



SINGAPORE O&G LTD.
Company Registration No. 201100687M
(Incorporated in the Republic of Singapore)

**Condensed Interim Financial Statements
As at and for the Half Year Ended 30 June 2021**

<u>Contents</u>	<u>Page</u>
Condensed Interim Consolidated Statement of Comprehensive Income	1
Condensed Interim Statements of Financial Position	2
Condensed Interim Statements of Changes in Equity	3
Condensed Interim Consolidated Statement of Cash Flows	7
Selected Notes to the Condensed Interim Financial Statements	8
Other Information required by Catalist Rule Appendix 7C	22

Condensed Interim Consolidated Statement of Comprehensive Income
For The Half Year Ended 30 June 2021

	Note	1H 2021		1H 2020		Group	
		(Unaudited)	S\$'000	(Unaudited)	S\$'000	Increase/(Decrease) S\$'000	%
Revenue	3.2	21,057	17,865		3,192	17.9%	
Other operating income		489	815		(326)	(40.0%)	
Consumables and medical supplies used		(3,649)	(3,027)		622	20.5%	
Employee remuneration expense		(10,127)	(8,986)		1,141	12.7%	
Depreciation		(1,117)	(1,083)		34	3.1%	
Other operating expense		(1,172)	(1,056)		116	11.0%	
Profit from operations		5,481	4,528		953	21.0%	
Finance income		41	124		(83)	(66.9%)	
Finance expense		(82)	(87)		(5)	(5.7%)	
Net finance (expense)/income		(41)	37		(78)	N/M	
Profit before income tax	5	5,440	4,565		875	19.2%	
Income tax expense	6	(924)	(773)		151	19.5%	
Profit for the period		4,516	3,792		724	19.1%	
Other comprehensive income, at nil tax		-	-		-	-	
Total comprehensive income for the period		4,516	3,792		724	19.1%	

N/M - Not Meaningful

Earnings per share attributable to owners of the Company (cents)

Basic	15	0.95	0.80
Diluted	15	0.95	0.80

Condensed Interim Statements of Financial Position

As at 30 June 2021

	Group		Company	
	30 Jun 2021	31 Dec 2020	30 Jun 2021	31 Dec 2020
	S\$'000	S\$'000	S\$'000	S\$'000
Note	(Unaudited)	(Audited)	(Unaudited)	(Audited)
ASSETS				
Non-current assets				
Investment in subsidiaries	9	-	24,465	24,464
Investment in a joint venture	10	640	-	-
Goodwill	11	12,230	-	-
Plant and equipment	12	1,631	36	88
Right-of-use assets	12	2,805	122	149
Financial assets, at FVOCI	13	-	-	-
Deferred tax assets		3	-	-
		17,306	24,623	24,701
Current assets				
Inventories		1,916	-	-
Trade and other receivables		3,032	6,350	4,587
Cash and cash equivalents		31,510	19,229	17,704
		36,458	25,579	22,291
Total assets		53,764	50,202	46,992
EQUITY AND LIABILITIES				
Capital and reserves				
Share capital	14	29,986	29,986	29,809
Treasury shares	14	(471)	(471)	(471)
Capital reserve		1,649	1,649	1,719
Share-based payment reserve		52	52	80
Merger reserve		(1,695)	-	-
Retained earnings		12,410	14,772	11,854
Total equity		41,931	45,988	42,991
Non-current liabilities				
Lease liabilities		1,438	-	87
Deferred tax liabilities		116	7	7
		1,554	7	94
Current liabilities				
Trade and other payables		6,513	4,077	3,831
Lease liabilities		1,482	130	70
Contract liabilities		613	-	-
Deferred grant income		-	-	6
Current tax liabilities		1,671	-	-
		10,279	4,207	3,907
Total liabilities		11,833	4,214	4,001
Total equity and liabilities		53,764	50,202	46,992

Condensed Interim Statements of Changes in Equity
For The Half Year Ended 30 June 2021

Group (Unaudited)	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
At 1 January 2021	29,809	(471)	1,719	80	(1,695)	13,600	43,042
Total comprehensive income for the period							
Profit for the period	-	-	-	-	-	4,516	4,516
Other comprehensive income, at nil tax	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	4,516	4,516
Transactions with owners of the Company, recognised directly in equity							
Contributions by and distributions to owners of the Company							
Issue of new shares under the SOG Performance Share Plan	177	-	(70)	(28)	-	-	79
Dividends paid to shareholders (Note 7)	-	-	-	-	-	(5,706)	(5,706)
Total contributions by and distribution to owners	177	-	(70)	(28)	-	(5,706)	(5,627)
At 30 June 2021	29,986	(471)	1,649	52	(1,695)	12,410	41,931

Condensed Interim Statements of Changes in Equity (Cont'd)

For The Half Year Ended 30 June 2021

Group (Unaudited)	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
At 1 January 2020	29,646	-	1,771	-	(1,695)	6,488	36,210
Total comprehensive income for the period							
Profit for the period	-	-	-	-	-	3,792	3,792
Other comprehensive income, at nil tax	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	3,792	3,792
Transactions with owners of the Company, recognised directly in equity							
Contributions by and distributions to owners of the Company							
Issue of new shares under the SOG Performance Share Plan	163	-	(23)	-	-	-	140
Shares bought back and held as treasury shares	-	(230)	-	-	-	-	(230)
Total contributions by and distribution to owners	163	(230)	(23)	-	-	-	(90)
At 30 June 2020	29,809	(230)	1,748	-	(1,695)	10,280	39,912

Condensed Interim Statements of Changes in Equity (Cont'd)

