MEDINEX LIMITED

Advancing
with synergy
Connecting
through technology

ANNUAL REPORT 2021

CONTENTS

This annual report has been prepared by Medinex Limited (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 annual report has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this annual report, including the correctness of any of the statements or opinions made, or reports contained in this annual report.

The contact person for the Sponsor is Mr. Pong Chen Yih, Chief Operating Officer, at 7 Temasek Boulevard, #18-03B Suntec Tower 1, Singapore 038987, telephone (65) 6950 2188.

CORPORATE *PROFILE*

Medinex Limited ("**Medinex**" or the "**Company**", and together with our subsidiaries, the "**Group**") is a Singapore-based medical support services provider, specialising in providing professional support services to medical clinics. Our scope of medical support services includes overseeing the setting up of clinics, facilitating applications for relevant clinic licences, providing business support services such as accounting, tax agent services, human resource management services and corporate secretarial services. We also provide X-rays, pre-employment check-ups, health screenings services, and pharmaceutical services to our clients, assisting them in procuring medical and pharmaceutical products.

As an ancillary service, we provide business support services such as accounting and tax agent services, and corporate services to companies outside of the healthcare industry.

Medinex has been accredited as an Accredited Training Organisation (ATO) for the attainment of the Chartered Accountant (Singapore) designation.

MediNex
MEDINEX LIMITED

OUR VISION

To be the preferred support platform for primary and secondary healthcare providers with a multidisciplinary approach.

OUR MISSION

To provide a one-stop solution for healthcare entrepreneurs to start-up and grow their business through our support platform.

OUR *SERVICES*

MEDICAL SUPPORT SERVICES

- Provide customised and value-added support services to clients in primary and secondary healthcare sectors comprising general practitioners and specialists
- Provide turnkey solutions as well as detailed and strategic advice to general practitioners and specialists on establishing clinic facilities

PHARMACEUTICAL SERVICES

- Procure medical and pharmaceutical products for customers in Singapore
- Such medical and pharmaceutical products are obtained from authorised distributors in Singapore

BUSINESS SUPPORT SERVICES

- Provide a spectrum of business support services to assist clients to benefit from operational and cost efficiencies generated from economies of scale
- Serve clients over a variety of industries, including but not limited to food and beverage, retail, education and beauty

LETTER TO SHAREHOLDERS

Despite the arduous journey, with many business sectors trying to cope and recover over the past one year, Medinex had been able to meet expected overall performance in FY2021. Medinex achieved an overall net profit of S$3.55 million.

TAN LEE MENG
Non-Executive Chairman

Dear Shareholders,

It is our pleasure to present to you our annual report for the financial year from 1 April 2020 to 31 March 2021 ("**FY2021**").

FY2021 had been an eventful year, if not the most challenging year of our generation, with the circuit breaker and subsequent movement restrictions brought about by the COVID-19 pandemic. Despite the arduous journey, with many business sectors trying to cope and recover over the past one year, Medinex had been able to meet expected overall performance in FY2021. We appreciate the support and commitment of the shareholders, associates and the corporate team in weathering the challenges together.

This time last year, many businesses, including our clients', were adversely affected by the sudden, massive economic headwinds caused by the pandemic. Medinex reached out to clients who were adversely affected by the pandemic and linked them up with banks to tap on bridging loans. For those whose businesses that were severely affected, Medinex initiated a voluntary one-time adjustment of fees to help ease our clients' financial distress. We have also experienced a rise in the number of companies' striking-off requests.

The Group's profit reduced by 13.2% primarily due to the decrease in demand for medical services and pharmaceutical products. This was, however compensated by an increase in, inter alia, fair value gain on financial assets at fair value through profit or less ("**FVTPL**"), and dividend income from the Company's investments in quoted securities. Medinex achieved an overall net profit of S$3.55 million.

STRATEGIC INVESTMENTS & MILESTONES

The prolonged pandemic has presented opportunities for Medinex and revealed emerging threats to our current business framework. While our existing model is tenable within the prevailing economic atmosphere, the advent of automated systems and 'fintech' applications will gradually become the dominant modes within many business operations in the future.

In addition to galvanizing of relationship with our existing clients and making prudent investment decisions, the Group also actively sources for new streams of business revenues from diverse and non-traditional sources.

The Group has initiated measures to quicken our service offerings of revenue-generating nature such as marketing, digital-media, information technology and human resource consultation for our clients. One of the business service offerings in the spotlight is the area of marketing services in both the physical and digital media.

While the pandemic has drained many businesses of their traditional sources of revenue, it too has nudged many to leverage on the digital and online channels to reach out to their potential markets. It is therefore an opportunity for the Group to ride on this growing trend and to capitalise on this opportunity to provide the necessary marketing consultation and services to support our clients. The provision of grants and structural support by the Government to digitise businesses has further magnified the potential of growth in this sector.

LETTER TO SHAREHOLDERS

Operationally, Medinex continues to embrace the H.O.P.E strategies to ensure greater efficiency and effectivenes.

JESSIE LOW MUI CHOO
Executive Director and
Chief Executive Officer

With this rationale, Medinex has entered into a joint venture with J-Connect Media Pte. Ltd. ("**J-Connect**") in FY2021. J-Connect provides the advertising cum marketing platform and expertise for Medinex to offer the digital marketing services to the Group's existing clients.

OPERATIONAL STRATEGIES

Operationally, Medinex continues to embrace the H.O.P.E. strategies to ensure greater efficiency and effectiveness by focusing on four aspects of our business:

HEALTHCARE SERVICE PORTALS

We have set up a digital supply-chain Portal to host a pool of medical practitioners, specialists and nursing professionals and act as meeting points for potential buyers and sellers of medical practices i.e., Clinickaki. The pandemic has quickened the already growing online business environment. The joint venture with Healthcare Essential Pte. Ltd. provides an additional supply of products to heighten the online traffic and to open up new online channel to promote the medical products.

OPERATIONAL EFFECTIVENESS

This is achieved from streamlining various functions of subsidiaries to reduce the overall corporate costs and expenses. We will continue to grow the team in Johor Bahru, Malaysia to reduce overall manpower cost while maintaining stringent internal controls and quality outputs.

PRINCIPAL ACTIVITIES EXPANSION

We are exploring expanding our activities into the increasingly affluence regional economies outside of Singapore, such as China and India. We have initiated expansion of our principal business consultancy and support activities to assisting regional investors in establishing their businesses in Singapore. One such initiative is the setting up of family offices for the high net-worth individuals and their families. Singapore has become an attraction to many regional investors to establish their base here especially after witnessing how the nation has successfully cope with this pandemic.

ENGAGEMENT

Engagement is even more pertinent now for us to deliver better service experience as there will be higher frequency of virtual engagements. Customising and tailoring our services to better meet the changing needs of customers will continue to be the key differentiating factor for Medinex.

APPRECIATION

Despite an eventful FY2021, on behalf of the Board of Directors, we would like to thank our shareholders and associates for persevering with us in good faith. We would also like to thank all our employees for standing by us to provide prompt service to our clients and partners while coping with the changes brought about by this pandemic. We trust that as we continue to stand together, we will emerge stronger in the coming year.

BOARD OF DIRECTORS

Non-Executive Chairman

Mr. Tan Lee Meng was appointed as our Non-Executive Chairman on 22 May 2017 and re-elected on 30 April 2019. He is also a member of the Audit, Remuneration and Nominating Committee.

Mr. Tan has more than 20 years of experience in business development, incubating and investing in companies, and project management. He started his career in 1994, assisting his family in establishing construction and property-related businesses in Malaysia. In 1994, he was appointed as director of Asia Progress International Pte Ltd which participated in the Masterplan for Information Technology in Education to roll out the information technology training for teachers from the Ministry of Education in 1996. In 2000, he set up LinksTech Holding Pte Ltd to provide strategic investments in information technology companies. Since then, he has been providing investment and consultancy services to individuals and companies on their investments and merger and acquisition exercises and serves as a director overseeing the investments of his own companies. Mr. Tan was previously an independent director of BRC Asia Limited and Hisaka Holdings Ltd (now known as Regal International Group Ltd.), and a non-executive director of See Hup Seng Limited (now known as SHS Holdings Ltd) and Sibercert Pte Ltd (a subsidiary of PSB Corporation).

