



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

**UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT
 FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 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.

	<u>Group</u>					
	<u>Third Quarter</u>			<u>Year-To-Date</u>		
	Q3 2017 (Unaudited) S\$	Q3 2016 ^{A2} (Unaudited) S\$	Increase/ (Decrease) %	30/9/2017 (Unaudited) S\$	30/9/2016 ^{A2} (Unaudited) S\$	Increase/ (Decrease) %
Revenue	7,708,241	7,526,945	2.4%	21,956,041	21,469,204	2.3%
Other operating income	110,490	86,549	27.7%	200,208	210,146	-4.7%
Consumables and medical supplies used	(1,086,838)	(1,113,098)	-2.4%	(3,147,260)	(3,144,870)	0.1%
Employee benefits expense	(3,013,986)	(2,877,802)	4.7%	(8,647,243)	(8,096,681)	6.8%
Depreciation of plant and equipment	(126,543)	(106,000)	19.4%	(366,721)	(273,150)	34.3%
Other operating expense	(780,789)	(643,594)	21.3%	(2,178,665)	(2,008,097)	8.5%
Profit from operations	2,810,575	2,873,000	-2.2%	7,816,360	8,156,552	-4.2%
Finance income	14,519	1,000	>100.0%	39,678	44,913	-11.7%
Finance expense	(59,708)	(112,350)	-46.9%	(179,126)	(337,049)	-46.9%
Net finance income/(expense)	(45,189)	(111,350)	-59.4%	(139,448)	(292,136)	-52.3%
Profit before income tax	2,765,386	2,761,650	0.1%	7,676,912	7,864,416	-2.4%
Income tax expense ^{A1}	(418,716)	(334,461)	25.2%	(1,188,204)	(1,010,154)	17.6%
Profit for the period	2,346,670	2,427,189	-3.3%	6,488,708	6,854,262	-5.3%
Other comprehensive income, at nil tax	-	-	-	-	-	-
Total comprehensive income for the period	2,346,670	2,427,189	-3.3%	6,488,708	6,854,262	-5.3%

Notes to the Income Statement and Statement of Comprehensive Income:

^{A1} There was an increase in income tax expense for Q3 2017 and 9 months period ended 30 September 2017 as there were lesser tax rebates and allowances for FY 2017 as compared to FY 2016.

^{A2} With effect from 2017, the Group has changed the way it accrues bonuses for specialist medical practitioners, clinical and management staff instead of booking the whole of the expense in December. To help shareholders and investors compare the results for Q3 2017 with Q3 2016, we have made the following adjustments to the Financial Statement Announcement for the year ended 31 December 2016:

- In FY 2017, the Group has projected a bonus of S\$2.2 million. The Group has therefore decided to accrue an average of S\$0.5 million per quarter. In FY 2016, the Group did not accrue bonuses for each quarter but only accrued or expensed off bonuses when they were declared or paid in December. If the Group had applied the same policy in FY 2016, the Group would have to make an additional accrual of S\$0.5 million in Q3 2016. For illustration and to allow like-for-like comparison, the table below includes this amount:

	[A]	[B]	<u>Group</u>	[B - A] Increase/ (Decrease) to Statement of Comprehensive Income	Remarks
	Q3 2016 (Unaudited) S\$	Adjusted Q3 2016 (Unaudited) S\$	Q3 2017 (Unaudited) S\$	(After Adjustments) S\$	
Revenue	7,526,945	7,526,945	7,708,241	-	
Other operating income	86,549	86,549	110,490	-	
Consumables and medical supplies used	(1,113,098)	(1,113,098)	(1,086,838)	-	
Employee benefits expense	(2,323,015)	(2,877,802)	(3,013,986)	(554,787)	Refer to Note #1 above.
Depreciation of plant and equipment	(106,000)	(106,000)	(126,543)	-	
Other operating expense	(643,594)	(643,594)	(780,789)	-	
Profit from operations	3,427,787	2,873,000	2,810,575	(554,787)	
Finance income	1,000	1,000	14,519	-	
Finance expense	-	(112,350)	(59,708)	(112,350) #	
Net finance income/(expense)	1,000	(111,350)	(45,189)	(112,350)	
Profit before income tax	3,428,787	2,761,650	2,765,386	(667,137)	
Income tax expense	(561,924)	(334,461)	(418,716)	227,463	Tax adjustments on Note #1 and related.
Profit for the period	2,866,863	2,427,189	2,346,670	(439,674)	
Other comprehensive income, at nil tax	-	-	-	-	
Total comprehensive income for the period	2,866,863	2,427,189	2,346,670	(439,674)	

Finance expense relates to the unwinding of the discount implicit (i.e. non-cash flows item) in the second and third cash tranche consideration of S\$4.0 million each 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 avoidance of doubt, the Group has paid no interest on the amount owing to Dr. Joyce Lim. The amount is an accounting standards requirement and purely a book entry.

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.