For The Half Year Ended 30 June 2021

Company (Unaudited)	Share capital S\$'000	Treasury shares S\$'000	Capital reserve S\$'000	Share-based payment reserve S\$'000	Retained earnings S\$'000	Total S\$'000
At 1 January 2021	29,809	(471)	1,719	80	11,854	42,991
Total comprehensive income for the period						
Profit for the period	-	-	-	-	8,624	8,624
Other comprehensive income, at nil tax	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	8,624	8,624
Transactions with owners of the Company, recognised directly in equity						
Contributions by and distributions to owners of the Company						
Issue of new shares under the SOG Performance Share Plan	177	-	(70)	(28)	-	79
Dividends paid to shareholders (Note 7)	-	-	-	-	(5,706)	(5,706)
Total contributions by and distribution to owners	177	-	(70)	(28)	(5,706)	(5,627)
At 30 June 2021	29,986	(471)	1,649	52	14,772	45,988

Condensed Interim Statements of Changes in Equity (Cont'd)

For The Half Year Ended 30 June 2021

Company (Unaudited)	Share capital S\$'000	Treasury shares S\$'000	Capital reserve S\$'000	Retained earnings S\$'000	Total S\$'000
At 1 January 2020	29,646	-	1,771	3,279	34,696
Total comprehensive income for the period					
Profit for the period	-	-	-	10,202	10,202
Other comprehensive income, at nil tax	-	-	-	-	-
Total comprehensive income for the period	-	-	-	10,202	10,202
Transactions with owners of the Company, recognised directly in equity					
Contributions by and distributions to owners of the Company					
Issue of new shares under the SOG Performance Share Plan	163	-	(23)	-	140
Shares bought back and held as treasury shares	-	(230)	-	-	(230)
Total contributions by and distribution to owners	163	(230)	(23)	-	(90)
At 30 June 2020	29,809	(230)	1,748	13,481	44,808

Condensed Interim Consolidated Statement of Cash Flows
For The Half Year Ended 30 June 2021

	Note	Group	
		1H 2021	1H 2020
		S\$'000	S\$'000
Cash Flows from Operating Activities			
Profit before taxation		5,440	4,565
Adjustments for:			
Depreciation of plant and equipment and right-of-use assets		1,117	1,083
Loss on disposal of plant and equipment	5.1	14	-
Gain on termination of leases		(42)	-
Interest income	5.1	(41)	(124)
Interest expense	5.1	82	87
Equity-settled share-based payment transactions	5.1	79	140
Operating profit before working capital changes		<u>6,649</u>	<u>5,751</u>
Changes in inventories		(8)	25
Changes in trade and other receivables		521	727
Changes in trade and other payables and contract liabilities		(2,426)	(1,406)
Changes in deferred grant income		(6)	-
Cash generated from operations		<u>4,730</u>	<u>5,097</u>
Income taxes paid		<u>(1,132)</u>	<u>(125)</u>
Net cash generated from operating activities		3,598	4,972
Cash Flows from Investing Activities			
Purchase of plant and equipment		(484)	(390)
Proceeds from sale of plant and equipment		42	-
Investment in a joint venture	10	(640)	-
Interest received		32	96
Net cash used in investing activities		<u>(1,050)</u>	<u>(294)</u>
Cash Flows from Financing Activities			
Dividends paid to shareholders	7	(5,706)	-
Purchase of treasury shares		-	(230)
Principal element of lease payments		(764)	(706)
Interest paid		(82)	(87)
Net cash used in financing activities		<u>(6,552)</u>	<u>(1,023)</u>
Net (decrease)/increase in cash and cash equivalents		(4,004)	3,655
Cash and cash equivalents at beginning of period		<u>35,514</u>	<u>25,985</u>
Cash and cash equivalents at end of period		<u>31,510</u>	<u>29,640</u>

Selected Notes to the Condensed Interim Financial Statements

1. Corporate information

Singapore O&G Ltd. (the “**Company**”) is incorporated and domiciled in Singapore and whose shares are publicly listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”).

These condensed interim financial statements as at and for the six months ended 30 June 2021 (“**1H 2021**”) comprise the Company and its subsidiaries (collectively, the “**Group**”).

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 the provision of obstetrical and gynaecological, dermatological, cancer-related and general surgery, and paediatrics services.

2. Basis of preparation

2.1 Statement of compliance

The condensed interim financial statements for the six months ended 30 June 2021 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“**SFRS(I)**”) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and the performance of the Group since the last annual financial statements for the year ended 31 December 2020.

2.2 Basis of measurement

The condensed interim financial statements have been prepared on the historical cost basis except as otherwise described in the notes below.

The condensed interim financial statements have been prepared on a going concern basis, since the directors have verified that there are no financial, operating or other types of indicators that might cast significant doubt upon the Group’s ability to meet its obligations in the foreseeable future and particularly within the 12 months from the end of the reporting period.

2.3 Functional and presentation currencies

The condensed interim financial statements are presented in Singapore dollars (“**S\$**”), which is the Group’s functional currency.

Selected Notes to the Condensed Interim Financial Statements (Cont'd)

2. Basis of preparation (Cont'd)

2.4 New and amended standards adopted by the Group

The accounting policies adopted are consistent with those applied in the previous financial statements for the financial year ended 31 December 2020 which were prepared in accordance with SFRS(I)s, except for the adoption of the following new and amended standards which have become applicable for the current reporting period.

- Amendments to SFRS(I) 16 Covid-19-Related Rent Concessions

The adoption of the above amendments to SFRS(I) is assessed to have no material financial effect on the results and financial position of the Group and of the Company. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

2.5 Use of estimates and judgements

The preparation of the condensed interim financial statements in conformity with SFRS(I) requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2020.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next reporting period are included in the following notes:

- Notes 9 and 11 – Impairment tests for investment in subsidiaries and cash-generating units containing goodwill: key assumptions are those regarding the discount rates, revenue growth rates, terminal growth rate and gross profit margin for the forecasted period.

3. Segment and revenue information

For management purposes, the Group is organised into the 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 and cancer-related general surgery for breast, thyroid and colon (colorectal).

Selected Notes to the Condensed Interim Financial Statements (Cont'd)

3. Segment and revenue information (Cont'd)

- (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 Chief Executive Officer (“**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.