Mr. Tan graduated from Oklahoma City University in 1993 with a Bachelor of Science (Summa cum Laude) and obtained a Master of Business Administration (Investment and Finance) from the University of Hull.

Executive Director and Chief Executive Officer

Ms. Jessie Low Mui Choo was appointed as Executive Director and Chief Executive Officer on 1 June 2017 and re-elected on 25 August 2020. Ms. Low is responsible for the overall management, strategic planning and business development of our Group.

Ms. Low commenced her career in Ernst & Young LLP (then known as Ernst & Young) as an audit assistant in 1990. She joined Huan Long Court Chinese Restaurant Pte Ltd as an assistant accountant in 1994 before heading the internal audit department of Pan Malayan Holdings Limited in 1995. In 1996, she founded El-Shaddai Consultants as a sole proprietorship and provided business and system planning advisory services until 2002. She later incorporated JK Corporate Services Pte. Ltd. to undertake the business of El-Shaddai Consultants in 2003. In 2005, she registered Ark Assurance (formerly known as Jessie Karun & Associates) to provide audit and accounting services and her Registered Public Accountant's registration is under Ark Assurance. In 2014, Ms. Low practised as Principal Partner at Ark Alliance LLP until 2017 when she was appointed as the Chief Executive Officer of our Company.

Ms. Low holds a Master of Business Administration from the University of Adelaide. She is an Accredited Tax Practitioner (Income Tax & GST), a Registered Public Accountant, a Fellow of the Institute of Singapore Chartered Accountant ("**ISCA**"), a Member of the Association of Chartered Certified Accountants ("**ACCA**") and an ASEAN Chartered Professional Accountant.

Lead Independent Non-Executive Director

Mr. Lim Tai Toon was appointed as Lead Independent Non-Executive Director on 14 November 2018 and re-elected on 30 April 2019. He is also the Chairman of the Audit Committee and a member of the Remuneration and Nominating Committee.

Mr. Lim began his career with the Singapore Armed Forces ("**SAF**") in 1979 for 14 years where he held various senior positions, including the post of Army Budget Controller. After leaving the SAF, Mr. Lim has worked for several companies listed on the SGX-ST, serving as Head, Corporate Affairs of Ipco International Limited from 1994 to 1995, Chairman and Managing Director of Startech Electronics Limited (currently known as Incredible Holdings Ltd.) from 2003 to 2006 and Executive Director of Eastgate Technology Ltd from 2006 to 2009. Mr. Lim was executive director of Ark Capital Pte. Ltd., which was Financial Advisor to Renewable Energy Asia Group Ltd. in 2010. He is currently Chairman and Executive Director of Ark Lanka Holdings (Private) Limited and Food Studio (Private) Limited and Chairman and Chief Executive Officer of Food Studio Holdings Pte. Ltd. Mr. Lim was also a nominee for WestLB AG as creditor of First Engineering Limited in 2008 to 2009 and independent director of Afro-Asia Shipping Company (Private) Limited from 2011 to 2013.

Mr. Lim is currently also an independent director of Medtecs International Corporation Limited, a company listed on the SGX-ST and Taiwan Stock Exchange as Taiwan Depository Receipt, as Lead Independent Director and Chairman of the Audit Committee.

Mr. Lim graduated from the National University of Singapore with a Degree of Bachelor of Accountancy in 1985 and obtained a Master of Business Administration from Brunel University and Master of Business Information Technology from Curtin University of Technology in 1994 and 2004 respectively.

BOARD OF DIRECTORS

Independent Non-Executive Director

Independent Non-Executive Director

Mr. Wee Yiap Fook San was appointed as Independent Non-Executive Director on 14 November 2018 and re-elected on 30 April 2019. He is also the Chairman of the Remuneration Committee and a member of the Audit and Nominating Committee.

Mr. Wee started his career with Philips Singapore Private Limited as Engineering Specialist from 1975 to 1978. He then spent approximately three (3) years as a lecturer at Ngee Ann Polytechnic and Singapore Polytechnic, before returning to the private sector as process engineer and production superintendent for Philips Electronics Singapore Pte. Ltd. ("**Philips Singapore**") at its Tuner Factory from 1982 to 1983, and moved to Philips Singapore's Video Factory to become purchasing manager from 1984 to 1986, and senior procurement manager from 1986 to 1988. Mr. Wee left Philips Singapore in 1988 to pursue his Master in Business Administration. He established and managed the International Procurement Office of the National Organisation Purchasing Centre between 1990 to 1991 and was regional product manager of Philips Lighting Electronics Pte. Ltd. between 1991 to 1992.

Mr. Wee was appointed as Managing Director of Fow Seng Plastic Pte. Ltd. in 1992 and Anchor Electronics Corporation Pte. Ltd. in 1993 to assist these companies in turning around their business. In 1994, Mr. Wee founded Turnaround Management Services Pte Ltd to provide turnaround services for distressed companies.

With a keen interest in providing education for children, Mr. Wee founded the Learning Point group of companies and the Hua Cheng group of companies in 1994 and 2000 respectively.

Mr. Wee graduated with a Bachelor of Science in Engineering from Coventry University in 1981 and obtained his Master in Business Administration from The University of Warwick in 1990.

Mr. Wee will not be seeking re-appointment at the forthcoming annual general meeting of the Company ("**AGM**") and will retire as Independent Non-Executive Director of the Company after the conclusion of the AGM.

Mr. Ye Binlin was appointed as the Independent Non-Executive Director on 1 September 2020. He is also the Chairman of the Nominating Committee and a member of the Remuneration and Audit Committee.

Mr. Ye started his career as an accountant in various companies in the shipping industry in China since his graduation in 1988. He became the chief financial officer and chief accountant for the COSCO group of companies for approximately 13 years from 2001 to 2014. He then moved on to take on more consultant and advisor roles in some companies from 2016 onwards. From 2017 to 2018, he was appointed as the executive director and chief financial officer of AnAn International Limited (formerly known as CEFC International Limited), a company listed on the Mainboard of SGX-ST. He is currently the executive director of Oceanis Shipping Pte. Ltd. and a director of Sunway Holdings Pte. Ltd.

Mr. Ye graduated from Shanghai Maritime University (formerly known as Shanghai Maritime College) with a Bachelor's degree in economics.

KEY *MANAGEMENT*

Chief Operating Officer

Financial Controller

Mr. Lee Kim Hung is the Chief Operating Officer of the Group. He is responsible for developing and executing of long-term strategies of the Group. He also heads the operations of Nex Healthcare Pte. Ltd., a 100% owned subsidiary of Medinex, ensuring effective controls and alignments of the business strategies.

Mr. Lee started his career in 1993 with the SAF, where he held various positions including Programme Manager and Manager for Strategic Plans and Policies in the Army Department of Training, until he left in 2010. From 2010 to 2011, he was Senior Manager, Business Development & Plans at ST Kinetics Pte. Ltd. (now known as Innosparks Pte. Ltd.). From 2011 to 2013, he was Chief Executive Officer of the Singapore Badminton Association. Since 2013, he has been involved in the healthcare business, being Chief Operating Officer and thereafter Chief Executive Officer of Northeast Health International Pte. Ltd.

Mr. Lee holds a Master of Business Administration from Nanyang Technological University and a Masters of Science from the University of Central Florida. He obtained his Bachelors of Engineering (First Class Honours in Aeronautical Engineering) from the University of London in 1993. He was awarded the SAF Merit Scholarship by the SAF in 1990.

Ms. Low Siam Kiang is the Financial Controller of the Group. She heads the finance team and is responsible for the overall financial management and accounting functions including corporate finance, taxation, budgetary control, regulatory compliance and reporting.

Ms Low is currently a director of the Group's subsidiaries, Medinex Corporate Services Pte. Ltd., Medinex Healthcare Pte. Ltd., AccTax Management Consultancy Pte. Ltd. ("**AccTax**"), Medinex Professional Services Pte Ltd ("**MPS**"), Medinex Advisory Pte. Ltd. ("**Medinex Advisory**"), Ark Leadership & Learning Pte. Ltd. ("**ARK LL**") and Sen Med Holdings Pte. Ltd. ("**Sen Med**").