	Note	<u>Group</u>		<u>Company</u>	
		30/9/2017 (Unaudited) S\$	31/12/2016 (Audited) S\$	30/9/2017 (Unaudited) S\$	31/12/2016 (Audited) S\$
ASSETS					
Non-current assets					
Goodwill		26,929,999	26,929,999	-	-
Plant and equipment		1,579,104	1,554,794	96,635	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		-	-	34,330,536	34,328,536
		28,669,457	28,643,654	34,584,727	34,576,308
Current assets					
Inventories		2,286,054	2,152,469	-	-
Trade and other receivables	A	2,241,648	2,092,939	4,538,149	1,994,016
Cash and cash equivalents		17,477,259	21,376,324	6,340,714	10,548,940
		22,004,961	25,621,732	10,878,863	12,542,956
Total assets		50,674,418	54,265,386	45,463,590	47,119,264
EQUITY AND LIABILITIES					
Capital and reserves					
Share capital		29,645,500	29,645,500	29,645,500	29,645,500
Reserves		11,835,793	11,998,487	11,056,846	9,340,068
Total equity		41,481,293	41,643,987	40,702,346	38,985,568
Non-current liabilities					
Deferred tax liabilities		76,006	66,601	-	-
Trade and other payables	B	-	3,761,166	-	3,761,166
		76,006	3,827,767	-	3,761,166
Current liabilities					
Trade and other payables	B	7,419,221	7,052,275	4,761,244	4,372,530
Deferred revenue		437,933	380,343	-	-
Current tax liabilities		1,259,965	1,361,014	-	-
		9,117,119	8,793,632	4,761,244	4,372,530
Total liabilities		9,193,125	12,621,399	4,761,244	8,133,696
Total equity and liabilities		50,674,418	54,265,386	45,463,590	47,119,264

Notes to the Statement of Financial Position:

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

	Group		Company	
	30/09/2017 (Unaudited) S\$	31/12/2016 (Audited) S\$	30/09/2017 (Unaudited) S\$	31/12/2016 (Audited) S\$
Current				
Trade receivables	1,332,131	1,338,515	33,589	12,222
Amounts due from subsidiaries (non-trade)	-	-	4,262,110	1,732,832
Deposits	417,073	344,285	142,590	98,582
Other receivables	6,082	86,707	6,082	86,707
Loans and receivables	1,755,286	1,769,507	4,444,371	1,930,343
Prepayments	486,362	323,432	93,778	63,673
	2,241,648	2,092,939	4,538,149	1,994,016

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

	Group		Company	
	30/09/2017 (Unaudited) S\$	31/12/2016 (Audited) S\$	30/09/2017 (Unaudited) S\$	31/12/2016 (Audited) S\$
Non-current				
Contingent consideration	-	3,761,166	-	3,761,166
Current				
Trade payables	951,600	839,749	230,657	282,273
Accrued operating expense	1,888,578	1,813,596	320,427	189,162
Amounts due to subsidiaries (non-trade)	-	-	88,515	119,021
Amounts due to director (non-trade)	244,000	244,000	-	-
Other payables	394,752	389,547	181,354	16,691
Contingent consideration*	3,940,291	3,765,383	3,940,291	3,765,383
	7,419,221	7,052,275	4,761,244	4,372,530

* As at 30 September 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.

	<u>Group</u>			
	<u>Third Quarter</u>		<u>Year-To-Date</u>	
	Q3 2017	Q3 2016	30/9/2017	30/9/2016
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	S\$	S\$	S\$	S\$
Cash Flows from Operating Activities				
Profit before taxation	2,765,386	2,761,650	7,676,912	7,864,416
Adjustments for:				
Depreciation of plant and equipment	126,543	106,000	366,721	273,150
Plant and equipment written off	-	-	465	1,703
Interest income	(14,519)	(1,000)	(39,678)	(44,913)
Interest expense	59,708	112,350	179,126	337,049
Operating profit before working capital changes	2,937,118	2,979,000	8,183,546	8,431,405
Changes in inventories	(260,954)	106,223	(133,585)	(89,259)
Changes in trade and other receivables	(121,888)	(264,932)	(269,012)	(1,098,405)
Changes in trade and other payables	866,377	(149,888)	162,227	1,247,988
Cash generated from operations	3,420,653	2,670,403	7,943,176	8,491,729
Income tax paid	(640,590)	(437,280)	(1,281,341)	(1,496,023)
Net cash generated from operating activities	2,780,063	2,233,123	6,661,835	6,995,706
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}	(56,184)	(207,098)	(304,096)	(615,876)
Interest received	14,519	1,000	159,981	44,913
Net cash used in investing activities	(41,665)	(206,098)	(3,909,498)	(6,570,963)

	<u>Group</u>			
	<u>Third Quarter</u>		<u>Year-To-Date</u>	
	Q3 2017	Q3 2016	30/9/2017	30/9/2016
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	S\$	S\$	S\$	S\$
Cash Flows from Financing Activities				
Dividends paid to shareholders	(2,908,498)	(3,647,543)	(6,651,402)	(6,389,160)
Net cash used in financing activities	(2,908,498)	(3,647,543)	(6,651,402)	(6,389,160)
Net decrease in cash and cash equivalents	(170,100)	(1,620,518)	(3,899,065)	(5,964,417)
Cash and cash equivalents at beginning of period	17,647,359	19,865,245	21,376,324	24,209,144
Cash and cash equivalents at end of period	17,477,259	18,244,727	17,477,259	18,244,727

Note:¹ YTD 30/9/2017 vs. YTD 30/9/2016

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.

In January 2016, the Group utilised the IPO proceeds to pay the first tranche cash consideration of S\$6.0 million for the Acquisition of JL.

^{1A} Q3 2017 vs. Q3 2016

During the three months period ended 30 September 2017, the Group acquired plant and equipment with an aggregate cost of S\$143,000 (three months period ended 30 September 2016: S\$318,000) of which S\$87,000 (three months period ended 30 September 2016: S\$111,000) was included in trade payables. Cash payment of S\$56,000 (three months period ended 30 September 2016: S\$207,000) was made to purchase plant and equipment.

YTD 30/9/2017 vs. YTD 30/9/2016

During the nine months period ended 30 September 2017, the Group acquired plant and equipment with an aggregate cost of S\$391,000 (nine months period ended 30 September 2016: S\$765,000) of which S\$87,000 (nine months period ended 30 September 2016: S\$149,000) was included in trade payables. Cash payment of S\$304,000 (nine months period ended 30 September 2016: S\$616,000) 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.