Selected Notes to the Condensed Interim Financial Statements (Cont'd)

3. Segment and revenue information (Cont'd)

3.1 Reportable operating segments

Group	Obstetrics and Gynaecology		Dermatology		Cancer-related		Paediatrics		Corporate		Elimination		Total	
	1H 2021 S\$'000	1H 2020 S\$'000	1H 2021 S\$'000	1H 2020 S\$'000	1H 2021 S\$'000	1H 2020 S\$'000	1H 2021 S\$'000	1H 2020 S\$'000	1H 2021 S\$'000	1H 2020 S\$'000	1H 2021 S\$'000	1H 2020 S\$'000	1H 2021 S\$'000	1H 2020 S\$'000
Revenue														
External	11,053	10,141	4,277	2,853	2,741	2,600	2,986	2,271	-	-	-	-	21,057	17,865
Inter-segment	119	70	9	*	58	5	15	16	-	-	(201)	(91)	-	-
Total revenue	11,172	10,211	4,286	2,853	2,799	2,605	3,001	2,287	-	-	(201)	(91)	21,057	17,865
Segment Results														
Segment profit/ (loss)														
from operations	4,183	4,054	752	90	901	1,022	783	367	(1,137)	(1,005)	-	-	5,482	4,528
Finance income	-	-	2	1	-	-	-	-	39	123	-	-	41	124
Finance expense	(35)	(29)	(23)	(32)	(10)	(8)	(10)	(12)	(4)	(6)	-	-	(82)	(87)
Profit/ (Loss) before income tax	4,148	4,025	731	59	891	1,014	773	355	(1,102)	(888)	-	-	5,441	4,565
Income tax (expense)/ credit	(603)	(583)	(128)	(7)	(143)	(157)	(109)	(39)	58	13	-	-	(925)	(773)
Profit/ (Loss) for the year	3,545	3,442	603	52	748	857	664	316	(1,044)	(875)	-	-	4,516	3,792
Assets and Liabilities														
Segment assets	9,086	14,408	21,141	20,481	3,237	4,333	2,502	2,829	50,795	46,090	(32,997)	(30,281)	53,764	57,860
Segment liabilities	7,810	9,844	2,566	2,486	2,787	2,841	3,237	3,206	4,807	4,002	(9,374)	(7,561)	11,833	14,818
Other Segment Information														
Additions of plant and equipment	164	57	261	487	84	1	13	-	6	58	-	-	528	603
Depreciation	445	400	376	345	77	95	159	158	60	85	-	-	1,117	1,083
Loss on disposal of plant and equipment	2	-	-	-	4	-	8	-	-	-	-	-	14	-
Share-based payment	-	-	-	-	-	-	-	-	79	140	-	-	79	140

* Amount less than S\$1,000

Selected Notes to the Condensed Interim Financial Statements (Cont'd)

3. Segment and revenue information (Cont'd)

3.2 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/ segments.

	Group					
	1H 2021		Total S\$'000	1H 2020		Total S\$'000
	At a point in time S\$'000	Over time S\$'000		At a point in time S\$'000	Over time S\$'000	
<u>Singapore</u>						
Obstetrics and gynaecology revenue	10,287	766	11,053	9,427	714	10,141
Dermatology revenue	4,173	104	4,277	2,810	43	2,853
Cancer-related revenue	2,706	35	2,741	2,520	80	2,600
Paediatrics revenue	2,898	88	2,986	2,196	75	2,271
	20,064	993	21,057	16,953	912	17,865

Seasonality of operations

The Group's business is not affected significantly by seasonal or cyclical factors during the financial period.

4. Financial assets and financial liabilities

	Group		Company	
	30 Jun 2021 S\$'000	31 Dec 2020 S\$'000	30 Jun 2021 S\$'000	31 Dec 2020 S\$'000
Financial assets designated at fair value through OCI (Note 13)	-	-	-	-
Financial assets at amortised cost				
Trade and other receivables, excluding prepayments	2,388	2,828	6,300	4,520
Cash and cash equivalents	31,510	35,514	19,229	17,704
	33,898	38,342	25,529	22,224
Financial liabilities at amortised cost				
Trade and other payables, excluding net GST payables	6,007	8,936	4,060	3,831
Lease liabilities	2,920	3,301	130	157
	8,927	12,237	4,190	3,988

Selected Notes to the Condensed Interim Financial Statements (Cont'd)

5. Profit before income tax

5.1 Significant items

The following items have been included in arriving at profit before income tax:

	1H 2021 S\$'000	Group	1H 2020 S\$'000
Income			
<i>Included in other operating income:</i>			
Government grants	350		670
Rental rebates	88		88
			<hr/>
Expenses			
<i>Included in employee remuneration expenses:</i>			
Directors' fees – Directors of the Company	78		84
Directors' remuneration			
- Directors of the Company	1,002		1,044
- Directors of subsidiaries	6,829		6,104
- Share-based compensation (equity-settled)	79		140
- Central Provident Fund contributions	117		97
Other than Directors			
- Salaries and other related costs	1,797		1,348
- Central Provident Fund contributions	225		169
	<hr/>		<hr/>
	10,127		8,986
<i>Included in other operating expense:</i>			
Audit fees paid/ payable to auditor of the Company	83		88
Credit card charges	242		196
Insurance	184		185
Loss on disposal of plant and equipment	14		-
Marketing expense	146		151
Professional and legal fees	154		136
			<hr/>
<i>Included in net finance expense/(income):</i>			
Interest income	(41)		(124)
Interest expense on lease liabilities	82		87
			<hr/>

Selected Notes to the Condensed Interim Financial Statements (Cont'd)

5. Profit before income tax (Cont'd)

5.2 Related party transactions

Other than as disclosed elsewhere in the interim financial statements, significant transactions with related parties are as follows:

	Group	
	1H 2021	1H 2020
	S\$'000	S\$'000
Transaction with shareholder cum director		
Rental expenses paid/ payable to Lee and Lee Clinic Pte. Ltd. #	63	58
Rental expenses paid/ payable to Avesa Pte. Ltd. #	163	150
	163	150

These relate to entities in which a director cum shareholder of the Company has financial interest in.

