

FOR IMMEDIATE RELEASE

Econ Healthcare achieves FY2022 revenue of S\$38.9 million, and expands geographical footprint into China

- *Expanded geographical footprint into China with the opening of its first nursing home in Chongqing in May 2021*
- *Commences operations of 236-bed nursing home in Henderson*
- *Strong pipeline adds to future prospects, including a second nursing home opening in China in the second half of 2022 and its largest facility in Singapore expected to open in 2025*

SINGAPORE – 27 May 2022 – Econ Healthcare (Asia) Limited (“Econ Healthcare” or the “Group”), the largest private nursing home operator in Singapore with presence in Malaysia and China, has achieved a 3.3% uptick in revenue to S\$38.9 million for the financial year ended 31 March 2022 (“FY2022”) compared to S\$37.7 million a year ago (“FY2021”).

The improved top line performance was largely attributed to a S\$1.5 million increase in Medicare centres and nursing home revenue. Singapore Medicare centres and nursing home – its largest revenue generating unit – contributed increased revenue of S\$1.6 million as a result of an overall rise in bed occupancy for the year, fee adjustment and improvement in our homecare business. In Malaysia, the opening of the ECON Medicare Centre and Nursing Home in Puchong in December 2020 contributed increased revenue of S\$1.0 million, while, the Group’s newest nursing home in China – the Chongqing Nursing Home, which opened in May 2021 with 44 beds, contributed S\$0.3 million to the increase in revenue. These increases were partially offset by a decline in ancillary fees of S\$0.3 million, largely attributable to the cessation of management fees from the Group’s related corporation, West Point Hospital Pte. Ltd., and a S\$1.4 million decline in revenue due to the closure of its Pudu nursing home during the year.

Econ Healthcare’s financial position remains healthy with cash and cash equivalents of S\$26.1 million as at 31 March 2022, up from S\$16.1 million a year ago. The Group has not proposed a final dividend in respect of FY2022 but had paid an interim dividend of 0.22 Singapore cents per ordinary share in December 2021.

Outlook

With the COVID-19 situation easing in Singapore and Malaysia, the Group is cautiously optimistic that it can achieve organic growth especially with a number of new nursing homes in its pipeline.

Operationally, the Group launched its ninth nursing home in Singapore, the 236-bed Econ Care Residence, Henderson (“**ECON Henderson**”), which soft-opened in April 2022. With 40 residents to date, ECON Henderson is housed within the first-ever integrated space for childcare, healthcare and urban farming at the former Henderson Secondary School building. The co-location of ECON Henderson in this integrated space will facilitate collaboration opportunities for cross-generational and therapeutic programmes with its partners, contributing towards quality of care for seniors.

Econ Henderson is designed to create an enabling environment that helps seniors live well, and improve their overall well-being. The facilities at ECON Henderson include small household cluster living areas decorated to support reminiscence therapy; a well-equipped rehabilitation gym with modern and elder-friendly equipment to improve their physical health under the guidance of therapists; and dementia-friendly outdoor garden areas for therapeutic gardening activities or to simply enjoy some sun and greenery.

Also in the Group’s pipeline for the Singapore market is a 732-bed nursing home in Jurong. This will be Econ Healthcare’s largest facility in Singapore and will ramp up the Group’s operations significantly when it opens in 2025.

The Group also expects its 280-bed Nursing Home in Changshou, Chongqing, to commence operations in the second half of 2022.

Mr Ong Chu Poh, Executive Chairman and Group CEO, said: *“With a rapidly aging population across all three of our markets, our services are increasingly needed to support families in caring for their loved ones in their golden years. As such, we believe the prospects of our business are positive and we will continue to develop new concepts that will keep our residents healthy and happy.”*

In April 2022, Econ Healthcare was awarded the “Singapore Heritage Brand” at the Singapore Prestige Brand Awards 2022, affirming its efforts to build an impactful brand that is in line with its vision to be a premium and leading elder care services provider in the Asia-Pacific region

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About Econ Healthcare (Asia) Limited

Established in 1987 with a heritage that spans more than three decades, Econ Healthcare (Asia) Limited (“**Econ Healthcare**”, “宜康医疗保健集团(亚洲)有限公司”) and together with its subsidiaries, the “**Group**”) is the leading premium private nursing home operator in Singapore and Malaysia and a pioneer in providing eldercare services. The Group has two key business segments, namely Medicare Centres and Nursing Homes, and Other Operations and Ancillary Services, which together encompass residential nursing care services, home care services, rehabilitation services and traditional Chinese medicine services, amongst others. Over the years, the Econ Healthcare brand has become synonymous with quality eldercare services that is rendered with kindness, compassion and respect. This has won the Group many accolades including “Singapore Promising Brand” in 2003 and “Singapore Heritage Brand” in April 2022. The Group’s network comprises 12 Medicare centres and nursing homes in Singapore and Malaysia and one nursing home in China.

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