<u>The Group</u> <u>(Unaudited)</u>	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	-	-	-	6,854,262	6,854,262
Other comprehensive income, at nil tax	-	-	-	-	-
	-	-	-	6,854,262	6,854,262

Transactions with owners of the Company, recognised directly in equity

Contributions by and distributions to owners of the Company

Issuance of new ordinary shares related to business combination	15,217,480	-	-	-	15,217,480
Dividends paid to shareholders	-	-	-	(6,389,160)	(6,389,160)
At 30 September 2016	29,645,500	1,771,070	(1,695,311)	9,973,312	39,694,571

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	-	-	-	6,488,708	6,488,708
Other comprehensive income, at nil tax	-	-	-	-	-
	-	-	-	6,488,708	6,488,708

Transactions with owners of the Company, recognised directly in equity

Contributions by and distributions to owners of the Company

Dividends paid to shareholders	-	-	-	(6,651,402)	(6,651,402)
At 30 September 2017	29,645,500	1,771,070	(1,695,311)	11,760,034	41,481,293

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	-	-	-	7,539,278	7,539,278
Other comprehensive income, at nil tax	-	-	-	-	-
	-	-	-	7,539,278	7,539,278

Transactions with owners of the Company, recognised directly in equity

Contributions by and distributions to owners of the Company

Issuance of new ordinary shares related to business combination	15,217,480	-	-	-	15,217,480
Dividends paid to shareholders	-	-	-	(6,389,160)	(6,389,160)
At 30 September 2016	29,645,500	1,771,070	-	7,901,999	39,318,569

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	-	-	-	8,368,180	8,368,180
Other comprehensive income, at nil tax	-	-	-	-	-
	-	-	-	8,368,180	8,368,180
Transactions with owners of the Company, recognised directly in equity					
Contributions by and distributions to owners of the Company					
Dividends paid to shareholders	-	-	-	(6,651,402)	(6,651,402)
At 30 September 2017	29,645,500	1,771,070	-	9,285,776	40,702,346

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.

	Number of Ordinary Shares	Issued and Paid-up Share Capital S\$
At 1 January 2017	238,401,501	29,645,500
Issuance of new shares arising from share split ²	238,401,501	-
At 30 September 2017	476,803,002	29,645,500

Note:

² On 15 May 2017, the Company has completed and effected the share split of every one (1) existing ordinary share in the capital of the Company held by shareholders of the Company into two (2) ordinary shares ("**Share Split**").

The new stock code issued by SGX-ST after the share split is 1D8 which replaced the previous stock code of 41X.

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	
	30/9/2017	31/12/2016
Issued ordinary shares	<u>476,803,002</u>	<u>238,401,501</u>

The Company does not have any treasury shares as at 30 September 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 period ended 30 September 2017 are consistent with those applied in the 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.

	<u>Group</u>			
	<u>Third Quarter</u>	<u>Third Quarter</u>	<u>Year-To-Date</u>	<u>Year-To-Date</u>
	Q3 2017	Q3 2016	30/9/2017	30/9/2016
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	S\$	S\$	S\$	S\$
Profit attributable to equity holders of the Company (S\$)	2,346,670	2,427,189	6,488,708	6,854,262
Weighted average number of ordinary shares ³	476,803,002	476,803,002	476,803,002	473,402,752
Basic and diluted earnings per share based on the weighted average number of ordinary shares (cents)	0.49	0.51	1.36	1.45

Note:

Basic and diluted earnings per share for the quarters and financial periods ended 30 September 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 quarter and financial period.

The Company did not have any stock options or dilutive potential ordinary shares during the quarters and financial periods ended 30 September 2017 and 2016.

³ For better comparison of the Group's performance, the weighted average number of ordinary shares for the current and prior financial periods have been adjusted for the increase in the number of ordinary shares resulting from the Share Split on 15 May 2017.

- 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.

	<u>Group</u>		<u>Company</u>	
	30/9/2017 (Unaudited)	31/12/2016 (Audited)	30/9/2017 (Unaudited)	31/12/2016 (Audited)
Net assets value (S\$)	41,481,293	41,643,987	40,702,346	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 ⁴ (cents)	8.70	17.47	8.53	16.35
<u>For illustrative purposes</u>				
Net assets value per ordinary share based on 476,803,002 shares (cents)	8.70	8.73	8.53	8.18

Note:

⁴ The calculation of net asset value per ordinary share was based on 476,803,002 shares as at 30 September 2017 (31 December 2016: 238,401,501 shares).

- 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

Q3 2017 vs. Q3 2016

	Q3 2017 (S\$)	Q3 2016 (S\$)	Increase/ (Decrease) (S\$)	%	The increase or (decline) in Q3 2017 as compared to Q3 2016 is mainly due to:
Revenue	7,708,241	7,526,945	181,296	2.4%	<ul style="list-style-type: none"> Up S\$0.1 million each from Cancer-related and Dermatology segments; S\$0.1 million from our new Paediatrics segment which started in July 2017; and Down S\$0.1 million from our O&G segment in Q3 2017.