6. Income tax expense

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual returns. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	Group	
	1H 2021	1H 2020
	S\$'000	S\$'000
Current tax expense		
Current year	924	776
Deferred tax credit		
Origination and reversal of temporary differences	-*	(3)
	924	773

* Less than S\$1,000

7. Dividends

	Group and Company	
	1H 2021	1H 2020
	S\$'000	S\$'000
Ordinary dividends paid		
- Final tax-exempt (one-tier) dividend paid in respect of the previous financial year of 1.20 cents (2019: Nil) per share	5,706	-
	5,706	-

Selected Notes to the Condensed Interim Financial Statements (Cont'd)

8. Net asset value per share

	<u>Group</u>		<u>Company</u>	
	30 Jun 2021	31 Dec 2020	30 Jun 2021	31 Dec 2020
Net asset value (S\$'000)	<u>41,931</u>	43,042	<u>45,988</u>	42,991
Net assets value per ordinary share based on the total number of issued shares excluding treasury shares as at end of the period reported on (cents)	<u>8.81</u>	9.05	<u>9.66</u>	9.04
Number of issued shares excluding treasury shares as at end of the period	<u>476,136,344</u>	475,469,678	<u>476,136,344</u>	475,469,678

9. Investment in subsidiaries

	<u>Company</u>	
	30 Jun 2021 S\$'000	31 Dec 2020 S\$'000
Unquoted equity shares, at cost	<u>34,335</u>	34,334
Allowance for impairment losses		
At 1 January	(9,870)	(10,772)
Reversal for impairment loss	-	902
At 30 June 2021 and 31 December 2020	<u>(9,870)</u>	(9,870)
Carrying amount	<u>24,465</u>	24,464

Incorporation of a subsidiary

On 31 March 2021, the Group incorporated a wholly-owned subsidiary, SOG Mummy & Baby Centre Pte. Ltd. (“**SOGMB**”) in Singapore. The issued and paid-up share capital of SOGMB is S\$1,000. The principal activity of SOGMB is that of investment holding. SOGMB currently holds the Group’s 49% equity interest in a joint venture company in relation to the joint venture between the Company and LYC Mother & Child Centre Sdn Bhd (Note 10).

Impairment test for investment in subsidiaries

For subsidiaries with indicators of impairment, the recoverable amounts were determined based on value-in-use (“**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.

As at 31 December 2020, the recoverable amount of Dermatology Clinic CGU was determined to be higher than its carrying amount. Accordingly, a reversal of impairment loss of S\$0.90 million has been recognised in profit or loss of the Company for financial year ended 31 December 2020.

No impairment indicators were identified for the Company’s investment in subsidiaries as at 30 June 2021.

Selected Notes to the Condensed Interim Financial Statements (Cont'd)

10. Investment in a joint venture

	Group 30 Jun 2021 S\$'000	31 Dec 2020 S\$'000
Unquoted equity shares, at cost	<u>640</u>	<u>-</u>

On 30 June 2021, the Group through its wholly-owned subsidiary, SOGMB, injected RM1,960,000 (equivalent to S\$640,000) in cash representing the capital injection for its 49% equity interest in the joint venture company, LYC SOG Mother & Child Sdn Bhd.

Details of the joint venture are as follows:

<u>Name of joint venture</u>	<u>Principal activities</u>	Country of incorporation/ Principal place <u>of business</u>	<u>Effective equity held by the Group</u>	
			30 Jun 2021 %	31 Dec 2020 %
<u>Held by a subsidiary</u> LYC SOG Mother & Child Sdn Bhd	Providing the services related to the confinement centres, mother and child care services, nursing homes and family planning centres	Malaysia	49	-

11. Goodwill

	Group 30 Jun 2021 S\$'000	31 Dec 2020 S\$'000
Cost	<u>26,930</u>	<u>26,930</u>
Allowance for impairment losses 31 December 2020 and 30 June 2021	<u>(14,700)</u>	<u>(14,700)</u>
Carrying amount	<u>12,230</u>	<u>12,230</u>

Impairment tests for goodwill

As at 30 June 2021, 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, the "Dermatology Clinic CGU").

Selected Notes to the Condensed Interim Financial Statements (Cont'd)

11. Goodwill (Cont'd)

Impairment tests for goodwill (Cont'd)

	Group	
	30 Jun 2021	31 Dec 2020
	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 amounts of the CGUs were determined based on value-in-use ("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 estimated growth rates which do not exceed the long-term average growth rates in which the CGUs operate.

Key assumptions used for VIU calculations are gross profit margin, growth rate, terminal growth rate and discount rate.

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 30 June 2021 and 31 December 2020, the Group believes that any reasonably possible changes in the 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.

12. Plant and equipment and right-of-use assets

During the six months ended 30 June 2021, the Group acquired plant and equipment and recognised right-of-use assets with an aggregate cost of S\$528,000 (30 June 2020: S\$603,000) and S\$910,000 (30 June 2020: Nil) respectively, and disposed of plant and equipment with net carrying amount of S\$55,000 (30 June 2020: Nil).

Selected Notes to the Condensed Interim Financial Statements (Cont'd)

13. Financial assets at fair value through other comprehensive income and fair value measurement

	Group and Company	
	30 Jun 2021	31 Dec 2020
	S\$'000	S\$'000
<i>Equity instrument designated at FVOCI</i>		
Fair value of FVOCI, presented as non-current assets	-	-

Equity instrument designated at fair value through OCI (“**FVOCI**”) 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 (31 December 2020: 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) In a loss making position for the last 6 years;
- (ii) Does not have any signed customer contracts as at 31 December 2020;
- (iii) Has been in a net liabilities position for the last 6 years;
- (iv) 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 ANA value of SG Meditech approximates its fair value as at 31 December 2020. As SG Meditech was in a net liabilities position as at 31 December 2020, the fair valuation of SG Meditech was determined to be Nil as at 31 December 2020. No fair value gain or loss was recognised in other comprehensive income for the financial periods ended 30 June 2021 and 30 June 2020.