Ms. Low has more than 20 years of experience in accounting and finance. She started her career with PFS Pte. Ltd., an entity in Prima group of companies. She joined Medinex in 2010 and has been overseeing the finance and accounting functions of the Group since.

Ms. Low is an Accredited Tax Practitioner (Income Tax), a Chartered Accountant of ISCA, and an Affiliate Member of ACCA.

KEY *MANAGEMENT*

Managing Director

Business Development Director

Mr. Chai Yee Hoi is the Managing Director overseeing the Business Support Services of the Group. He is responsible for servicing of the corporate clients and providing tax advisory. He is also the director for AccTax, a 100% owned subsidiary of Medinex.

Mr. Chai started his career with Inland Revenue Department of the Ministry of Finance in 1986. He worked with various audit firms and small medium enterprises over the years. In 1993, he joined the Inland Revenue Authority of Singapore (IRAS), where he led a team of tax audit officers to perform audits of organizations in various industries. He subsequently joined Ernst & Young LLP as Goods and Services Tax ("**GST**") Manager in 2000. In 2005, he was GST Consultant at Robin Chia & Co., where he provided GST consultancy services to various companies and conducted seminars and workshops on GST and related matters in Singapore and Malaysia. Mr. Chai founded GST Academy and AccTax in 2006.

Mr. Chai is an Accredited Tax Advisor (Income Tax & GST), a non-practising Member of the ISCA and a Fellow of ACCA of the United Kingdom.

Ms. Valerie Low is the Business Development Director of the Group. She heads the Business Development function of the Group, focusing on clients' engagement, business expansions and diversifications. She is also the Managing Director of Ark LL, a wholly owned subsidiary of Medinex where she is responsible for the operations of Ark LL.

Ms. Low has more than 20 years of experience in human resource consultation and training across different industries such as Healthcare, Banking & Finance, Logistics and Service. She was the Vice President in United Overseas Bank Limited (UOB) before heading a regional team in FedEx Corporation, a Fortune 100 company, focusing on Talent and Management Development.

Ms. Low founded Ark LL in 2014 to provide consultation in leadership and organization development. She has facilitated projects and training in Singapore and various parts of Asia.

Ms. Low holds a Master of Arts in Education and Human Development from the George Washington University, a Graduate Diploma in Human Resource Management from the Singapore Institute of Management, and a Bachelor of Arts in Social Work from the National University of Singapore. She is also a certified Strengths Performance Coach with Gallup University and a recognized management consultant with Enterprise Singapore.

GROUP *STRUCTURE*

MEDINEX LIMITED

- 100% AccTax Management Consultancy Private Limited
- 100% Ark Leadership & Learning Pte. Ltd.
- 100% *Jo-L Consultus Pte. Ltd.
- 100% Medinex Advisory Pte. Ltd.
- 100% Medinex Corporate Services Pte. Ltd.
- 100% Medinex Corporate Services Sdn. Bhd.
- 100% Medinex Healthcare Pte. Ltd.
- 100% Medinex Professional Services Pte. Ltd.
- 100% Nex Healthcare Pte. Ltd.
- 55% Sen Med Holdings Pte. Ltd.
  - 100% Express Medical Pte. Ltd.
  - 100% The Family Clinic @ Towner Pte. Ltd.
  - 100% X-Ray + Medical Screening Pte. Ltd.

* Gazetted to be struck off

PERFORMANCE *REVIEW*

FINANCIAL REVIEW

During FY2021, Medinex has entered into joint ventures with Healthcare Essential Pte Ltd ("**HEPL**") and J-Connect which allow the Company to tap into the business of retail sales of pharmaceutical and medical goods as well as providing advertising services to the Group's existing and potential clients.

The Group achieved revenue of approximately S$10.79 million for FY2021, amounting to a decrease of approximately 35.58% from the Group's revenue of approximately S$16.74 million in FY2020. The decrease in revenue in FY2021 was mainly due to the decrease in demand for medical services and pharmaceutical products during the COVID-19 pandemic. Our subsidiary, Nex Healthcare Pte Ltd, which is primarily involved in providing pharmaceutical services and medical support services, recorded a reduction in revenue of S$2.11 million arising mainly from the lower demand in pharmaceutical products. Another subsidiary, Sen Med and its subsidiaries (the "**Sen Med Group**"), has recorded a decrease in revenue by S$2.07 million arising from the decrease in demand for health screening services and general medical services attributed by (a) border controls which restricted the entry of new foreign workers, and (b) the waiver of requirement for foreign workers to undertake an annual health screening check. The remaining decrease in revenue was due to the shorter financial period of 12 months in FY2021 as compared to 15 months in FY2020.

Other income, which comprised mainly of fixed deposits interest, government grants, fair value gain on financial asset at FVTPL, dividend income, rental rebate and rental income, has increased by approximately 526% from S$0.40 million in FY2020 to S$2.51 million in FY2021. The increase was mainly due to (a) the increase of fair value gain on investment in financial asset at FVTPL of approximately S$1.15 million, (b) the increase in dividend income of approximately S$0.19 million from the Company's investments in quoted securities, (c) the increase in government grants and rental rebate of an aggregate of approximately S$0.77 million arising from the COVID-19 pandemic, and offset by the decrease in interest income of approximately S$0.02 million.

Inventories and consumables used and changes in inventories decreased by approximately S$1.80 million in FY2021 as compared to FY2020. The decrease was due to the fall in demand for medical services and pharmaceutical products.

Amortisation and depreciation expenses decreased by approximately S$0.06 million or approximately 7.30% in FY2021 as compared to FY2020 due mainly to the decrease in depreciation of right-of-use assets of approximately S$0.11 million arising from the termination of office leases in FY2021, and partially offset by the increase in amortisation of intangible assets of approximately S$0.05 million from Ark LL, and SKI Consultancy Pte Ltd ("**SKIC**") and Medinex Advisory (SKIC and Medinex Advisory are collectively known as the "**SKI Group**") in FY2021.

Employee benefits expense decreased by S$0.83 million, or approximately 16.14%, mainly due to a shorter financial period of 12 months in FY2021 as compared to 15 months in FY2020. The shifting of some of the manpower cost to Malaysia had also contributed to the decrease in employee benefits expense in FY2021.

Loss allowance on receivables increased by approximately S$0.08 million or 42.09% due to higher impairment provisions in FY2021 as compared to FY2020, after taking into consideration the COVID-19 situation which increases the credit losses for the debtors.

Other expenses decreased by approximately S$0.50 million or approximately 33.54% in FY2021, mainly due to (a) the reduction of cost of services of S$0.18 million which is in line with the decrease in revenue due to the COVID-19 pandemic, (b) the decrease of platform cost of S$0.13 million due to a shorter financial period of 12 months in FY2021 as compared to 15 months in FY2020, (c) the decrease of set-up costs of S$0.04 million due to the completion of the setting up of our shared services centre in Malaysia, under our new subsidiary in Malaysia, Medinex Corporate Services Sdn. Bhd. ("**MSC**"), which was incorporated in 1HFY2021. Set-up costs relating to MSC's office were incurred in FY2020 in anticipation of its incorporation in 1HFY2021, (d) the decrease in inventory written off of S$0.03 million, and (e) the decrease in other miscellaneous expenses (which consisted of, among others, utilities, upkeep of vehicle and traveling expenses) of approximately S$0.18 million due to the COVID-19 pandemic. The decrease in other expenses is partially offset by (a) the increase in bad debts written off of approximately S$0.03 million, and (b) the increase in allowance for impairment of investment in joint venture of approximately S$0.01 million, (c) the increase in brokerage fees of approximately S$0.01 million and, (d) the increase in reinstatement cost of approximately S$0.01 million.