	Q3 2017 (S\$)	Q3 2016 (S\$)	Increase/ (Decrease) (S\$)	%	The increase or (decline) in Q3 2017 as compared to Q3 2016 is mainly due to:
Other operating income	110,490	86,549	23,941	27.7%	<ul style="list-style-type: none"> • More clinic rental rebates of S\$22,000; • More sponsorship income of S\$18,000; and • Fewer government grants of S\$17,000.
Consumables and medical supplies used	(1,086,838)	(1,113,098)	(26,260)	(2.4%)	<ul style="list-style-type: none"> • Decrease as a result of cost savings from bulk purchases.
Employee benefits expense	(3,013,986)	(2,877,802)	136,184	4.7%	<ul style="list-style-type: none"> • Maiden expense from PAED Clinic which started in July 2017.
Depreciation of plant and equipment	(126,543)	(106,000)	20,543	19.4%	<ul style="list-style-type: none"> • The new laser machine acquired for SOG Dermatology Clinic in December 2016; and • The new ultrasound machine acquired for SC Hong Clinic in August 2016.
Other operating expense	(780,789)	(643,594)	137,195	21.3%	<ul style="list-style-type: none"> • Increase in rental expense of S\$50,000 for our new corporate office lease at Mountbatten Square and two clinics; • Donation of S\$30,000 to a registered charity organisation; and • Maiden other operating expense of S\$30,000 incurred by PAED Clinic which started operations in July 2017.
Profit from operations	2,810,575	2,873,000	(62,425)	(2.2%)	
Finance income	14,519	1,000	13,519	>100.0%	<ul style="list-style-type: none"> • More cash placed under fixed deposit arrangement.
Finance expense	(59,708)	(112,350)	(52,642)	(46.9%)	<ul style="list-style-type: none"> • An accounting (i.e. non-cash flow item) finance expense related to the Acquisition of JL. Please refer to the notes on Page 2.
Net finance income/ (expense)	(45,189)	(111,350)	(66,161)	(59.4%)	
Profit before income tax	2,765,386	2,761,650	3,736	0.1%	
Income tax expense	(418,716)	(334,461)	84,255	25.2%	<ul style="list-style-type: none"> • Lesser tax rebates and allowances.
Profit for the period	2,346,670	2,427,189	(80,519)	(3.3%)	

YTD Sep 2017 vs. YTD Sep 2016

	YTD Sep 2017 (S\$)	YTD Sep 2016 (S\$)	Increase/ (Decrease) (S\$)	%	The increase or (decline) in YTD Sep 2017 as compared to YTD Sep 2016 is mainly due to:
Revenue	21,956,041	21,469,204	486,837	2.3%	<ul style="list-style-type: none"> • Up S\$0.2 million and S\$0.6 million from O&G and Cancer-related segment respectively; • Maiden contribution of S\$0.1 million from our new PAED Clinic which started in July 2017; and • Down S\$0.4 million from our Dermatology segment for YTD Sep 2017.
Other operating income	200,208	210,146	(9,938)	(4.7%)	<ul style="list-style-type: none"> • Government grants down S\$72,000; • Sponsorship income up S\$41,000; and • More clinic rental rebates of S\$22,000 in YTD Sep 2017.
Consumables and medical supplies used	(3,147,260)	(3,144,870)	2,390	0.1%	<ul style="list-style-type: none"> • Remained fairly consistent despite a slight increase in revenue.

	YTD Sep 2017 (S\$)	YTD Sep 2016 (S\$)	Increase/ (Decrease) (S\$)	%	The increase or (decline) in YTD Sep 2017 as compared to YTD Sep 2016 is mainly due to:
Employee benefits expense	(8,647,243)	(8,096,681)	550,562	6.8%	<ul style="list-style-type: none"> Increase of S\$0.1 million from SK Lim Clinic which started in May 2016; Increase of S\$0.2 million from SC Hong Clinic which started in July 2016; and Maiden expense of \$0.1 million from PAED Clinic which started in July 2017.
Depreciation of plant and equipment	(366,721)	(273,150)	93,571	34.3%	<ul style="list-style-type: none"> The new laser machine acquired for SOG Dermatology Clinic in December 2016; and The three new ultrasound machines acquired for SC Hong Clinic, SK Lim Clinic and Heng Clinic in August 2016, January 2017 and March 2017 respectively.
Other operating expense	(2,178,665)	(2,008,097)	170,568	8.5%	<ul style="list-style-type: none"> Increase of S\$142,000 in rental expenses from our new corporate office and clinics; and Up S\$50,000 in medical professional indemnity insurances.
Profit from operations	7,816,360	8,156,552	(340,192)	(4.2%)	
Finance income	39,678	44,913	(5,235)	(11.7%)	<ul style="list-style-type: none"> Lower fixed deposit interest.
Finance expense	(179,126)	(337,049)	(157,923)	(46.9%)	<ul style="list-style-type: none"> An accounting (i.e. non-cash flow item) finance expense related to the Acquisition of JL. Please refer to the notes on Page 2.
Net finance income/ (expense)	(139,448)	(292,136)	(152,688)	(52.3%)	
Profit before income tax	7,676,912	7,864,416	(187,504)	(2.4%)	
Income tax expense	(1,188,204)	(1,010,154)	178,050	17.6%	<ul style="list-style-type: none"> Lesser tax rebates and allowances.
Profit for the period	6,488,708	6,854,262	(365,554)	(5.3%)	

Revenue

Q3 2017 vs. Q3 2016

Revenue increased by S\$0.2 million or 2.4% from S\$7.5 million for the three months period ended 30 September 2016 (“**Q3 2016**”) to S\$7.7 million for the three months period ended 30 September 2017 (“**Q3 2017**”). The increase is attributed to:

- The increase of S\$0.1 million revenue each from both our Cancer-related and Dermatology segments in Q3 2017 respectively;
- Revenue contribution of S\$0.1 million from our new Paediatrics segment, SOG Children (Paediatrics-East) Clinic (“**PAED Clinic**”) which started operations in July 2017; offset by
- The decrease of S\$0.1 million from our Obstetrics & Gynaecology (“**O&G**”) segment in Q3 2017.