Selected Notes to the Condensed Interim Financial Statements (Cont'd)

13. Financial assets at fair value through other comprehensive income and fair value measurement (Cont'd)

13.1 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. 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 other 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 (excluding net GST payables)) approximate their fair values because of the short period to maturity.

The fair value disclosure of lease liabilities is not required.

Selected Notes to the Interim Financial Statements (Cont'd)

14. Share capital

	Group and Company			
	30 Jun 2021	31 Dec 2020	30 Jun 2021	31 Dec 2020
	No. of ordinary shares '000		Amount S\$'000	
Issued and fully paid with no par value				
Balance as at 1 January 2020 and 1 January 2021	477,470	476,803	29,809	29,646
Issue of new shares by virtue of the release of share awards	667	667	177	163
Balance as at 30 June 2021 and 31 December 2020	478,137	477,470	29,986	29,809
Treasury shares				
Balance as at 30 June 2021 and 31 December 2020	2,000	2,000	471	471
Issued ordinary shares excluding treasury shares				
Balance as at 30 June 2021 and 31 December 2020	476,136	475,470		

As at 30 June 2021, the aggregate number of ordinary shares in relation to the grant of share awards pursuant to the SOG Performance Share Plan which are not released amounted to 666,668 shares (30 June 2020: 1,333,334 shares).

The Company held 1,999,990 treasury shares as at 30 June 2021 (30 June 2020: 1,018,266). As at 30 June 2021, the outstanding number of treasury shares represented 0.42% (30 June 2020: 0.21%) of the total number of issued ordinary shares (excluding treasury shares). There was no sale, transfer, disposal, cancellation and use of treasury shares during the period ended 30 June 2021.

The Company did not have any other outstanding options and convertibles as at 30 June 2021, 31 December 2020 and 30 June 2020.

The Company's subsidiaries do not hold any shares in the Company as at 30 June 2021, 31 December 2020 and 30 June 2020. As such, there is no sale, transfer, cancellation and/or use of subsidiary holdings as at 30 June 2021.

Selected Notes to the Interim Financial Statements (Cont'd)

15. Earnings per share

	1H 2021	Group 1H 2020
Profit attributable to equity holders of the Company (S\$'000)	<u>4,516</u>	<u>3,792</u>
Earnings per share (cents/share)		
- Based on weighted average number of ordinary shares in issue	0.95	0.80
- On a fully diluted basis	<u>0.95</u>	<u>0.80</u>
Weighted average number of ordinary shares (basic)	475,473,361	476,723,238
Weighted average number of ordinary shares (diluted)	<u>476,803,012</u>	<u>476,972,322</u>

The basic and diluted earnings per ordinary share for the half year ended 30 June 2021 and 2020 have been calculated based on the Group's profit attributable to equity holders of the Company divided by the weighted average number of ordinary shares outstanding.

16. Subsequent events

There are no known subsequent events which have led to adjustments to this set of interim financial statements.

Other Information required by Catalist Rule Appendix 7C

1. Review

The condensed interim statements of financial position of Singapore O&G Ltd. and its subsidiaries as at 30 June 2021 and the related condensed interim consolidated statement of comprehensive income, condensed interim statements of changes in equity and condensed interim consolidated statement of cash flows for the six months period then ended and the selected explanatory notes (the “**Condensed Interim Financial Statements**”) have not been audited or reviewed by auditors.

The Group’s latest financial statements for the year ended 31 December 2020 were not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

2. Review of the Group’s Performance

Revenue

Revenue increased by S\$3.2 million or 17.9% from S\$17.9 million for the six months ended 30 June 2020 (“**1H 2020**”) to S\$21.1 million for the six months ended 30 June 2021 (“**1H 2021**”). The increase is attributed to the increase of S\$1.4 million, S\$0.9 million, S\$0.7 million and S\$0.2 million from our Dermatology, Obstetrics & Gynaecology (“**O&G**”), Paediatrics and Cancer-related segments respectively due mainly to increase in patient load.

Other Operating Income

Other operating income typically comprises of government grants received and rental rebates.

Other operating income decreased by S\$0.3 million or 40.0% from S\$0.8 million in 1H 2020 to S\$0.5 million in 1H 2021. The decrease is due mainly to the reduction in government grants for the Corona Virus Disease 2019 (“**COVID-19**”) support schemes such as the Jobs Support Scheme, Foreign Workers Levy Rebate and Property Tax Rebate.

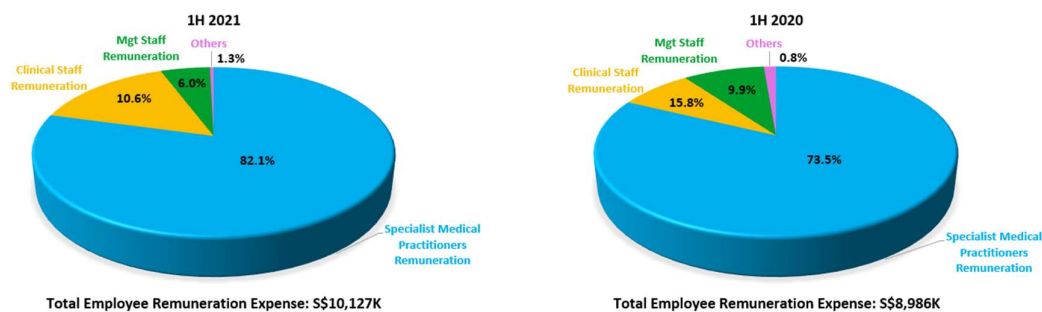
Other Information required by Catalist Rule Appendix 7C (Cont'd)

2. Review of the Group's Performance (Cont'd)

Consumables and Medical Supplies Used

Consumables and medical supplies used increased by S\$0.6 million or 20.5% from S\$3.0 million in 1H 2020 to S\$3.6 million in 1H 2021. The increase is attributed mainly to the increase in consumables and medical supplies of S\$0.4 million, S\$0.1 million and S\$0.1 million used by our Dermatology, O&G and Paediatrics segments respectively due to the increase in patient load.

