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Co. Reg. No.: 201843233N

FOR IMMEDIATE RELEASE

Singapore Paincare achieves 32.5% revenue expansion in 1HFY2023; beefs up operations for next stage of growth

- *Revenue boosted by on-going national vaccination programme, contributions from new acquisition and post-Covid reopening of borders.*
- *Gears up for future growth with a 27.8% increase in headcount.*
- *Expects positive impact from the government's Healthier SG programme for preventive care.*

Financial Highlights in S$' million	**6 months ended 31 December[2]**		
	1H FY2023[3]	**1H FY2022[3]**	**% Change**
Revenue	**11.0**	**8.3**	32.5
EBIT	**1.8**	**2.8**	(35.7)
EBITDA	**2.5**	**3.2**	(21.9)
Net Profit for the period	**1.2**	**2.3**	(47.8)

Notes:

1 *EPS was computed based on the weighted average number of shares of 179,140,949 shares in 1H FY 2023 and 179,623,416 shares in 1H FY2022.*

2 *All financial figures have been rounded to one (1) decimal place.*

3 *1H FY2023 and 1H FY2022 are defined below.*

SINGAPORE, 14 February 2023 – Singapore Exchange Securities Trading Limited Catalist-listed specialist healthcare group Singapore Paincare Holdings Limited ("**Singapore Paincare**" or together with its subsidiaries, the "**Group**") has achieved strong year-on-year ("**YoY**") revenue growth of 32.5% to S$11.0 million, with net profit registering a healthy S$1.2 million for the six months ended 31 December 2022 ("**1H FY2023**").

Singapore Paincare's stellar top line performance was driven mainly by its participation in the national vaccination programme as well as the post-Covid reopening of borders, which led to an influx of medical tourists seeking specialist pain care treatments during the period under review. The Group's revenue was also boosted by new contribution from the Centre for Screening and Surgery ("**CSS**"), which was acquired in February 2022. Post-acquisition, CSS accounted for approximately 10.0% of the Group's revenue in 1H FY2023.

Net profit for the period declined to S$1.2 million in 1H FY2023 versus S$2.3 million in the previous corresponding six months in 2022 ("**1H FY2022**"). This was due mainly to a one-off impairment loss on investment in a 45%-owned associate of S$0.7 million that was included under other expenses, and higher overall expenses in line with the expansion of the Group's operations. Employee benefits expenses formed the bulk of overall expenses, having risen 67.9% YoY to S$4.8 million in 1H FY2023, due to a 27.8% increase in headcount and higher wages paid out. Other expenses, which included marketing, IT, printing and stationery and administrative expenses, rose to S$2.10 million as compared to S$0.97 in 1H FY2023, while depreciation and amortisation expenses increased 60.3% to S$0.7 million YoY.

Dr Bernard Lee (李文鉴医生), Executive Director and Chief Executive Officer of Singapore Paincare, said: *"Our top line performance reflected the positive post-Covid-19 environment. Although revenue from our ongoing participation in the national vaccination programme has come down due to the high vaccination rate achieved, the increase in local patient footfall, as well as the influx of medical tourists when the borders re-opened in April 2022, more than made up for it.*

"However, the Covid-19 era had also led to a severe shortage of trained medical practitioners in the healthcare industry with high staff attrition rate in many countries due to burn out from fighting the pandemic. Because of the stiff competition for trained staff both locally and overseas, our Group had to make the necessary adjustments to employee compensation in order to retain existing staff and attract the new medical professionals we needed to support our expanded operations and growth plans. The increased staff costs ate into our bottom line, but it was necessary for us to build up a strong team that can sustain our top line growth."

As at 31 December 2022, the Group remained in a strong financial position with cash and cash equivalents of S$11.9 million (as at 30 June 2022: S$15.2 million). This gives it a sizeable war-chest to pursue suitable expansion opportunities.

Outlook and prospects

Singapore Paincare is optimistic about the next 12 months. Locally, the Singapore government has announced a slew of initiatives under its Healthier SG plan, which includes the mobilisation of the local network of family doctors, or general practitioners ("**GPs**"), to provide more holistic care focused on prevention and improved chronic care as well as the development of family health plans.[1] In addition, the government has updated its national blueprint, the "2023 Action Plan for Successful Aging", to ensure that Singapore's greying population ages well. The blueprint includes plans to expand the existing network of active ageing centres that will also evolve into centres for preventive care.[2]

Singapore Paincare is well-positioned not only to support, but also to benefit from these government initiatives because of its established holistic pain care eco-system. Its growing network, which currently comprises 10 pain-focused GP clinics, three specialist centres, two rehabilitation centres and one

[1] *Healthier SG website "Key Features of Healthier SG Strategy"*
[2] *Channelnewsasia article "Active ageing centres, employment schemes part of updated plan to help Singaporeans age well" dated 30 January 2023*

traditional Chinese medicine clinic, enables the Group to journey with patients from treatment to rehabilitation to wellness and maintenance.

Dr Lee said: *"Pain is something we all experience as we grow old because of degeneration. As a pain-focused health services group with seniors making up the bulk of our patients, Singapore Paincare has always advocated preventive measures that can slow down the effects of aging. With our comprehensive suite of services and growing network of clinics, we believe we are more than able and ready to support the government's efforts to promote active aging and preventive care."*

Now that most borders have opened, Singapore Paincare has resumed talks with potential and synergistic partners overseas with the intention to extend and replicate its pain care ecosystem abroad. The markets it is eyeing are those from which the bulk of its foreign patients hail from. They include China, Indonesia, the Philippines, Malaysia and Vietnam.

The Group is also exploring opportunities to broaden its treatment offerings to include pain that is related to various branches of medicine such as dermatology and orthopaedics.

Dr Lee said: *"Singapore Paincare's unique proposition is, and always will be, the use of minimally invasive procedures for the treatment of pain, but we recognise that there are some types of pain that require more invasive measures. When we acquired CSS in February 2022, it paved the way for us to expand our services into cancer pain treatment, including surgical options for such conditions. We believe it was a move in the right direction as CSS had contributed 10.0% in new revenue to our top line in 1H FY2023. We are therefore very keen to explore similar opportunities with potential partners in other branches of medicine that will enable us to grow this segment of our practice."*

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About Singapore Paincare Holdings Limited

Singapore Paincare Holdings Limited ("**SPCH**") is a medical services group engaged in pain care, primary care and other services. The Group focuses on the treatment of patients suffering from chronic pain and its pain care services include, among others, minimally invasive procedures, cancer pain treatment, specialised injections, pharmacotherapy, and cognitive behavioural therapy.

In addition to pain care treatment, SPCH's suite of services includes general medical consultation, management of chronic and acute conditions, health screening and dermatology services. More information on the Company can be found at https://sgpaincareholdings.com/.

Issued for and on behalf of Singapore Paincare Holdings Limited

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*This press release has been prepared by the Company and reviewed by the Company's sponsor, Novus Corporate Finance Pte. Ltd. (the "**Sponsor**"), in compliance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalist.*

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.

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