YTD Sep 2017 vs. YTD Sep 2016

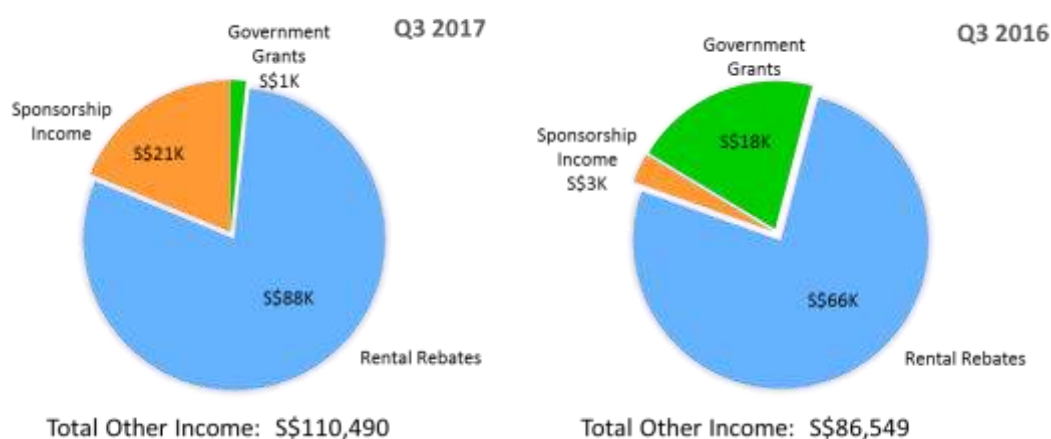
Revenue increased by S\$0.5 million or 2.3% from S\$21.5 million for the nine months period ended 30 September 2016 (“**YTD Sep 2016**”) to S\$22.0 million for the nine months period ended 30 September 2017 (“**YTD Sep 2017**”). The increase is attributed to:

- The increase of S\$0.2 million and S\$0.6 million revenue from our O&G and Cancer-related segment for YTD Sep 2017 respectively;
- Revenue contribution of S\$0.1 million from our new PAED Clinic which started in July 2017; offset by
- The decrease of S\$0.4 million revenue from our Dermatology segment for YTD Sep 2017.

Other Operating Income

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

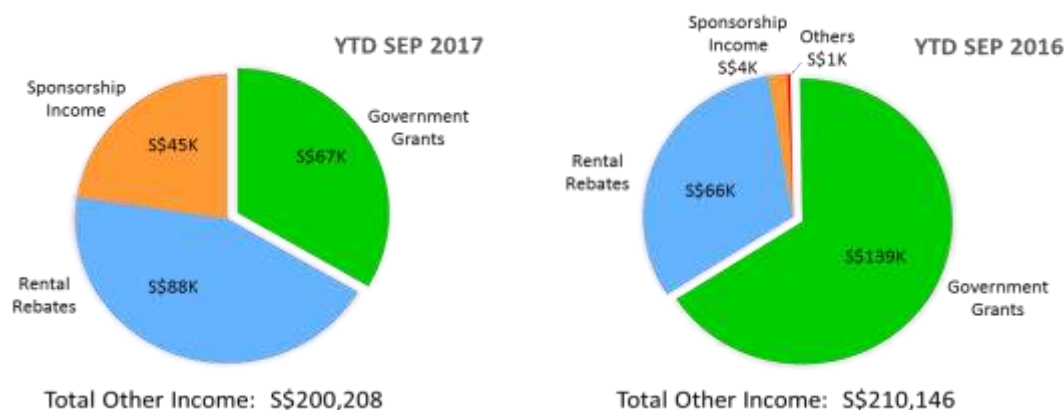
Q3 2017 vs. Q3 2016



Other operating income increased by S\$24,000 or 27.7% for Q3 2017 as compared to Q3 2016. The increase is due to:

- More clinic rental rebates of S\$22,000 received from a lessor; and
- More sponsorship income of S\$18,000 received from sponsors, offset by
- Fewer government grants of S\$17,000 received in Q3 2017.

YTD Sep 2017 vs. YTD Sep 2016



Other operating income decreased slightly by S\$10,000 or 4.7% for YTD Sep 2017 as compared to YTD Sep 2016. The decrease is due to:

- Fewer government grants of S\$72,000 received; offset by
- More sponsorship income of S\$41,000 received; and
- More clinic rental rebates of S\$22,000 received from a lessor in YTD Sep 2017.

Consumables and Medical Supplies Used

In general, the O&G, Cancer-related and Paediatrics practices uses fewer consumables and medical supplies as compared to the Dermatology practice which requires more consumables and medical supplies such as skin care products.

By far, our Cancer-related practice uses the least consumables and medical supplies as our Cancer Specialists are Breast Surgeon and GynaeOncologist who perform their major procedures in the hospitals and thus, the consumables and medical supplies are taken care of and billed by the hospitals.

Q3 2017 vs. Q3 2016

Consumables and medical supplies used decreased by S\$26,000 or 2.4%. The decrease is mainly attributed to decrease in consumables and medical supplies used by our Dermatology segment as a result of cost savings from bulk purchases.

Consumables and medical supplies used as a percentage of the Group's revenue decreased slightly by 0.7% from 14.8% for Q3 2016 to 14.1% for Q3 2017. This is mainly due to the cost savings from bulk purchases in Q3 2017.