Employee Remuneration Expense



Employee remuneration expense increased by S\$1.1 million or 12.7% from S\$9.0 million in 1H 2020 to S\$10.1 million in 1H 2021. The increase is due mainly to:

- Higher 1H 2021 bonus provision of S\$0.7 million and S\$0.1 million for specialist medical practitioners, and clinical and management staff respectively;
- FY 2021 salary increment for clinical and management staff of S\$0.2 million which took effect from 1 February 2021; and
- Under-provision of FY 2020 bonus for clinical and management staff of S\$0.1 million.

Depreciation

Depreciation remained constant at S\$1.1 million in 1H 2020 and 1H 2021 due mainly to higher depreciation of S\$55,000 from right-of-use (“ROU”) assets attributed to the higher rental rates for a few of our clinic premises, which were partially offset by lower depreciation charge of S\$20,000 of plant and equipment from the disposal of end-of-life medical equipment and computer & software in.

Other Operating Expense

Other operating expense increased by S\$0.1 million or 11.0% from S\$1.1 million in 1H 2020 to S\$1.2 million in 1H 2021. The increase is attributed mainly to:

- An increase in marketing and administrative expense of S\$59,000; and
- An increase in credit card charges of S\$45,000;

which are in line with the increase in patient load.

Other Information required by Catalist Rule Appendix 7C (Cont'd)

2. Review of the Group's Performance (Cont'd)

Finance Income

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

Finance income decreased by S\$83,000 from S\$124,000 in 1H 2020 to S\$41,000 in 1H 2021 due to lower interest rate earned on fixed deposit placements.

Finance Expense

Finance expense relates to interest expense incurred on lease liabilities.

Finance expense decreased by S\$5,000 from S\$87,000 in 1H 2020 to S\$82,000 in 1H 2021 due to the decrease in lease liabilities.

Profit Before Income Tax

As a result of the explanations above, profit before income tax increased by S\$0.9 million or 19.2% from S\$4.5 million in 1H 2020 to S\$5.4 million in 1H 2021.

Income Tax Expense

Income tax expense increased by S\$0.1 million or 19.5% from S\$0.8 million in 1H 2020 to S\$0.9 million in 1H 2021 due mainly to higher profits from operations.

3. Review of the Group's Financial Position

Non-Current Assets

As at 30 June 2021, non-current assets amounted to S\$17.3 million or 32.2% of the Group's total assets. Non-current assets consist of the following:

- Investment in a joint venture of S\$0.6 million or 3.7% of the Group's total non-current assets. The Company injected RM2.0 million (equivalent to S\$0.6 million) in cash for its 49% equity interest in the joint venture company, LYC SOG Mother & Child Sdn Bhd.
- Goodwill of S\$12.2 million or 70.7% of the Group's total non-current assets, which comprises:
 1. S\$0.4 million each for the acquisition of Beh's Clinic for Women Pte. Ltd. and Choo Wan Ling Women's Clinic Pte. Ltd. in 2014; and

Other Information required by Catalist Rule Appendix 7C (Cont'd)

3. Review of the Group's Financial Position (Cont'd)

Non-Current Assets (Cont'd)

2. S\$11.4 million for the acquisition of the entire rights, title and interest of Dr. Joyce Lim Teng Ee and in the business and medical practices of JL Laser & Surgery Centre Pte. Ltd., JL Esthetic Research Centre Pte. Ltd. and JL Dermatology Pte. Ltd. in 2016 (the "**JL Acquisition**").
- Plant and equipment of S\$1.6 million or 9.4% of the Group's total non-current assets. Plant and equipment increased by S\$0.1 million or 9.5% from S\$1.5 million as at 31 December 2020 to S\$1.6 million as at 30 June 2021. The increase is attributed mainly to:
 1. S\$0.5 million for renovation and purchase of medical equipment, office equipment and computer & software for clinics; offset by
 2. Depreciation charge on plant and equipment of S\$0.3 million; and
 3. Sale of medical equipment and plant and equipment written off amounting to S\$0.1 million during 1H 2021.
 - Right-of-use ("**ROU**") assets of S\$2.8 million or 16.2% of the Group's total non-current assets. ROU assets decreased by S\$0.4 million from S\$3.2 million as at 31 December 2020 to S\$2.8 million as at 30 June 2021. The decrease is attributed mainly to:
 1. Depreciation charge on ROU assets of S\$0.8 million in 1H 2021;
 2. Derecognition of ROU assets of S\$0.5 million for the leases of two (2) clinic premises; offset by
 3. Recognition of ROU assets of S\$0.9 million for the new and renewed lease contracts of three (3) clinic premises.

Current Assets

As at 30 June 2021, current assets amounted to S\$36.5 million or 67.8% of the Group's total assets. Current assets consist of the following:

- Inventories of S\$1.9 million or 5.3% of the Group's total current assets.
- Trade and other receivables of S\$3.0 million or 8.3% of the Group's total current assets. The decrease of S\$0.5 million or 14.6% from S\$3.5 million as at 31 December 2020 to S\$3.0 million as at 30 June 2021 is attributed mainly to the decrease in amounts owing by hospitals and insurance companies due to more prompt payments arising from our collection efforts.