Share of results of joint ventures (net of tax) arises from the investment in (a) approximately 27.8% equity interest in Zenmedic Capital Pte. Ltd. ("**Zenmedic**"), (b) 25% equity interest in J-Connect, and (c) 20% equity interest in HEPL. The share of results of joint ventures (net of tax) decreased by approximately S$0.05 million mainly due to the decrease in share of profit from Zenmedic of S$0.03 million, and the increase in share of losses incurred by HEPL and J-Connect of S$0.02 million in FY2021.

FINANCIAL POSITION

The Group is in a healthy financial position, with net assets attributable to owners of the Company of approximately S$16.66 million and net cash balance (including fixed deposits) of approximately S$6.66 million as at 31 March 2021.

PERFORMANCE *REVIEW*

Total assets have increased from approximately S$19.32 million in FY2020 to approximately S$23.43 million in FY2021. This increase was primarily due to (a) the increase in plant and equipment by approximately S$0.08 million, (b) the increase in the Group's investment in joint ventures by approximately S$0.18 million, (c) the increase in the financial assets at FVTPL by approximately S$3.43 million, and (d) the increase in bank balances including fixed deposit of S$1.39 million, (e) the increase in prepayment by approximately S$0.01 million , (f) the increase in other receivables of S$0.06 million and partially offset by (i) the decrease in right-of-use assets of approximately S$0.47 million, (ii) the decrease in intangible assets (which relates to customer relationships) by approximately S$0.11 million, (iii) the decrease in inventories by approximately S$0.27 million, (iv) the decrease in trade and other receivables by approximately S$0.17 million and (v) the decrease in contract assets by approximately S$0.04 million.

Total liabilities have increased from approximately S$4.71 million as at 31 March 2020 to approximately S$6.50 million as at 31 March 2021. The increase was primarily due to the increase in bank borrowings of approximately S$2.50 million, and the increase in contract liabilities of approximately S$0.07 million, and partially offset by (a) the decrease in trade and other payables of approximately S$0.07 million, (b) the decrease of lease liabilities of approximately S$0.47 million, (c) the decrease in income tax payable of approximately S$0.22 million, (d) the decrease in deferred tax liability of approximately S$0.02 million, and (e) the decrease in provision of reinstatement cost of approximately S$0.01 million.

Equity attributable to owners of the parent has increased from approximately S$14.26 million as at 31 March 2020 to approximately S$16.66 million mainly due to the increase of retained earnings of approximately S$2.40 million.

CASH FLOW

The Group recorded net cash generated from operating activities of approximately S$3.04 million in FY2021, mainly due to operating cash flow before changes in working capital of approximately S$3.22 million, and adjusted for net working capital inflow of approximately S$0.36 million and income tax paid of approximately S$0.54 million. Our net working capital inflow were mainly due to (a) the decrease in inventories of approximately S$0.27 million, (b) the decrease in contract assets and contract liabilities of approximately S$0.11 million, (c) the decrease in trade and other payables of approximately S$0.13 million, and partially offset by (a) the increase of prepayments of approximately S$0.01 million, and (b) the increase in trade and other receivables of approximately S$0.14 million.

Net cash used in investing activities of approximately S$2.38 million FY2021 was mainly due to (a) the investment in J-Connect and HEPL of approximately S$0.21 million, (b) the investment of financial asset at FVTPL of approximately S$2.15 million, (c) the payment of the remaining purchase consideration of S$0.12 million in FY2021 for the acquisition of the SKI Group, and (d) the purchase of PPE, right-of-use assets and intangible asset of an aggregate of approximately S$0.13 million, partially offset by (i) the dividend income from joint venture and financial asset at FVTPL of approximately S$0.21 million, and (ii) the interest received from fixed deposit of approximately S$0.02 million.

Net cash generated from financing activities amounted to approximately S$0.73 million, mainly due to the drawdown of new bank loan of approximately S$2.50 million, and partially offset by (a) the dividend payout to shareholders of the Company and non-controlling interests of Sen Med of approximately S$1.28 million, (b) the repayment of lease liabilities and its interest portion of an aggregate of approximately S$0.47 million, and (c) the interest paid of approximately $0.02 million.

Overall, the Group recorded a net increase in cash and cash equivalents of approximately S$1.39 million in FY2021, mainly due to the drawdown of new bank loan and the payment of dividend, investment in financial asset at FVTPL, acquisition of joint venture and repayment of lease liabilities.

SUSTAINABILITY *REPORT*

MESSAGE FROM EXECUTIVE DIRECTOR AND CEO

Dear Stakeholders,

I am pleased to present the Sustainability Report of Medinex Limited ("**Medinex**" or the "**Company**", and together with our subsidiaries, the "**Group**"), which provides information on the sustainability of our business and practices during the financial year ended 31 March 2021 ("**FY2021**").

As Singapore prepares to meet its long-term healthcare needs in a sustainable manner, the Group endeavours to play a pivotal role in the building of a sustainable healthcare ecosystem in Singapore. Following the unabated growth in the healthcare industry and continual expansion in various healthcare medical services and related sectors, we have been working towards diversifying our medical support and related services for the shifting demographic to meet the increase in demand for expertise in setting up and operating medical enterprises.

As we seek to expand and diversify our business, we will identify and prioritise sustainability aspects (environmental, social, economic and governance) that have a material impact on the Group, as well as integrate such sustainability features into our business operations. The Group aims to utilise emergent technologies and upgrade our existing information technology infrastructure to include automation and data security facilities. This will increase our efficiency and productivity in responding to the gradually shifting business landscapes.

On behalf of the Board of Directors (the "**Board**"), I would like to express my gratitude to our clients, business partners and shareholders for their unwavering support. We look forward to your continual support as we strive to develop a more sustainable environment and healthcare ecosystem for all.

Jessie Low Mui Choo
Executive Director and Chief Executive Officer ("**CEO**")

GOVERNANCE AND STATEMENT OF THE BOARD

The Group's Board and senior management provide strategic direction and consider sustainability issues as part of our strategic formulation. To implement our sustainability efforts, a Sustainability Task Force (the "**Task Force**") comprising key management personnel and chaired by the Human Resource Director has been established to oversee the sustainability performance of the Group.

The Board approves the material economic, environmental, social and governance ("**ESG**") factors identified by the Task Force, and ensures that the factors identified are managed and monitored.

Please refer to the Corporate Governance Report in this Annual Report for more information on the Group's corporate governance practices, precautionary measures and risk management structure.

ORGANISATION PROFILE

Headquartered in Singapore, Medinex Limited was listed on the Catalist of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") on 7 December 2018.

The Group is a provider of medical support services, specialising in providing professional support services to medical clinics ("**Medical Support Services**"). Apart from overseeing the setting up of clinics, facilitating applications for relevant clinic licences and providing business support services such as accounting and tax agent services, human resource management services and corporate secretarial services, Medinex also provides pharmaceutical services to its clients, assisting them in procuring medical and pharmaceutical products ("**Pharmaceutical Services**"). As an ancillary service, we provide business support services to companies outside of the healthcare industry ("**Business Support Services**").

MEDICAL SUPPORT SERVICES	BUSINESS SUPPORT SERVICES	PHARMACEUTICAL SERVICES
• Provide customised and value-added support services to clients in primary and secondary healthcare sectors comprising general practitioners and specialists • Provide turnkey solutions as well as detailed and strategic advice to general practitioners and specialists on establishing clinic facilities	• Provide a spectrum of business support services to assist clients to benefit from operational and cost efficiencies generated from economies of scale • Serve clients over a variety of industries, including but not limited to food and beverage, retail, education and beauty	• Procure medical and pharmaceutical products for customers in Singapore • Such medical and pharmaceutical products are obtained from authorised distributors in Singapore

OUR SUSTAINABILITY STORY

Our Mission

To provide a one-stop solution for healthcare entrepreneurs to start-up and grow their business through our support platform.

Our Vision

To be the preferred support platform for primary and secondary healthcare providers with a multidisciplinary approach.

Sustainability Philosophy

We envisage to achieve sustainability in our services. We endeavour to establish a sustainable healthcare ecosystem by simultaneously considering the economic, environmental and social issues of Medinex and its clients, as well as integrating sustainability features into our business operations.

