

IMMEDIATE RELEASE

**Econ Healthcare Group delivers
 \$1.1mil increase in top line, 6% y-o-y increase**

Key Highlights:

- Growth driven by record high Singapore occupancy rate of 96%
- Commencement of China operations
- Propose interim dividend of 0.22 Singapore cent per share or 35% of net profit after tax

SINGAPORE – 9 November 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, today announced its financial results for six-month period ended 30 September 2021.

S\$ '000	6M2022	6M2021	Y-o-Y % Δ	Y-o-Y S\$ Δ
Aggregate revenue and operating subvention grants	19,736	18,641	▲ 6%	▲ 1,095
Medicare centres and nursing home fees	19,319	18,000	▲ 7%	▲ 1,319
Other operation and ancillary services	417	641	▼ -35%	▼ (224)
Operating profit	2,335	4,935	▼ -53%	▼ (2,600)
Exceptional Grant for Covid-19, net*	197	1,901		
Normalise Operating profit	2,138	3,034	▼ -30%	▼ (896)
EPS (cent)	0.63	1.76	▼ -64%	▼ (1.14)
NAV (cent)	14.63	11.94	▲ 23%	▲ 2.69

* Exceptional grant for Covid-19, net includes JSS, FWL, Jobs Growth Incentive, Rent concession, property tax rebate, net staff accommodation grant and IPO expense

The Group delivered a 6% increase for aggregate revenue and operating subvention grants from S\$18.4 million to S\$19.7 million amidst the COVID-19 pandemic.

The increase is largely contributed by (i) the commencement of operations of 2 new nursing homes namely ECON Medicare Centre and Nursing Home – Puchong and Chongqing in

December 2020 and May 2021 respectively, (ii) contribution from Singapore operations as a result of an overall increase in bed occupancy from 94% to 96%.

“Since the onset of the Covid-19 pandemic, we had to cope with many uncertainties. We remained resilient, nimble and innovative in our approach, leading to new and better ways to manage our systems and deliver our services. We continue to hold a positive outlook for our business with upcoming projects – Henderson, our new 236-bedded capacity Singapore nursing home co-located with an urban farm, dialysis, and childcare centre; and our new facility in Changshou, Chongqing in China. Both facilities will be operationally in 2022.” Mr Ong Chu Poh, Founder, Executive Chairman and Group CEO of ECON Healthcare (Asia) Limited.

“The Henderson project will coincide with our 35th year anniversary of serving seniors and families, and is an important milestone for the Group. We will launch ECON’s next generation of nursing home which will impact residential eldercare through sustainability and inter-generational programmes that brings joy and life to the community.”

Interim Dividend

In appreciation of our shareholders for their support, the Board is recommending a tax exempt (one-tier) interim dividend of 0.22 Singapore cent per share for 1H2022 (1H2021: NIL). The interim dividend will be paid to shareholders on 10 December 2021.

Outlook

The extended lockdowns in the earlier months due to the COVID-19 pandemic across various markets has hampered the region’s recovery momentum in Malaysia and China. However, against the backdrop of high vaccination rate and economic recovery, we are optimistic on achieving growth organically, and with new facilities in the pipeline.

In Singapore, we are expecting a new 236-bedded facility in Henderson to commence operations during 1H 2022, and a 732-bedded facility to be operational in 2025. By consolidating our Malaysia operations, we expect to leverage operational efficiencies and achieve growth by ramping up of occupancy in existing facilities.

We continue to pursue opportunities in China, with our Changshou Nursing home in Chongqing to commence operations in 2H 2022.

ECON HEALTHCARE (ASIA) LIMITED

宜康医疗保健集团(亚洲)有限公司



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The Company has prepared this press release and its contents have been reviewed by the, DBS Bank Ltd ('Sponsor') for compliance with the Catalist Rules. 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. The SGX-ST assumes no responsibility for the contents of this press release, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this press release.

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