Other Information required by Catalyst Rule Appendix 7C (Cont'd)

3. Review of the Group's Financial Position (Cont'd)

Current Assets (Cont'd)

- Cash and cash equivalents of S\$31.5 million or 86.4% of the Group's total current assets. The decrease of S\$4.0 million or 11.3% from S\$35.5 million as at 31 December 2020 to S\$31.5 million as at 30 June 2021 is due mainly to:
 1. Payment of S\$5.7 million for FY 2020 final dividend to shareholders in May 2021;
 2. Payment of S\$0.8 million for the principal and interest on leases in 1H 2021;
 3. Capital injection of S\$0.6 million in the joint venture company, LYC SOG Mother & Child Sdn Bhd;
 4. Purchase of plant and equipment of S\$0.5 million in 1H 2021; offset by
 5. S\$3.6 million net cash inflows from operating activities in 1H 2021.

Non-Current Liabilities

As at 30 June 2021, non-current liabilities amounted to S\$1.6 million or 13.1% of the Group's total liabilities. Non-current liabilities consist of the following:

- Lease liabilities of S\$1.4 million or 92.5% of the Group's total non-current liabilities. The decrease in lease liabilities of S\$0.4 million from S\$1.8 million as at 31 December 2020 to S\$1.4 million as at 30 June 2021 is due mainly to the reclassification of S\$1.0 million from the non-current to the current portion of the lease liabilities which is partially offset by S\$0.6 million lease liabilities from the extension and new lease contracts entered in 1H 2021.
- Deferred tax liabilities of S\$0.1 million or 7.5% of the Group's total non-current liabilities. Deferred tax liabilities arose mainly from the timing differences in temporary differences of the Group's plant and equipment, ROU assets and lease liabilities.

Current Liabilities

As at 30 June 2021, current liabilities amounted to S\$10.3 million or 86.9% of the Group's total liabilities. Current liabilities consist of the following:

- Trade and other payables of S\$6.5 million or 63.4% of the Group's total current liabilities. The decrease of S\$2.4 million or 27.1% from S\$8.9 million as at 31 December 2020 to S\$6.5 million as at 30 June 2021 is due mainly to:
 1. Payment of S\$6.2 million and S\$0.4 million for FY 2020 incentive bonuses to our specialist medical practitioners and FY 2020 variable bonuses to clinical and management staff respectively; offset by
 2. Provision of S\$3.4 million and S\$0.3 million for 1H 2021 incentive bonuses for our specialist medical practitioners and 1H 2021 bonuses for our clinical and management staff respectively; and
 3. Increase of S\$0.5 million in net GST payable during 1H 2021.

Other Information required by Catalist Rule Appendix 7C (Cont'd)

3. Review of the Group's Financial Position (Cont'd)

Current Liabilities (Cont'd)

- Lease liabilities of S\$1.5 million or 14.4% of the Group's total current liabilities.
- Contract liabilities of S\$0.6 million or 6.0% of the Group's total current liabilities, comprising antenatal, aesthetics and vaccination package fees collected upfront from patients for consultations and/ or procedures that have yet to be performed.
- Current tax liabilities of S\$1.7 million, or 16.2% of the Group's total current liabilities, comprising income tax payables for FY 2020 and 1H 2021.

Shareholders' Equity

As at 30 June 2021, shareholder's equity of S\$41.9 million comprises the following:

- Issued and fully paid share capital of S\$30.0 million less S\$0.5 million treasury shares.
- Capital reserve of S\$1.7 million which represents mainly the difference between the fair value of the purchase consideration paid by the Company and the fair value of 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.
- Share-based payment reserve of S\$52,000.
- Deficit in merger reserve of S\$1.7 million which represents the difference between the consideration paid by the Company and the fair value of the net assets of Heng Clinic for Women Pte. Ltd. and K W Lee Clinic & Surgery for Women Pte. Ltd. acquired by the Company in 2014.
- Retained earnings of S\$12.4 million.

The decrease in retained earnings of S\$1.2 million from S\$13.6 million as at 31 December 2020 to S\$12.4 million as at 30 June 2021 is due to the FY 2020 final dividends of S\$5.7 million paid to shareholders which is offset by net profit after tax of S\$4.5 million for 1H 2021.

Other Information required by Catalist Rule Appendix 7C (Cont'd)

4. Review of the Group's Cash Flows

Net Cash Generated from Operating Activities

For 1H 2021, there was a net cash inflow of S\$3.6 million from operating activities. This comprises operating cash inflows before changes in working capital of S\$6.6 million, offset by net working capital outflows of S\$1.9 million and income taxes paid of S\$1.1 million. The net working capital outflows of S\$1.9 million is due mainly to:

- Decrease in trade and other receivables of S\$0.5 million attributed mainly to the decrease in amounts owing by hospitals and insurance companies due to more prompt payments arising from our collection efforts.
- Decrease in trade and other payables of S\$2.4 million due mainly to:
 1. Payment of S\$6.2 million and S\$0.4 million for FY 2020 incentive bonuses to our specialist medical practitioners and FY 2020 variable bonuses to clinical and management staff in 1H 2021 respectively; offset by
 2. Provision of S\$3.4 million and S\$0.3 million for 1H 2021 incentive bonuses for our specialist medical practitioners and 1H 2021 bonuses for clinical and management staff respectively; and
 3. Increase of S\$0.5 million in net GST payable during 1H 2021.

Net Cash Used in Investing Activities

For 1H 2021, the net cash used in investing activities amounted to S\$1.1 million which is attributed mainly to:

- Purchase of plant and equipment of S\$0.5 million; and
- Capital injection of S\$0.6 million for its 49% equity interest in the joint venture company, LYC SOG Mother & Child Sdn Bhd.

Net Cash Used in Financing Activities

Net cash used in financing activities in 1H 2021 amounted to S\$6.6 million which is attributed to:

- Payment of S\$5.7 million for FY 2020 final dividend to shareholders in May 2021; and
- Payment of S\$0.8 million for the settlement of lease liabilities in 1H 2021.