We strictly comply with local laws and regulations and the Personal Data Protection Act ("**PDPA**") to ensure that there is no incident of regulatory breach and PDPA non-compliance in our services.

Sustainability Targets

We will implement strict screening of new pharmaceutical suppliers for our clients using environmental and social criteria to ensure that there are zero incidents of environmental and social non-compliance along the supply chain. We aim to improve the productivity of our operations by advancing our innovations and technologies.

Below is a summary table of the Group's sustainability targets and performance during the reporting period.

Segment	Performance and Targets in FY2021
Performance in FY2021	
Pharmaceutical Services	Achieved zero breach of product health and safety
Medical Support Services	Achieved zero breach of PDPA
Business Support Services	Achieved zero breach of PDPA
Group	Implemented 1,000 hours of training for employee development
Group	Zero negative impacts on local communities
Targets for FY2022	
Pharmaceutical Services	**Zero** breach of product health and safety
Medical Support Services	**Zero** breach of PDPA
Business Support Services	**Zero** breach of PDPA
Group	Implement a training programme for employee development
Group	**Zero** negative impacts on local communities
Group	**Zero** incidents of non-compliance with COVID-19 laws and regulations

ETHICS AND INTEGRITY

Anti-corruption
GRI 205-1, 205-2, 205-3

The Group's anti-corruption policy is strictly implemented in the course of business. Our anti-corruption policy includes managing Conflict of Interest and gift acceptance, and all employees are informed and educated on the Group's anti-corruption policy and zero tolerance against corruption. We also conduct anti-money laundering trainings for staff as a refresher.

There was no reported incident of corruption in FY2021.

The Group has also put in place a whistle-blowing policy, details of which can be found under the Corporate Governance Report set out on page 36 in this Annual Report.

STAKEHOLDER ENGAGEMENT

The Group understands that stakeholder engagement is the key to sustainable growth. We determine the material topics based on their materiality to our business and our stakeholders. Our stakeholders are groups that have a material impact on or are materially impacted by our operations.

The following table summarises our key stakeholders, engagement platforms and their key concerns:

Stakeholders	Engagement platforms	Issues of concern	Refer to Section(s)
Customers	• Feedback	• Service quality and productivity • Product quality and safety	• Medical Support Services • Business Support Services • Pharmaceutical Services
Employees	• Performance appraisal system	• Remuneration and benefits • COVID-19 Safety	• Employee Retention • COVID-19 Support
Suppliers	• Supplier evaluation	• Product safety compliance	• Managing Our Pharmaceutical Supply Chain
Government and regulators	• SGX quarterly announcements • Annual reports • Ongoing dialogues	• Compliance with government agencies	• Managing Our Pharmaceutical Supply Chain • PDPA
Shareholders and investors	• Annual reports • Investor relations management	• Economic performance • Anti-corruption	• Financial Statements • Anti-corruption

REPORTING PRACTICE

The Group's sustainability report has been produced in accordance with the Global Reporting Initiatives ("**GRI**") Standards: Core option covering our performance from 1 April 2020 to 31 March 2021 ("**FY2021**"). The GRI Standards represent the global best practices for reporting on economic, environmental and social topics.

The report incorporates the primary components of describing sustainability practices as set out in Rule 711B and Practice Note 7F of the Catalist Rules on a "comply or explain" basis. Details of the primary components are outlined in the SGX Five Primary Components Index Section.

GRI does not require external assurance and the Task Force has assessed that external assurance is not required as the Group is strengthening the foundations of its sustainability reporting framework.

Detailed section and page references in line with the GRI Standards can be found in the GRI Standards Content Index Section.

Our material topics are identified through our engagement with stakeholders via various engagement platforms and are based on the significance of their impact in relation to the key issues of concerns raised by our internal and external stakeholders, as outlined in the Stakeholder Engagement Section.

We also take reference from our enterprise risk management ("**ERM**") framework to identify and assess ESG risks. This approach ensures that material ESG risks are considered in the context of the Group's overall risk environment.

Material Topics	Applicable Segment
ECONOMIC	
GRI 203: Indirect Economic Impacts	Business Support Services
GRI 205: Anti-corruption	Applicable across the Group
ENVIRONMENTAL	
GRI 302: Energy	Applicable across the Group
GRI 307: Environmental Compliance	
SOCIAL	
GRI 401: Employment	Applicable across the Group
GRI 403: Occupational Health and Safety	
GRI 404: Training and Education	
GRI 405: Diversity and Equal Opportunity	
GRI 416: Customer Health and Safety	Pharmaceutical Services
GRI 417: Marketing and Labelling	
GRI 418: Customer Privacy	Medical Support Services, Business Support Services
GRI 419: Socio-economic Compliance	Applicable across the Group

PHARMACEUTICAL SERVICES

The Group endeavours to build a strong foundation in the development of a sustainable healthcare ecosystem in Singapore through the integration of sustainability in our purchasing decisions of medical and pharmaceutical products for our customers. While the shift to a truly sustainable healthcare system will not happen overnight, we are committed to the long journey, and we start from implementing sustainable procurement practices to ensure that end users get the best healthcare products that they need to keep them in good health.

Managing Our Pharmaceutical Supply Chain
GRI 416-1, 416-2, 417-1, 417-2, 419-1

Medinex is committed to making the quality and safety of our procured pharmaceutical products our topmost priority. We place utmost importance in procuring from licensed and reputational pharmaceutical suppliers to ensure consumer product safety along our supply chain for all procured products. We evaluate our suppliers on a regular basis to ensure that they meet regulatory standards in product safety and labelling. We only engage suppliers who strictly comply with local regulations regarding product information and labelling, including information on product contents and instructions for safe use. The Drug Facts labels on the pharmaceutical products of our suppliers are approved by the Health Sciences Authority ("**HSA**") and are truthful and comprehensible.

In FY2021, the Group did not have any reported incident of non-compliance regarding product health and safety, as well as product information and labelling.

The Group operates in strict compliance with socioeconomic laws and regulations that are applicable to our business. We keep ourselves abreast of the industrial and national regulations and standards to ensure that we stay current on compliance regulations. In FY2021, there were no incidents of non-compliance with laws and regulations in the social and economic area.

MEDICAL SUPPORT SERVICES

The Group endeavours to increase productivity and operational efficiency for our clients through our medical support services which include turnkey solutions and strategic advice. Following the implementation of PDPA and step up in data protection and enforcement actions in the past few years, we seek to minimise our clients' challenges and risks in the securing of their customer data where applicable.

Environmental and Socially-driven Solutions
GRI 302-5, 416-1

When implementing solutions for our healthcare clients, the health of the workers and patients are our key priorities. The solutions we provide ensure that healthcare workers' workspaces are ergonomically designed to maximise manoeuvrability and space, which will also minimise the occurrence of workplace incidents.

We also aim to help our clients become more environmentally sustainable; energy saving LED lighting is incorporated into our clinic planning solutions to help our clients reduce their electricity consumption.

PDPA
GRI 418-1

The Group and our suppliers comply strictly with the regulations under PDPA to ensure customer privacy for our clients. Where data collection and management is involved in our services, we treat all data as personal data and bound ourselves to stringent obligations to minimise accidental exposure of personal data and boost clients' confidence in our commitment towards securing data.

In FY2021, there were no substantiated complaints concerning breaches of customer privacy and losses of customer data due to our mismanagement.

BUSINESS SUPPORT SERVICES

Apart from companies in the healthcare industry, our Business Support Services are made available for companies outside the healthcare industry. We focus on areas such as business modelling, Human Resource management, employee training, implementing accounting and taxation measures and growth strategies to help our clients expand their business with an all-rounded approach.

Indirect Economic Impact
GRI 203-2

The Group aims to improve the efficiency and productivity of our clients by encouraging the adoption of new information technology and growth strategies. Through our training and services, we enhance the skills and knowledge of employees and improve business strategies and operations, enabling our clients grow their business effortlessly.

PDPA
GRI 418-1

The Group strictly complies with the regulations under PDPA when handling private data of our clients and their employees. Where data collection and management is involved in our services, we treat all data as personal data and bound ourselves to stringent obligations to minimise accidental exposure of personal data and boost clients' confidence in our commitment towards securing data.

