



IMMEDIATE RELEASE

Econ Healthcare Group records strong year-end performance with high occupancy rates and dividend payout of 0.78 cent per share

Key Highlights:

- Records 0.78 Singapore cent per share payout for full year
- Occupancy rate record high 95% for Singapore
- Commenced operations for first nursing home in Chongqing, China and establishing another two more nursing homes in China
- The 12th nursing home for the Group, with a 236 bed capacity, projected to be operational in 2022.
- Bringing in the total bed capacity for the Group to 2,336 by 2022 from 1,376 in FY2021.

SINGAPORE – 27 May 2021 – Catalyst-listed Econ Healthcare Group (“the Group”) (SGX:EHG:SI; Bloomberg quote: ECON:SP), the largest private nursing home operator in Singapore and Malaysia¹ with presence in China, is pleased to announce its financial results for FY2021.

S\$ '000	FY2021	FY2020	Y-o-Y % Δ	Y-o-Y S\$ Δ
Aggregate revenue and Operating subvention grant	37,909	37,320	▲ 1.6%	▲ 589
EBITDA	14,472	11,938	▲ 21.2%	▲ 2,534
EBITDA Margin	38.2%	32.0%	▲ 19.3%	▲ 6.2%
PATMI	5,700	4,037	▲ 41.2%	▲ 1,663
PATMI Margin	15.0%	10.8%	▲ 39.0%	▲ 4.2%
EPS	2.72	1.95	▲ 39.5%	▲ 0.77
NAV	11.94	9.31	▲ 28.2%	▲ 2.63

The Group continued with steady growth despite the COVID-19 pandemic and yielded healthy occupancy growth, achieving average occupancy rate of 95% for Singapore. The Group delivered an increase in net profit Y/Y to \$5.7 million.

¹ based on revenue receipts in 2019 according to Euromonitor International Limited

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While the Group continues to pursue long term growth in the top line and earnings, it remains determined in capturing business opportunities and partnerships for a growing ageing population, strengthening our presence across 3 territories, namely, Singapore, Malaysia and China.

“For over 30 years, we have established a good track record of operating excellence in our business. The COVID-19 outbreak had indeed challenged us in rethinking the way we operate as a healthcare provider and it was indeed heartening to witness our People demonstrating resilience and emerging stronger during these unprecedented times. Whilst our first priority remains with the health and safety of our employees and customers, we are also pivoting our business operations with improved digitalization and new technology implementation.

With secured expansion pipelines, we look forward to the operations of our 12th nursing home, with a 236 bed capacity, in Singapore next year. With two additional nursing homes in China contributing 680 bed capacity, the total Group’s bed capacity will increase from 1,376 in FY2021 to a total of 2,336 in 2022.

I am confident that ECON is in a leading position to pave the way in senior care for the present and the future. Our key differentiating factor is in the holistic delivery of care with a human touch, serving generations of seniors for more than three decades. We remain committed in bringing the best care and attention to families.” Mr Ong Chu Poh, Executive Chairman and Group CEO of ECON Healthcare (Asia) Limited, who is also the founder of the Group.

Final Dividend

The Board is recommending a tax exempt (one-tier) final dividend of 0.78 Singapore cent per share for FY2021. Subject to the shareholders’ approval, the final dividend will be paid to shareholders on 3 September 2021.

Outlook

The outlook remains optimistic and the Group looks forward to shaping a future through partnerships and collaborations as the Group continues to enhance our quality of care and service offering across Singapore, Malaysia and China. The Group has commenced the operations of our first nursing home in Chongqing, with another two additional nursing homes in the pipeline. The additional two nursing homes located in Chengdu and Changshou,

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collectively the two new nursing homes are expected to bring additional capacity of 680 beds to our China operations.

The Group is expecting the 12th nursing home to be operational in 2022. Located in Henderson, Singapore, ECON Medicare Centre and Nursing Home – Henderson is a 236 bed capacity nursing home. Together with our three nursing homes in China, the total bed capacity for the Group will increase to 2,336 beds from 1,376 beds by end of 2022.

The Group will continue to diligently adhere to the various COVID-19 health and safe management measures issued by the relevant government and health authorities at places where we operate. The Malaysian government recently extended restrictive measures of the nationwide Movement Control Order (“MCO”) till 7 June 2021. The Group remains alert and responsive to adapt changes in policies and measures to mitigate potential business risk. The Group will continue to enhance the quality of services and efforts to digitalise its business while exploring new market opportunities.

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