2016 to 40.3% for Q1 2017 due to the seniority of the specialist medical practitioners recruited.

Depreciation of Plant and Equipment

Depreciation of plant and equipment increased by S$42,000 or 55.0% from S$76,000 for Q1 2016 to S$118,000 for Q1 2017. The increase is mainly attributed to:

- The purchase of two new ultrasound machines for SK Lim Clinic and SC Hong Clinic in May and July 2016 respectively, and

- The purchase of two new ultrasound machines for our O&G and Cancer-related segments in Q1 2017.

Depreciation as a percentage of the Group's revenue increased slightly by 0.5% from 1.2% for Q1 2016 to 1.7% for Q1 2017 mainly due to a lower revenue contribution from the newly recruited specialist medical practitioners as compared to the senior specialist medical practitioners.

Other Operating Expense

Other operating expense decreased by S$57,000 or 8.0% from S$0.7 million for Q1 2016 to S$0.6 million for Q1 2017. The decrease is mainly attributed to:

- Professional and legal fees of S$115,000 incurred in relation to the Acquisition of JL in Q1 2016; offset by

- The increase of S$49,000 for the clinic rental of SK Lim Clinic and SC Hong Clinic in Q1 2017.

Other operating expense as a percentage of the Group's revenue decreased by 1.5% from 10.8% for Q1 2016 to 9.3% for Q1 2017 mainly due to the one-off professional and legal fees incurred for the Acquisition of JL in Q1 2016.

Finance Income

Finance income relates to the interest income earned from the placement of cash surplus with financial institutions. The funds are placed mainly in fixed deposit arrangements. The Group does not invest in any sophisticated financial products or derivatives.

The increase is due to placement of cash surplus into fixed deposit arrangements in Q1 2017.

Finance Expense

Finance expense relates to the unwinding of the discount implicit (i.e. non-cash flows item) in the second and third cash tranche consideration (actual payment of S$4.0 million for each tranche due on 1 January 2017 and 1 January 2018 respectively for the Acquisition of JL.

The finance expense for Q1 2017 relates to the accrual of the unwinding of the discount implicit in the third cash tranche consideration due on 1 January 2018. The second cash tranche consideration had been paid in January 2017.

Profit Before Taxation

As a result of the above, profit before tax increased by S$0.1 million or 4.1% from S$2.2 million for Q1 2016 to S$2.3 million for Q1 2017.

Income Tax Expense

Income tax expense increased by S$37,000 or 12.5% from S$297,000 for Q1 2016 to S$334,000 for Q1 2017.

Review of the Group's Financial Position

Non-Current Assets

As at 31 March 2017, non-current assets amounted to S$28.7 million or 54.2% of the Group's total assets. Non-current assets consist of the following:

- Goodwill of S$26.9 million or 93.9% of the Group's total non-current assets, comprises:

    1. S$446,000 and S$396,000 for the acquisition of Beh's Clinic for Women Pte. Ltd. and Choo Wan Ling Women's Clinic Pte. Ltd. in 2014 respectively, and

    2. S$26.1 million for the Acquisition of JL in 2016.

- Plant and equipment of S$1.6 million or 5.5% of the Group's total non-current assets. Plant and equipment increased by S$31,000 or 2.0%. The increase is attributed to the acquisition of two new ultrasound machines for our O&G and Cancer-related segment in Q1 2017.

- Available-for-sale financial assets of S$0.1 million or 0.5% of the Group's total non-current assets. The balance represents the cost of investment in SG Meditech Pte. Ltd. of S$0.2 million less impairment charge of S$0.1 million as at 31 March 2017.

- Deferred tax assets of S$12,000 or less than 0.1% of the Group's total non-current assets, arising from the timing differences in tax payables of the Group's plant and equipment.

Current Assets

As at 31 March 2017, current assets amounted to S$24.2 million or 45.8% of the Group's total assets. Current assets consist of the following:

- Inventories of S$2.0 million or 8.4% of the Group's total current assets. The decrease of S$0.1 million or 5.9% is mainly due to the lesser inventories held by our Dermatology segment as at 31 March 2017.

- Trade and other receivables of S$1.8 million or 7.3% of the Group's total current assets. The decrease of S$0.3 million or 15.1% is mainly due to:

    1. S$0.2 million decrease in our specialist medical practitioners' professional fees due from hospitals and insurance companies. This is mainly due to our step-up effort in monitoring and following up on the outstanding professional fees due from the hospitals and insurance companies; and

    2. S$0.1 million decrease in other receivables as the interest income from our fixed deposit arrangements were received in January 2017.

- Cash and cash equivalents of S$20.4 million or 84.3% of the Group's total current assets. The decrease of S$1.0 million or 4.5% is mainly due to:

    1. S$3.8 million paid for the second tranche cash consideration (S$4.0 million less FY 2015 final dividend of S$234,617 received by Dr. Joyce Lim in respect of the 20,401,501 consideration shares allotted) for the Acquisition of JL in January 2017; offset by

2. S$2.7 million net cash inflows from operating activities for Q1 2017.

Non-Current Liabilities

As at 31 March 2017, non-current liabilities amounted to S$71,000 or 0.8% of the Group's total liabilities. Non-current liabilities consist of only deferred tax liabilities.