In FY2021, there were no substantiated complaints concerning breaches of customer privacy and losses of customer data due to our mismanagement.

OUR ENVIRONMENT

The Group is committed to the preservation of the environment by implementing energy conservation initiatives to effectively reduce our carbon footprint.

Energy Management
GRI 302-4

The Group is committed to achieving our environmental objectives and targets to ensure that we are operating sustainably. We strive to reduce energy consumption through measures such as increasing our energy efficiency and using light-emitting diodes ("**LED**") lights that are more environmentally friendly than the conventional florescent lights.

We will continue to monitor our energy consumption to effectively reduce our energy usage and intensity in the near future.

Environmental Compliance
GRI 307-1

The Group takes extra precaution in ensuring strict compliance with local environmental regulations during daily operations. We ensure that our operations have no adverse impact on the environment.

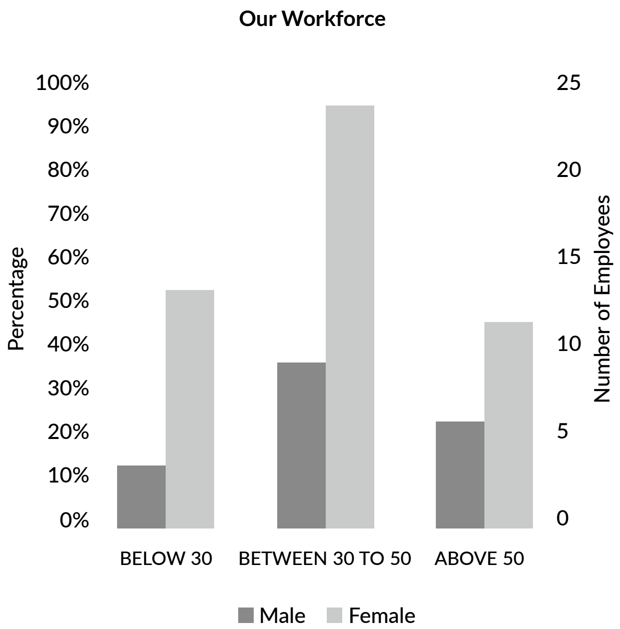
There was no incident of non-compliance with environmental laws and regulations in FY2021.

OUR PEOPLE, OUR ASSETS

The Group endeavours to create an inclusive workplace environment, committed to mutual respect, fairness and equality for all our staff and workers.

Workforce Diversity
GRI 401-1, 405-1

We advocate fair employment and endeavour to achieve a balanced and diversified workforce. As at 31 March 2021, the Group had a total strength of 66 employees, of which 12 were new hires during the reporting period.



Employee Retention
GRI 401-2, 401-3, 404-1, 404-3, 405-2

The Group recognises the valuable contribution of all employees. All employees are assessed regularly for their performance and remunerated fairly based on their experience, qualifications and performance, regardless of age or gender. We endeavour to create more opportunities to train and develop our employees based on their individual performance appraisals to ensure that they continue to enhance and refine their existing skills and develop newer ones in support of the Group's mission and goals. 100% of our employees received regular performance appraisals and career development reviews in FY2021.

We recognise the importance of continuous development for our employees. In FY2021, our staff went through a total of 764 hours of training for continuous development and learning, amounting to 12 hours of training per employee.

We prioritise the welfare of our employees by granting a range of employee benefits such as medical insurance, healthcare and birthday leave. In FY2021, 3 employees were entitled to parental leave.

COVID-19 Support
GRI 203-2, 403-4, 403-7

In FY2021, the COVID-19 pandemic continued to impact the economy greatly. During these unsettling times, we stay committed to our stakeholders and make the utmost effort to adhere to local COVID-19 regulations and measures.

Our Group has formalised measures to protect our employees from COVID-19 transmission. We prioritise the safety of our employees by embracing ‘work from home’ arrangements to the furthest extent possible and educating all staff on the necessary measures to ensure that they are well-prepared in keeping themselves safe such as practising safety distancing and wearing a face mask. To provide support for the community’s efforts to combat COVID-19 transmission, we provided free masks to our employees in FY2021.

Some of our customers have their businesses and cash flow affected by COVID-19 and we stay committed to supporting our customers through these bad times by meeting via video conferencing more frequently to advise on cost-cutting strategies and providing discounted services when necessary. The Group understands that assisting our customers to tide through this difficult period will allow us to build solid partnerships with our customers in the long term.

While COVID-19 has limited our ability to meet and gather physically, we have continued to explore the possibilities of using virtual online engagement platforms for our clients.

We will continue to support our clients and employees during this difficult period.

SGX FIVE PRIMARY COMPONENTS INDEX

S/N	Primary Component	Section Reference
1	Material environment, social and governance factors	• Stakeholder Engagement • Ethics and Integrity • Pharmaceutical Services, Medical Support Services, Business Support Services, Our Environment, and Our People, Our Assets
2	Policies, Practices and Performance	• Message from Executive Director and CEO • Our Sustainability Story • Pharmaceutical Services, Medical Support Services, Our Environment
3	Board Statement	Governance & Statement of the Board
4	Targets	Our Sustainability Story
5	Sustainability Reporting Framework	Reporting Practice

GRI STANDARDS CONTENT INDEX

GRI Standard	Disclosure	Section Reference
GRI 102: General Disclosures	102-1 Name of the organisation	Message from Executive Director and CEO
	102-2 Activities, brands, products, and services	Organisation Profile
	102-3 Location of headquarters	Organisation Profile
	102-4 Location of operations	Organisation Profile
	102-5 Ownership and legal form	Annual Report 2021
	102-6 Markets served	Organisation Profile
	102-7 Scale of the organisation	Organisation Profile
	102-8 Information on employees and other workers	Workforce Diversity
	102-9 Supply chain	Our Sustainability Story
	102-10 Significant changes to the organisation and its supply chain	Annual Report 2021
	102-11 Precautionary Principle or approach	Annual Report 2021
	102-14 Statement from senior decision-maker	Message from Executive Director and CEO
	102-15 Key impacts, risks, and opportunities	Message from Executive Director and CEO, Our Sustainability Story
	102-16 Values, principles, standards, and norms of behavior	Ethics and Integrity
	102-17 Mechanisms for advice and concerns about ethics	Ethics and Integrity
	102-18 Governance structure	Annual Report 2021
	102-40 List of stakeholder groups	Stakeholder Engagement
	102-42 Identifying and selecting stakeholders	Stakeholder Engagement
	102-43 Approach to stakeholder engagement	Stakeholder Engagement
	102-44 Key topics and concerns raised	Stakeholder Engagement
	102-45 Entities included in the consolidated financial statements	Annual Report 2021
	102-46 Defining report content and topic boundaries	Reporting Practice
	102-47 List of material topics	Reporting Practice
	102-50 Reporting period	Reporting Practice
	102-52 Reporting cycle	Reporting Practice
	102-53 Contact point for questions regarding the report	Contents
	102-54 Claims of reporting in accordance with the GRI standards	Reporting Practice
	102-55 GRI content index	GRI Standards Content Index
GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary	Reporting Practice
	103-2 The management approach and its components	Our Sustainability Story
GRI 203: Indirect Economic Impacts	203-2 Significant indirect economic impacts	Business Support Services, COVID-19 Support

