



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

FOR IMMEDIATE RELEASE

Singapore O&G Ltd. Better Showing in Third Quarter

- **Q3 2017 Group Revenue up 2.4% over the same period last year**
- **Q3 2017 Net profit of S\$2.3 million is an improvement of 9.6% and 17.3% over Q2 2017 and Q1 2017 respectively**
- **Cancer segment continues strong growth for the 9 months period ended 30 September 2017 over the same period last year**

Singapore, 8 November 2017 – Singapore O&G Ltd. (“**SOG**” or the “**Group**”), a SGX Catalist listed company specialising in women’s and children’s healthcare, announced today its unaudited financial results for the three months ended 30 September 2017 (“**Q3 2017**”). The Group’s net profit after tax attributable to shareholders decreased by S\$0.08 million or 3.3%, and revenue increased by S\$0.18 million or 2.4%, over the same period last year. Profit before tax recorded a marginal improvement of 0.1%.

The Obstetrics segment delivered 443 babies in Q3 2017 as compared to 390 and 404 in Q2 2017 and Q1 2017 respectively. Total deliveries for the 9 months period ended 30 September 2017 (“**YTD Sep 2017**”) was 1,237, a drop of 31 delivered babies as compared to the 9 months period ended 30 September 2016 (“**YTD Sep 2016**”). It appears we are now seeing a slight catch up in birth numbers due to the delayed impact of the Zika virus, but as a whole, it would appear that total birth numbers for the whole of Singapore will be lower this year compared to previous years. Despite the lower deliveries, revenue for the O&G segment increased by S\$0.2 million or 1.1% mainly due to more gynaecology cases performed in YTD Sep 2017 as compared to YTD Sep 2016.

The Cancer-related segment added S\$1.01 million to the Group’s revenue for Q3 2017, an improvement of 26.1% as compared to the same period last year due to increase in patient loads. This is an improvement of 101.4% in profit after tax for YTD Sep 2017 compared to YTD Sep 2016. We are seeing increasing numbers of breast related diseases as public awareness and availability of comprehensive health screening packages contribute to early detection.

The Dermatology segment saw an improvement in net profit of S\$0.1 million for Q3 2017 as compared to the same period last year. This is due to more patient loads from Malaysia and a recovering Singapore economy.

Our new Paediatric segment started operations with one clinic (“**PAED Clinic**”) at Parkway East Medical Centre (“**Parkway East**”) on 1 July 2017. As we deliver most of our babies in Parkway East, we are cautiously optimistic that our Paediatric segment will contribute meaningful results to the Group soon.

Employee benefits expense increased by S\$0.5 million or 6.8% from S\$8.1 million in YTD Sep 2016 to S\$8.6 million in YTD Sep 2017. The increase is mainly due to the increase in employee benefits expense of S\$0.1 million and S\$0.2 million from SOG-SK Lim Breast & General Surgicare Clinic and SOG-SC Hong Clinic for Women respectively, and the maiden employee benefits expense of S\$0.1 million from our PAED Clinic.

The Group continues to monitor its expenses for cost containment and this has proven to be successful. Demonstrated in our consumables and medical supplies used with only a slight increase for YTD Sep 2017 as compared to YTD Sep 2016.

The increase in other operating expenses of S\$0.2 million or 8.5% was mainly due to the increase of S\$0.1 million in rental expenses from our new corporate office and clinics, and the increase of S\$50,000 in medical professional indemnity insurance for most of our specialist medical practitioners.

Overall, the Group delivered a net profit after tax of S\$6.5 million, a decrease of 5.3%, for YTD Sep 2017 as compared to S\$6.9 million in YTD Sep 2016. Earnings per share decreased by 0.08 Singapore cents from 1.44 Singapore cents (based on 476,803,002 shares) for YTD Sep 2016 to 1.36 Singapore cents (based on 476,803,002 shares) for YTD Sep 2017.

As at 30 September 2017, the Group’s balance sheet remained healthy with a net asset value of S\$41.5 million. Net asset value per share decreased by a marginal 0.3% from 8.73 Singapore cents as at 31 December 2016 to 8.70 Singapore cents as at 30 September 2017. The Group continues to generate a healthy net operating cash flow of S\$6.7 million for YTD Sep 2017. There were no borrowings or any debt securities and instruments.

Dr. Ng Koon Keng, CEO of SOG said: “We were optimistic that our third quarter would be a better quarter in this financial year and we were not disappointed. Even though revenue came in at the lower end of our anticipated range, the trend of lower revenue seen in the first two quarters seemed to be stemmed and a reversal is being observed. We see sustainable growth in our Cancer-related segment even as we continue to educate and encourage the public to be more self-aware, perform regular breast examinations and go for regular health screenings.

Our Paediatric clinics, one at Parkway East Hospital and the second one at Tiong Bahru will start offering paediatric and related services at the end of November 2017. This will add value to our patients seeking holistic healthcare services ‘under one roof’. Our SOG whole-of-life healthcare concept is well and truly envisioned.”

Barring any unforeseen circumstances, we expect the Group to remain profitable for FY 2017.

– END –

**ABOUT SINGAPORE O&G LTD.
("SOG" or collectively with its subsidiaries, the "Group")**

SOG is a leading group of Specialist Medical Practitioners dedicated towards women's and children's health and wellness, with a long and established track record in the Obstetrics and Gynaecology ("**O&G**") field in Singapore.

SOG is disciplined and focused in delivering a wide range of premier specialist services catering to the medical needs of women and children at affordable prices.

Currently, our spectrum of services range from pre-pregnancy counselling, delivery, post-delivery care to gynaecological problems, skin problems and most complex cancer conditions. SOG offers advice, medical and surgical care and support to our patients with a focus on: Obstetrics, Gynaecology, GynaeOncology, Breast & General Surgery, Dermatology and Paediatrics.

As at 30 September 2017, the Group has a total of eleven Specialist Medical Practitioners:

- Six O&G Specialists;
- Three cancer specialists: One Obstetrician/GynaeOncologist and two Breast and General Surgeons;
- One Dermatologist; and
- One Paediatrician.

The Group is led by its Chairman, Dr. Heng Tung Lan, its CEO, Dr. Ng Koon Keng and its Executive Directors, Dr. Lee Keen Whye and Dr. Beh Suan Tiong. In particular, both Dr. Heng Tung Lan and Dr. Lee Keen Whye have more than 20 years' experience in the O&G field. Additionally, Dr. Ng Koon Keng has business development, management, marketing and publishing experience and spearheads the marketing and business development activities of the Group.

For more information, please visit SOG's website at www.sog.com.sg.

For media and analyst queries, please contact:

Investor Relations
Singapore O&G Ltd.
Tel: +65 6440 4123
Fax: +65 6440 8240
Email: ir@sog.com.sg

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

The contact person for the Sponsor is Mr. Tang Yeng Yuen, Vice-President, Head of Corporate Finance, at 16 Raffles Quay, #40-01A Hong Leong Building, Singapore 048581. Telephone number: (65) 6415 9886.