Deferred tax liabilities arose from the timing differences in tax payables of the Group's plant and equipment.

Current Liabilities

As at 31 March 2017, current liabilities amounted to S$9.2 million or 99.2% of the Group's total liabilities. Current liabilities consist of the following:

- Trade and other payables of S$7.1 million or 77.0% of the Group's total current liabilities. The slight increase of S$15,000 or 0.2% is due to the increase in accrual for other operating expenses in Q1 2017.

- Deferred revenue of S$0.4 million, or 4.5% of the Group's total current liabilities, relates to antenatal package fees collected upfront from patients for consultations that have yet to be performed. The increase of S$33,000 or 8.6% is due to the increase in antenatal package fees received in Q1 2017.

- Current tax liabilities of S$1.7 million, or 18.5% of the Group's total current liabilities, comprise of income tax payables of S$1.4 million and S$0.3 million for FY 2016 and Q1 2017 respectively.

Shareholders' Equity

As at 31 March 2017, shareholder's equity of S$43.6 million comprises the following:

- Issued and fully paid share capital of S$29.6 million.

- Reserves of S$14.0 million which comprise of:

    1. Capital reserve of S$1.8 million representing 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 in 2014;

    2. Retained earnings of S$13.9 million; offset by

3. Merger reserve of S$1.7 million representing the difference between the consideration paid by the Company and the net assets of Heng Clinic for Women Pte. Ltd. and K W Lee Clinic & Surgery for Women Pte. Ltd. acquired by the Company.

Review of the Group's Cash Flows

Net Cash Generated from Operating Activities

There was a net cash inflow of S$2.7 million generated from operating activities for Q1 2017. This comprises operating cash inflows before changes in working capital of S$2.5 million and net working capital inflows of S$0.2 million.

The net working capital inflows of S$0.2 million is mainly due to the decrease in trade and other receivables arising from more prompt payment from the hospitals and insurance companies in Q1 2017.

Net Cash Used in Investing Activities

Net cash used in investing activities amounted to S$3.7 million which is mainly attributed to the second tranche cash consideration payment of S$3.8 million for the Acquisition of JL in January 2017.

Net Cash Generated from / Used in Financing Activities

No cash flows movements for financing activities in Q1 2017.

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

Not applicable.

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

As at the date of this Announcement, the Board of Directors are not aware of any significant change in trends and competitive conditions that will significantly affect the Group's operations and businesses. The Singapore Government has not changed its policy on or actions in encouraging population growth nor has there been any macro health risks, such as Severe Acute Respiratory ("SAR"), Middle East Respiratory Syndrome ("MERS") and Zika virus, which could severely affect private healthcare visitations.

On 1 July 2017, the Group will extend its services through the offering of maiden general paediatrics and adolescent medicine services. Whilst the Group is excited by the new offering and believes that the services will likely be able to tap onto its existing patient base, no new business is assured of success. Even if the business proves to be successful, there also exists a chance that start-up losses could cause FY 2017 earnings to be more subdued and even to decline.

Barring any unforeseen circumstances, the Board of Directors expects the Group to remain profitable in the next reporting period and the next 12 months.

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

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

None.

(B) (i) Amount per share

Not applicable.

(B)(ii) Previous corresponding period

None.

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

Not applicable.

(D) The date the dividend is payable

Not applicable.

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

Not applicable.

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

No dividend has been declared or recommended for the 3 months period ended 31 March 2017.

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

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

14 Use of IPO proceeds

Pursuant to the IPO on 4 June 2015, the Company received net proceeds of S$9.2 million (after deducting listing and processing fees, professional fees and placement commission and other expenses) from the placement of new shares.

As at the date of this Announcement, the use of IPO proceeds are as follows:

Use of IPO proceeds	Amount Allocated S$'000	Amount Utilised S$'000	Amount Unutilised S$'000
Expansion of business operations[4]	3,000	(401)	2,599
Investments in healthcare professionals and synergistic businesses[5]	6,000	(6,000)	-
Working capital purposes	200	-	200
Total	**9,200**	**(6,401)**	**2,799**

Note:

[4] The amount of S$0.4 million from the expansion of business operations category has been utilised for the set-up cost of the following new clinics:
- S$0.2 million for SK Lim Clinic, located at Mount Elizabeth Novena Specialist Centre #06-53 in May 2016; and
- S$0.2 million for SC Hong Clinic, located at Mount Alvernia Medical Centre #07-62 in July 2016.

[5] 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 Acquisition of JL 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.

15 Confirmation pursuant to Rule 705(5)

The Board of Directors hereby confirms that to the best of their knowledge, nothing has come to their attention which may render the unaudited financial statements of the Group and the Company for the 3 months period ended 31 March 2017 to be false or misleading in any material aspect.

16 Confirmation pursuant to Rule 720(1)

The Board of Directors hereby confirms that the undertakings from all its Directors and Executive Officers as required in the format as set out in Appendix 7H under Rule 720(1) of the Listing Manual had been obtained.

BY ORDER OF THE BOARD

DR. NG KOON KENG
CHIEF EXECUTIVE OFFICER
12 MAY 2017

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

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