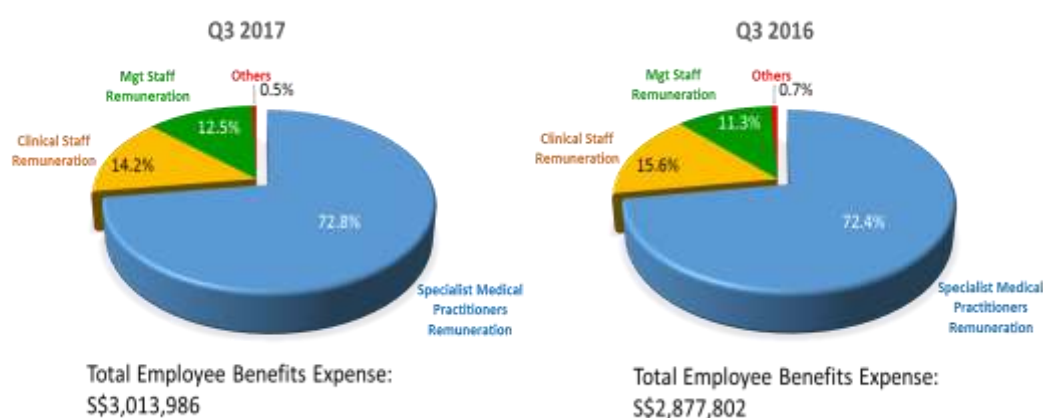
YTD Sep 2017 vs. YTD Sep 2016

Consumables and medical supplies used remained fairly consistent at S\$3.1 million for both YTD Sep 2017 and YTD Sep 2016 despite a slight increase in revenue.

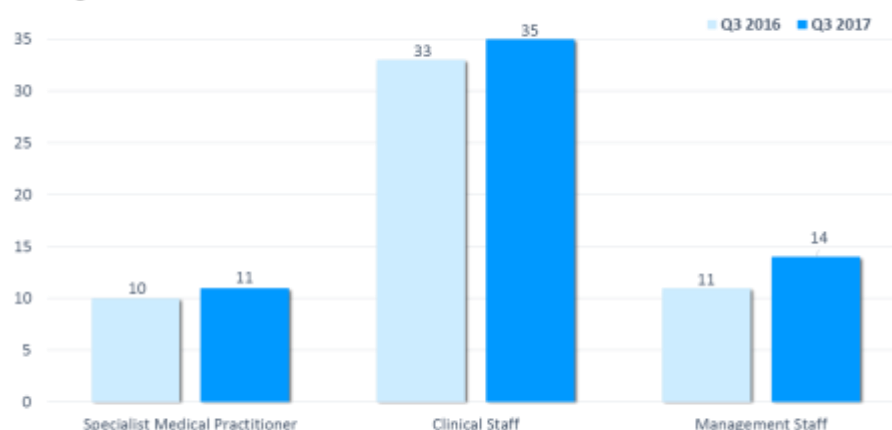
Consumables and medical supplies used as a percentage of the Group's revenue decreased slightly by 0.3% from 14.6% for YTD Sep 2016 to 14.3% for YTD Sep 2017. This is mainly due to our continuous cost containment effort.

Employee Benefits Expense

Q3 2017 vs. Q3 2016



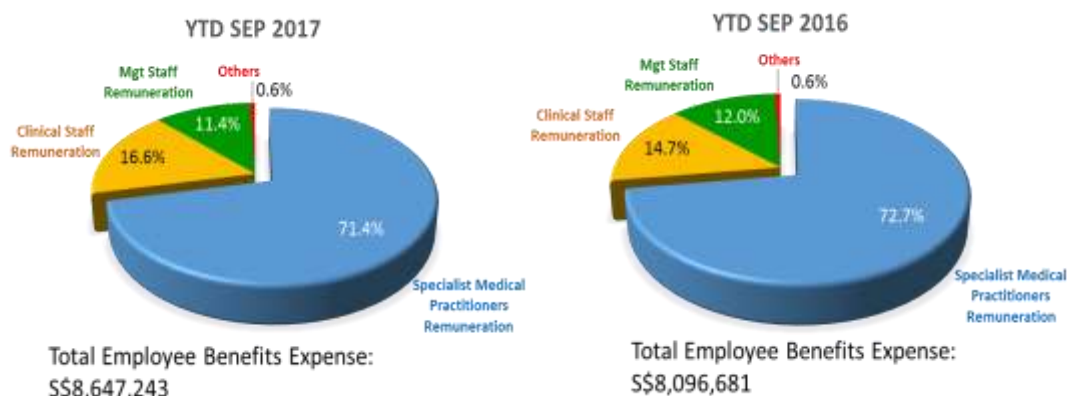
Average headcount Q3 2017 vs. Q3 2016



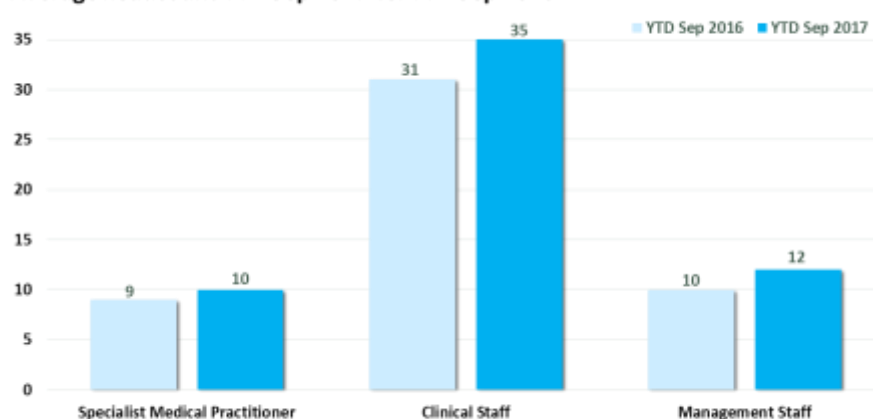
Employee benefits expense increased by S\$0.1 million or 4.7% from S\$2.9 million for Q3 2016 to S\$3.0 million for Q3 2017. The increase is mainly due to the maiden salary and benefits expense of the new specialist medical practitioner and clinical staff for our PAED Clinic which started in July 2017.

Employee benefits expense as a percentage of the Group's revenue increased slightly by 0.9% from 38.2% in Q3 2016 to 39.1% in Q3 2017 as our PAED Clinic had just started in July 2017 and is still building up its patient loads.