Other Information required by Catalist Rule Appendix 7C (Cont'd)

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

The Board of Directors noted in the last financial statements announcement released via SGXNET on 25 February 2021 that based on the current economic conditions and barring any unforeseen circumstances, the Board expects the Group to remain profitable at the operational level.

There is no variance from the previous prospect statement and the Group has remained profitable.

6. 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 is not aware of any significant change in trends and competitive conditions that will significantly affect the Group's operations and businesses other than the ongoing COVID-19 pandemic.

As part of the Group's effort in providing a holistic healthcare to our patients and their families, the Group recruited two (2) new specialist medical practitioners in 1H 2021. The two specialist medical practitioners are Dr. Sim Hsien Lin (Colorectal Surgeon) and Dr. Tan Chuan Chien (Breast & Thyroid Surgeon). With the addition of these two (2) specialists, the Group expanded its medical service offerings.

In May 2021, the Company entered into a joint venture agreement with LYC Mother & Child Centre Sdn Bhd, a wholly-owned subsidiary of LYC Healthcare Berhad ("LYC"), to set up a postpartum confinement centre in Johor, Malaysia, ("**Johor Confinement Centre**") offering confinement care and related services. The Johor Confinement Centre is expected to be operational in January 2022. With the lifting of COVID-19 travel restriction later and the shortage of confinement nannies in Singapore, we hope to provide Singaporeans an alternative for affordable and quality confinement services in our Johor Confinement Centre located near to the Singapore-Malaysia border. The customers of the Johor Confinement Centre can expect to be attended to by qualified and professional caregivers providing round-the-clock nursing care for both mothers and babies.

Based on the current conditions and barring unforeseen circumstances, the Board of Directors expects the Group to remain profitable at the operational level in the next reporting period and the next 12 months.

Other Information required by Catalist Rule Appendix 7C (Cont'd)

7. Dividend Information

(A) Current financial period reported on

Any dividend recommended for the current financial period reported on?

In view of our Group's performance for 1H 2021, the Board of Directors has declared an interim dividend payment of 0.65 Singapore cents per share.

Name of Dividend	Interim
Dividend type	Cash
Dividend per share	0.65 cents per ordinary share (one-tier tax)
Tax rate	Tax Exempt

(B) Corresponding period of the immediate preceding financial year

Any dividend declared for the corresponding period of the immediately preceding financial year?

Name of Dividend	Interim
Dividend type	Cash
Dividend per share	0.50 cents per ordinary share (one-tier tax)
Tax rate	Tax Exempt

(C) Date payable

6 September 2021

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

23 August 2021

8. Interested person transactions

The Group does not have a general mandate from its shareholders for Interested Person Transactions pursuant to Rule 920(1)(a)(ii). The aggregate value of the interested person transactions is disclosed below.

Name of interested person	Aggregate value of all interested person transactions during the financial period under review	
	1H 2021 S\$'000	1H 2020 S\$'000
Lee & Lee Clinic Pte. Ltd. ⁽¹⁾	63	58
Avesa Pte. Ltd. ⁽²⁾	163	150

Other Information required by Catalist Rule Appendix 7C (Cont'd)

8. Interested person transactions (Cont'd)

Notes:

The interested person transactions relate to the tenancy agreements entered between subsidiaries of the Company with Lee & Lee Clinic Pte. Ltd. and Avesa Pte. Ltd.

- (1) Lee & Lee Clinic Pte. Ltd. is 60% owned by Dr Lee Keen Whye, a director and controlling shareholder of the Company.
- (2) Avesa Pte. Ltd. is 50% owned by Dr Lee Keen Whye, a director and controlling shareholder of the Company.

9. 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 condensed interim financial statements, 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 ¹	3,000	(1,907)	1,093
Investments in healthcare professionals and synergistic businesses ²	6,000	(6,000)	-
Working capital purposes ³	200	(200)	-
Total	9,200	(8,107)	1,093

The above utilisations are in accordance with the intended use of IPO net proceeds, as stated in the Company's IPO Prospectus dated 26 May 2015.

Notes:

¹ The amount of S\$1.9 million for the expansion of business operations category has been utilised for the following:

- S\$1.3 million for set-up cost of new clinics from 2016 to June 2021; and
- S\$0.6 million for capital injection and incorporation of SOG Mother & Baby Centre Pte. Ltd. in relation to the Company's joint venture with LYC Mother & Child Centre Sdn Bhd.

² The amount of S\$6.0 million for 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.

³ The amount of S\$0.2 million for the working capital purposes category has been utilised for the working capital of SOG Dermatology (Gleneagles) Pte. Ltd. and SOG Children (Paediatrics – Gleneagles) Pte. Ltd., as disclosed in the Company's Q1 2019 announcement dated 9 May 2019.

Other Information required by Catalist Rule Appendix 7C (Cont'd)

10. Additional information required pursuant to Rule 706A

During 1H 2021, the Company did not acquire or dispose of any shares resulting in any of the prescribed situations under Rule 706A.

The Company incorporated a direct wholly-owned subsidiary in 1H 2021, details of which are set out in the table below.

S/N	Name	Date of incorporation	Country of incorporation	% held by the Group	Paid up capital	Principal activity
1	SOG Mummy & Baby Centre Pte. Ltd.	30 March 2021	Singapore	100	S\$1,000	Investment holding

The incorporation was funded through internal resources by utilising the IPO net proceeds for the expansion of business operations and did not have any material impact on the earnings per share or net tangible assets per share of the Group for 1H 2021.

11. Confirmation pursuant to Rule 705(5) of the Listing Manual (Section B: Rules of Catalist) of the Singapore Exchange Securities Trading Limited.

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 half year ended 30 June 2021 to be false or misleading in any material aspect.

12. Confirmation pursuant to Rule 720(1) of the Listing Manual (Section B: Rules of Catalist) of the Singapore Exchange Securities Trading Limited.

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. BEH SUAN TIONG
EXECUTIVE CHAIRMAN
11 AUGUST 2021

Singapore O&G Ltd.

*This announcement 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.