SUSTAINABILITY *REPORT*

GRI Standard	Disclosure	Section Reference
GRI 205: Anti-corruption	205-1 Operations assessed for risks related to corruption	Anti-corruption
	205-2 Communication and training about anti-corruption policies and procedures	Anti-corruption
	205-3 Confirmed incidents of corruption and actions taken	Anti-corruption
GRI 302: Energy	302-4 Reductions of energy consumption	Our Environment
	302-5 Reductions in energy requirements of products and services	Environmental and Socially-driven Solutions
GRI 307: Environmental Compliance	307-1 Non-compliance with environmental laws and regulations	Environmental Compliance
GRI 401: Employment	401-1 New employee hires and employee turnover	Workplace Diversity
	401-2 Benefits provided to full time employees that are not provided to temporary or part-time employees	Employee Retention
	401-3 Parental leave	Employee Retention
GRI 403: Occupational Health and Safety	403-4 Worker participation, consultation, and communication on occupational health and safety	COVID-19 Support
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	COVID-19 Support
GRI 404: Training and Education	404-1 Average hours of training per year per employee	Employee Retention
	404-3 Percentage of employees receiving regular performance and career development reviews	Employee Retention
GRI 405: Diversity and Equal Opportunity	405-1 Diversity of governance bodies and employees	Workforce Diversity
	405-2 Ratio of basic salary and remuneration of women to men	Employee Retention
GRI 416: Customer Health and Safety	416-1 Assessment of the health and safety impacts of product and service categories	Environmental and Socially-driven Solutions, Managing Our Pharmaceutical Supply Chain
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Managing Our Pharmaceutical Supply Chain
GRI 417: Marketing and Labelling	417-1 Requirements for product and service information and labelling	Managing Our Pharmaceutical Supply Chain
	417-2 Incidents of non-compliance concerning product and service information and labelling	Managing Our Pharmaceutical Supply Chain
GRI 418: Customer Privacy	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	PDPA
GRI 419: Socioeconomic Compliance	419-1 Non-compliance with laws and regulations in the social and economic area	Managing Our Pharmaceutical Supply Chain

Medinex Limited ("**Medinex**" or the "**Company**") and its subsidiaries (the "**Group**") are committed to maintaining a high standard of corporate governance to ensure greater transparency, to protect shareholders' interests and enhance shareholders' value.

The Group adopts practices based on the Code of Corporate Governance 2018 (the "**Code**") issued on 6 August 2018.

This report describes the Group's corporate governance practices that were in place for the financial year from 1 April 2020 to 31 March 2021 ("**FY2021**"), with specific reference made to the principles and provisions as set out in the Code and SGX-ST Listing Manual Section B: Rules of the Catalist (the "**Catalist Listing Manual**"), where applicable.

While it is always the objective of the Group to ensure all the provisions in the Code are followed strictly, where there are areas of the current practices which deviate from the Code, appropriate explanations are provided accordingly.

(A) BOARD MATTERS

The Board's Conduct of Its Affairs

Principle 1: The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.

[Provision 1.1]
The primary function of the Board of Directors (the "**Board**") is to provide effective leadership and direction and works with Management to enhance the long-term value of the Group to its shareholders and other stakeholders.

The Board sets the tone for the Group in respect of ethics, values and desired organisational culture, and also ensures proper accountability within the Group.

The Board has the overall responsibility for reviewing the strategic and performance objectives, financial plans and performance reviews, key operational initiatives, major funding and investment proposals and corporate governance practices.

In addition, the principal duties of the Board include:

- Approve the corporate direction and strategy of the Group and monitor the performance of the Management;
- Review the adequacy and integrity of the Company's internal controls, risk management systems, and financial information reporting system;
- Approve the nomination and appointment of key managerial personnel;
- Approve the annual budget, major funding proposals and investment proposals, and ensuring the necessary financial and human resources are in place for the Company to meet its objectives;
- Identify the key stakeholder groups and recognise that their perceptions affect the Company's reputation;
- Review the financial performance and necessary reporting compliance;
- Set company values and standards (including ethical standards) and ensure that obligations to shareholders and other stakeholders are understood and met;
- Assume responsibility for corporate governance; and
- Consider sustainability issues, e.g. environmental and social factors, as part of its strategic formulation.

Directors are required to promptly disclose any conflict or potentially conflict of interest, whether directly or indirectly, in relation to any matters, transactions or proposed transactions with the Group as soon as is practicable after the relevant facts have come to their knowledge. Any Director who has a conflict of interest which is likely to impact his independence or conflict with a subject under discussion by the Board is required to immediately declare his interest to the Board and recuse himself from participating in any discussion and voting on the subject matter.

[Provision 1.2]
Directors are constantly kept abreast of developments in regulatory, legal, and accounting frameworks that are of relevance to the Group through participation in the relevant training courses, seminars and workshops.

The Company does a yearly review of the training and development of all its Directors. Board members are encouraged to attend seminars and receive training in connection with their duties as directors in areas such as accounting and legal knowledge, particularly on latest developments to relevant laws, regulations, accounting standards and changing commercial risks to enable them to make well-informed decisions and to ensure that the directors are competent in carrying out their expected roles and responsibilities.

The Board ensures that incoming new Directors are familiar with the Group's businesses and corporate governance practices upon their appointment, to facilitate the effective discharge of their duties. Upon appointment, the incoming new Director receives a formal letter of appointment setting out his/her duties. All newly appointed Directors will undergo an orientation programme where the Director would be briefed on the Group's strategic direction, governance practices, business and organisation structure as well as the expected duties of a director of a listed company.

To get a better understanding of the Group's business, the Directors had met with the key management personnel of the Group.

The Company's new director, Mr. Ye Binlin, appointed on 1 September 2020, was previously a director of another company listed on the Mainboard of SGX-ST. Hence, he had attended all the relevant programmes under the Listed Entity Director Programme organised by Singapore Institute of Directors ("SID") prior to his appointment as the Company's director. He had also attended the ASEAN Corporate Governance Scorecard Briefing in FY2021 organised by the SID.

All the Directors had attended the Blockchain Information Technology training in FY2021 organized by Quantum CIEL.

The Directors are encouraged to attend the relevant courses and programmes from the SID to be acquainted with the role and responsibilities of a Director in the context of a listed company.

In addition to the above, the external and internal auditors of the Group, regularly brief the audit committee members at the latter's meetings on the developments in accounting and governance standards, cybersecurity matters and changes in the code of corporate governance and listing rules. Furthermore, the CEO and Management update the Board at board meetings on business and strategic developments and the current environment of the industry, whenever necessary.

[Provision 1.3]
The Board has delegated the day-to-day operations to the Management while reserving key matters for Board approval. Key functions of the Board include approving consolidated financial statements for the Group, conflict of interest checks for directors, disposal of assets, strategic planning and material acquisitions, share issuances, dividends, and other matters which require the Board's approval.

The Board's approval is required for transactions or matters such as major investments, corporate restructuring, mergers and acquisitions, material acquisitions or disposal of assets, the release of the Group's financial results announcements, interested person transactions of a material nature and declaration of dividends.

Clear directions have been imposed on Management that such matters must be approved by the Board. Apart from the reserved matters stated above, the Board also approves transactions exceeding certain threshold limits, while delegating authority for transactions below those limits to Management so as to optimise operational efficiency.

While key matters relating to the Group's objectives, strategies and policies require the Board's direction and approval, the Management is responsible for overseeing the day-to-day management and business operation of the Group and implementing the Board-approved strategic policies.

[Provision 1.4]
The Board has delegated certain functions to various board committees, namely the Audit Committee ("**AC**"), Nominating Committee ("**NC**"), and Remuneration Committee ("**RC**") (collectively, the "**Board Committees**"). Each of the various Board Committees has its own written terms of reference and whose actions are reported to and monitored by the Board. The Board accepts that while these various Board Committees have the authority to examine particular issues and will report back to the Board with their decisions and/or recommendations, the ultimate responsibility on all matters lies with the Board.

The composition of the Board Committees are as follows:-

Board Committees / Designation	AC	NC	RC
Chairman	Mr. Lim Tai Toon	Mr. Ye Binlin	Mr. Wee Yiap Fook San
Member	Mr. Tan Lee Meng	Mr. Tan Lee Meng	Mr. Tan Lee Meng
Member	Mr. Wee Yiap Fook San	Mr. Lim Tai Toon	Mr. Lim Tai Toon
Member	Mr. Ye Binlin	Mr. Wee Yiap Fook San	Mr. Ye Binlin

[Provision 1.5]
The Board convenes scheduled meetings and additional meetings as and when necessary. Directors who are unable to attend Board meetings physically are allowed to attend the meetings via video or telephone conferencing or by means of a similar communication equipment. The Board and Board committees also make decisions by way of written circularised resolutions.