YTD Sep 2017 vs. YTD Sep 2016



Average headcount YTD Sep 2017 vs. YTD Sep 2016



Employee benefits expense increased by S\$0.5 million or 6.8% from S\$8.1 million for YTD Sep 2016 to S\$8.6 million for YTD Sep 2017. The increase is mainly due to:

- The increase in employee benefits expense of S\$0.1 million from SOG-SK Lim Breast and General Surgicare Clinic (“**SK Lim Clinic**”) which started in May 2016;
- The increase in employee benefits expense of S\$0.2 million from SOG-SC Hong Clinic for Women (“**SC Hong Clinic**”) which started in July 2016; and
- The maiden employee benefits expense of S\$0.1 million from PAED Clinic which started in July 2017.

Employee benefits expense as a percentage of the Group’s revenue increased by 1.7% from 37.7% for YTD Sep 2016 to 39.4% for YTD Sep 2017 as our new clinics are still building up their patient loads.

Depreciation of Plant and Equipment

Q3 2017 vs. Q3 2016

Depreciation of plant and equipment increased by S\$21,000 or 19.4% from S\$106,000 for Q3 2016 to S\$127,000 for Q3 2017. The increase is mainly attributed to the depreciation charge arising from:

- The new laser machine acquired for SOG Dermatology Clinic in December 2016, and
- The new ultrasound machine acquired for SC Hong Clinic in August 2016.

Depreciation as a percentage of the Group's revenue increased by 0.2% from 1.4% for Q3 2016 to 1.6% for Q3 2017 mainly due to a lower revenue contribution from our O&G segment in Q3 2017.

YTD Sep 2017 vs. YTD Sep 2016

Depreciation increased by S\$94,000 or 34.3% from S\$273,000 for YTD Sep 2016 to S\$367,000 for YTD Sep 2017. The increase is mainly attributed to the depreciation charge arising from:

- The new laser machine acquired for SOG Dermatology Clinic in December 2016; and
- The three new ultrasound machines acquired for SC Hong Clinic, SK Lim Clinic and Heng Clinic for Women ("**Heng Clinic**") in August 2016, January 2017 and March 2017 respectively.

Depreciation as a percentage of the Group's revenue increased by 0.4% from 1.3% for YTD Sep 2016 to 1.7% for YTD Sep 2017 mainly due to a lower revenue contribution from our Dermatology segment in YTD Sep 2017.

Other Operating Expense

Q3 2017 vs. Q3 2016

Other operating expense increased by S\$0.1 million or 21.3% from S\$0.7 million for Q3 2016 to S\$0.8 million for Q3 2017. The increase is mainly attributed to:

- The increase in rental expense of S\$50,000 for our new corporate office lease at Mountbatten Square and two clinics;
- Donation of S\$30,000 to a registered charity organisation; and
- Maiden other operating expense of S\$30,000 incurred by PAED Clinic which started operations in July 2017.

Other operating expense as a percentage of the Group's revenue increased by 1.5% from 8.6% for Q3 2016 to 10.1% for Q3 2017 mainly due to a lower revenue contribution from the newly specialist medical practitioners as compared to the senior specialist medical practitioners.

YTD Sep 2017 vs. YTD Sep 2016

Other operating expense increased by S\$0.2 million or 8.5% from S\$2.0 million for YTD Sep 2016 to S\$2.2 million for YTD Sep 2017. The increase is mainly attributed to:

- The increase of S\$142,000 in rental expenses from our new corporate office and clinics; and
- The increase of S\$50,000 in medical professional indemnity insurances for most of our specialist medical practitioners.

Other operating expense as a percentage of the Group's revenue increased by 0.5% from 9.4% for YTD Sep 2016 to 9.9% for YTD Sep 2017 mainly due to a lower revenue contribution from the newly recruited specialist medical practitioners as compared to the senior specialist medical practitioners.

Finance Income

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

Q3 2017 vs. Q3 2016

Finance income increased by S\$13,000 or more than 100.0% from S\$1,000 for Q3 2016 to S\$14,000 for Q3 2017. The increase is due to more cash placed under fixed deposit arrangement.

YTD Sep 2017 vs. YTD Sep 2016

Finance income decreased by S\$5,000 or 11.7% from S\$45,000 for YTD Sep 2016 to S\$40,000 for YTD Sep 2017. The decrease is due to lower fixed deposit interest.

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).

Q3 2017 vs. Q3 2016

As the second cash tranche consideration was paid off in January 2017, the finance expense decreased by S\$53,000 or 46.9% from S\$112,000 for Q3 2016 to S\$59,000 for Q3 2017. The finance expense for Q3 2017 relates to the third cash tranche consideration due on 1 January 2018.

YTD Sep 2017 vs. YTD Sep 2016

Finance expense decreased by S\$158,000 or 46.9% from S\$337,000 for YTD Sep 2016 to S\$179,000 for YTD Sep 2017. The decrease is as discussed above.

Profit Before Income Tax

Q3 2017 vs. Q3 2016

As a result of the above, profit before income tax remained consistent at S\$2.8 million for both Q3 2016 and Q3 2017.

YTD Sep 2017 vs. YTD Sep 2016

Profit before income tax decreased by S\$0.2 million or 2.4% from S\$7.9 million for YTD Sep 2016 to S\$7.7 million for YTD Sep 2017.

Income Tax Expense

Q3 2017 vs. Q3 2016

Income tax expense increased by S\$84,000 or 25.2% mainly due to lesser tax rebates and allowances for FY 2017 as compared to FY 2016.

YTD Sep 2017 vs. YTD Sep 2016

Income tax expense increased by S\$178,000 or 17.6% as discussed above.

