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The Future Of Healthcare, Now

## **Republic Healthcare Limited**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 8357)**

### **PROFIT WARNING**

This announcement is made by Republic Healthcare Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “**GEM Listing Rules**”) and the Inside Information Provisions (as defined in the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (chapter 571 of the Laws of Hong Kong).

The board of directors (the “**Board**”) of the Company wishes to inform the shareholders of the Company and potential investors that, based on the preliminary assessment by the Board on the unaudited consolidated management accounts of the Group for the nine months ended 30 September 2021 (the “**Period**”) and the information currently available to the Board, the Group is expected to record a loss of approximately S\$882,000 as compared to the net profit of approximately S\$319,000 for the nine months ended 30 September 2020 (the “**Corresponding Period**”).

Based on the preliminary review of the Group’s unaudited consolidated management accounts for the nine months ended 30 September 2021, barring unforeseen circumstances, the Board expected that the loss were mainly attributable to (i) an increase in employee benefit expenses by approximately S\$0.6 million or 13.8% from approximately S\$4.0 million for the Corresponding Period to approximately S\$4.6 million for the Period due to higher employment costs to retain and attract staff to ensure businesses and operations continuity; (ii) higher depreciation expenses arising from plant, equipment and right-of-use of assets arising from the new clinics by approximately S\$0.7 million or 94.6% from approximately S\$0.7 million for the Corresponding Period to approximately S\$1.4 million for the Period; and (iii) an increase in other operating expenses by approximately S\$0.9 million or 60.1% from approximately S\$1.5 million for the Corresponding Period to approximately S\$2.4 million for the Period due to higher marketing expenditures as a result of the various marketing and promotional campaigns to compete for business as well as investing in rebranding activities to provide a new visual identity for the various business brands under the Group in order to connect with existing and new customers, as well as to differentiate our service offerings with that of our competitors and staying abreast with the ever-changing customers’ preference and lifestyle.

The information contained in this announcement is only a preliminary assessment performed by the management of the Company based on current information available to the Company, including the management accounts of the Group, which was neither reviewed by the audit committee of the Company, nor reviewed or audited by the external auditors of the Company. The Group's unaudited financial results for the nine months ended 30 September 2021 may be different from what is disclosed in this announcement. Further details of the Group's financial performance will be disclosed when the Group finalises and announces its unaudited financial results for the nine months ended 30 September 2021.

**Shareholders of the Company and potential investors are advised to exercise caution when dealing in the securities of the Company.**

By order of the Board  
**Republic Healthcare Limited**  
**Tan Cher Sen Alan**  
*Chairman and Executive Director*

Singapore, 15 October 2021

*As at the date of this announcement, the executive Director is Dr. Tan Cher Sen Alan (Chairman), non-executive Director is Mr. Wen Yongwen and the independent non-executive Directors are Mr. Yeo Teck Chuan, Mr. Soh Sai Kiang and Mr. Kevin John Chia.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the "GEM"), for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquires, confirm that to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

*This announcement will remain on the "Latest Listed Company Information" page of the GEM website at [www.hkgem.com](http://www.hkgem.com) for at least 7 days from the date of its publication. This announcement will also be published on the website of the Company at [republichealthcare.asia](http://republichealthcare.asia).*