Review of the Group's Financial Position

Non-Current Assets

As at 30 September 2017, non-current assets amounted to S\$28.7 million or 56.6% 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\$24,000 or 1.6%. The slight increase is attributed to the plant and equipment additions of S\$391,000, offset by its corresponding depreciation charge of S\$367,000, in YTD Sep 2017.
- Available-for-sale financial assets of \$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 30 September 2017.
- Deferred tax assets of S\$12,000 or less than 0.1% of the Group's total non-current assets, arising from the deductible temporary differences related to the Group's plant and equipment.

Current Assets

As at 30 September 2017, current assets amounted to S\$22.0 million or 43.4% of the Group's total assets. Current assets consist of the following:

- Inventories of S\$2.3 million or 10.4% of the Group's total current assets. The increase of S\$0.1 million or 6.2% is mainly due to more inventories held by our Dermatology segment as at 30 September 2017.
- Trade and other receivables of S\$2.2 million or 10.2% of the Group's total current assets. The increase of S\$0.1 million or 7.1% is mainly due to the prepayment for other operating expenses such as medical professional indemnity insurances.
- Cash and cash equivalents of S\$17.5 million or 79.4% of the Group's total current assets. The decrease of S\$3.9 million or 18.2% is mainly due to the payment of the second tranche cash consideration of S\$3.8 million (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.

Non-Current Liabilities

As at 30 September 2017, non-current liabilities amounted to S\$76,000 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 30 September 2017, current liabilities amounted to S\$9.1 million or 99.2% of the Group's total liabilities. Current liabilities consist of the following:

- Trade and other payables of S\$7.4 million or 81.4% of the Group's total current liabilities. The increase of S\$0.4 million or 5.2% is mainly due to:
 1. The revaluation effect of S\$0.2 million as at 30 September 2017 on the contingent consideration relating to the fair value of the third tranche cash consideration payable for the Acquisition of JL due on 1 January 2018; and
 2. The increase of S\$0.1 million in trade payables due to slower payment pattern in Q3 2017.
- Deferred revenue of S\$0.4 million, or 4.8% 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\$58,000 or 15.1% is due to the increase in antenatal package fees received.
- Current tax liabilities of S\$1.3 million, or 13.8% of the Group's total current liabilities, comprise of income tax payables of S\$0.1 million and S\$1.2 million for FY 2016 and FY 2017 respectively.

Shareholders' Equity

As at 30 September 2017, shareholder's equity of S\$42.0 million comprises of the following:

- Issued and fully paid share capital of S\$29.6 million.
- Reserves of S\$11.8 million which comprise of:
 1. Capital reserve of S\$1.8 million represents the difference between the fair value of the purchase consideration paid by the Company and the net assets of Choo Wan Ling Women's Clinic Pte. Ltd. and Beh's Clinic for Women Pte. Ltd. acquired by the Company in 2014;
 2. Retained earnings of S\$11.7 million; offset by
 3. Merger reserve of S\$1.7 million represents the difference between the consideration paid by the Company and the net assets of Heng Clinic and KW Lee Clinic & Surgery for Women Pte. Ltd. acquired by the Company.

Review of the Group's Cash Flows

Net Cash Generated from Operating Activities

For Q3 2017, there was a net cash inflow of S\$2.8 million from operating activities. This comprises operating cash inflows before changes in working capital of S\$2.9 million, net working capital inflows of S\$0.5 million and income tax paid of S\$0.6 million. The net working capital inflows of S\$0.5 million is mainly attributed to:

1. The revaluation effect of S\$0.2 million on the fair value of the third tranche cash contingent consideration payable for the Acquisition of JL due on 1 January 2018; and
2. The increase in trade payables of S\$0.1 million due to slower payment pattern in Q3 2017.

For YTD Sep 2017, the Group generated a net cash inflow from operating activities of S\$6.7 million which is a decrease of S\$0.3 million or 4.8% as compared to S\$7.0 million in the previous corresponding period. The decrease is mainly due to a lower profit before tax of S\$0.2 million as compared to the previous corresponding period.

Net Cash Used in Investing Activities

For Q3 2017, net cash used in investing activities amounted to S\$42,000 which was mainly attributed to the purchase of an aesthetic medical equipment for SOG Dermatology Clinic and an ultrasound machine for our O&G Clinic.

For YTD Sep 2017, the net cash used in investing activities amounted to S\$3.9 million which was mainly attributed to the payment of the second tranche cash consideration of S\$3.8 million for the Acquisition of JL in January 2017.

Net Cash used in Financing Activities

For Q3 2017, the net cash used in financing activities amounted to S\$2.9 million which was attributed to FY 2017 interim dividend paid to shareholders in August 2017.

For YTD Sep 2017, the net cash used in financing activities amounted to S\$6.7 million which was attributed to FY 2016 final dividend of \$3.8 million and FY 2017 interim dividend of S\$2.9 million paid to shareholders in May 2017 and August 2017 respectively.

9 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 announcement that barring any unforeseen circumstances, the Board expects the Group to remain profitable. The Group has remained profitable.

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 is 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 has extended its services through the offering of maiden general paediatrics and adolescent medicine services. With the new Paediatrics segment, it allows the Group to continue to take care of our existing patients and their newborns. As this is a new segment and in a start-up phase, the Group expects the contribution from this segment to be moderate for FY 2017.

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 30 September 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 ⁵	3,000	(401)	2,599
Investments in healthcare professionals and synergistic businesses ⁶	6,000	(6,000)	-
Working capital purposes	200	-	200
Total	9,200	(6,401)	2,799

Note:

⁵ 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 clinics in 2016:

- 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.

⁶ 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 financial period ended 30 September 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
8 NOVEMBER 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.

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.