The Directors' attendance at the Board, the Board committees' and general meetings of the Company held in FY2021 are as below:

	Board	AC	NC	RC	AGM / EGM
No. of meetings held in FY2021	2	2	1	1	1
Name of Directors	**No. of meetings attended**				
Mr. Tan Lee Meng	2	2	1	1	1
Ms. Jessie Low Mui Choo	2	2*	1*	1*	1
Mr. Lim Tai Toon	2	2	1	1	1
Mr. Wee Yiap Fook San	2	2	1	1	1
Mr. Suresh Kumar#	1	1	1	1	1
Mr. Ye Binlin##	1	1	–	–	–

Notes:-

* Executive Director was invited to sit in the AC, NC and RC meetings.
\# Ceased as Independent Non-executive Director, Chairman of NC and a member of the AC and RC on 25 August 2020.
\## Appointed as Independent Non-executive Director, Chairman of NC and a member of the AC and RC on 1 September 2020.

In cases where a Director has multiple Board representations, the NC assesses whether such Director has been adequately carrying out his/her duties as a Director of the Company. To address competing time commitments when Directors serve on multiple Boards, the Board will set a maximum limit of directorships that a Director may hold concurrently for listed companies. Although some of the Directors have multiple Board representations, the NC has considered and is satisfied that each of them is able to and has adequately carried out his/her duties as a Director of the Company for FY2021, given that each of them does not currently hold more than two (2) directorships in listed companies (including the Company) and there were sufficient time and effort taken to discharge their duties in the best interests of the Group. The considerations in assessing the capacity of Directors include expected and/or competing time commitments of Directors, such as whether or not the commitment is in a full-time or part-time employment capacity, geographical location of the Directors, size and composition of the Board. *[Provision 4.5]*

Each Director's listed company board directorships and principal commitments can be found in the Board of Directors Profile section of the Annual Report. *[Provision 4.5]*

[Provision 1.6]
Management recognises the importance of ensuring the flow of information to the Directors on an ongoing basis to enable them to make informed decisions to discharge their duties and responsibilities. All Board and Board Committees papers are distributed to Directors in advance to allow sufficient time for Directors to prepare for the meetings.

Management's proposals to the Board for approval provide background and explanatory information such as facts, resources needed, risk analysis and mitigation strategies, financial impact, regulatory implications, expected outcomes, conclusions and recommendations.

[Provision 1.7]
The Board has at all times separate and independent access to the Management through electronic mail, telephone and face-to-face meetings and may request for any additional information at any times to enable them to make informed decisions. Key management personnel of the Group, the Company's auditors and external consultants are invited to attend Board and Board committee meetings to update and provide independent professional advice on specific issues, if required.

Should Directors, whether as a group or individually, require professional advice, the Group, upon direction by the Board, shall appoint a professional advisor selected by the Group or the individual, approved by the Chairman, to render the advice. The cost of such service shall be borne by the Group.

Directors have access to the Company Secretary. The Company Secretary's responsibilities include among others, assisting in ensuring that Board's procedures are observed and that Company's Constitution, relevant rules and regulations, including requirements of the Securities and Futures Act, Companies Act and Catalist Listing Manual, are complied with.

The Company Secretary and/or her representative attend and prepare minutes for all Board and Board Committees meetings. The Company Secretary assists the Chairman of the Board, the chairman of the Board Committees and Management in the development of the agendas for their meetings. The appointment and the removal of the Company Secretary are subject to the Board's approval.

Board Composition and Guidance

Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

[Provision 2.1]
The NC is tasked to determine on an annual basis and as and when the circumstances require whether or not a director is independent in conduct, character and judgement, and has any relationship with the company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement in the best interests of the Company.

For the purpose of determining each Independent Director's independence, every Independent Director has provided a declaration on their independence for acting as a director of the Company based on the requirements under the Code and deliberated upon by the NC and the Board.

The NC determines the independence of each Director based on the definition of independence set out in the Code and Catalist Listing Manual. For FY2021, the NC and Board are of the view that the independent element on the Board is maintained and are satisfied with the independent status of the following Independent Directors:-

- Mr. Lim Tai Toon
- Mr. Wee Yiap Fook San
- Mr. Ye Binlin

None of the Independent Directors has served on the Board beyond nine years since the date of their first appointment.

[Provisions 2.2&2.3]
The Board has five (5) members and comprises the following:

Name of Director	**Designation**
Mr. Tan Lee Meng	Non-executive Chairman
Ms. Jessie Low Mui Choo	Executive Director and Chief Executive Officer
Mr. Lim Tai Toon	Lead Independent Non-executive Director
Mr. Wee Yiap Fook San	Independent Non-executive Director
Mr. Ye Binlin	Independent Non-executive Director

A majority of three out of five directors on the Board are Independent Non-executive Directors.

[Provision 2.4]
The Company recognizes that board diversity is an essential element contributing to its sustainable development and strategic success. The Company believes that board diversity augments decision-making and a diverse board is more effective in dealing with organisational changes and less likely to suffer from groupthink.

The Group has in place a Board Diversity Policy which endorses the principle that its Board should have a balance of skill, knowledge, experience and diversity of perspectives appropriate to the Group's business to promote the inclusion of different perspectives and ideas, and mitigate against group think.

The NC reviews the size and composition of the Board and Board Committees, and the skills and core competencies of its members to ensure an appropriate balance and diversity of skills, experience, gender, age and knowledge of the Company. The Board considers that its Directors possess the necessary competencies and knowledge to lead and govern the Group effectively.

The Board encourages active participation and engagement among the Directors for dynamic and stimulating exchanges of views and opinions at Board's and Board committees' meetings. The Directors make decisions using their collective wisdom and exercise their individual opinions whilst at all times acting in the best interest of the Group. No individual or group of Directors within the Board is supposed to dominate or is able to dominate the discussion process and decision-making. Where necessary, the Non-executive Directors (i) constructively challenge and help develop proposals on strategy, (ii) review the performance of the Management in meeting agreed goals and objectives and monitor the reporting performance, and (iii) meet and discuss on the Group's affairs without the presence of Management.

The NC has reviewed the composition of the Board and the Board committees during the course of FY2021 and is of the view that the current Board and Board committees are of an appropriate size and comprise of directors with appropriate balance and mix of skills, knowledge, experience, gender and age after taking into consideration the size of the current business operations of the Group.

The objective of the NC is to review and assess the Board composition and assess how to further strengthen the current skillsets of the Directors for more diversity of perspectives appropriate to the Group's business.

[Provision 2.5]
During the year, the Non-Executive Directors and Independent Non-executive Directors communicate among themselves without the presence of Management as and when the need arises. The Chairman of such meetings then provided feedback to the Board and/or Management, as appropriate. The Company also benefits from Management's ready access to its Directors for guidance and exchange of views, both within and outside the formal environment of the Board and Board Committee meetings.

Chairman and Chief Executive Officer

Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

[Provision 3.1]
The Chairman and the Chief Executive Officer ("**CEO**") positions are held by separate individuals, who are not related to each other. This is so that an appropriate balance of power and authority, with clear divisions of responsibilities, increased accountability and greater capacity of the Board for independent decision making, can be attained. This segregation of roles also facilitates a healthy, open exchange of views and opinions between the Board and Management in their deliberation of the business, strategic plans and key activities of the Company.

[Provision 3.2]
The Chairman bears the primary responsibility for the workings of the Board, ensuring its effective function, sets its agenda and ensures that adequate time is available for discussion of all agenda items, in particular strategic issues. He promotes a culture of openness and debate at the Board. He also ensures that the Board meetings are held whenever necessary; the Directors receive accurate, clear and timely information, encourages constructive relations between Management and the Board, as well as between Executive, Non-executive and Independent Directors, and facilitates the effective contribution of Non-executive and Independent Directors; and ensures effective communication with shareholders. The Chairman also plays an instrumental role in charting directions and strategies and providing the Group with strong leadership and vision. He is responsible for promoting high standards of corporate governance.

The CEO is primarily responsible for the day-to-day management of the operations and performance of the Group; and reports to the Board on the Group's operations and performance. She has overall responsibility for the organisational effectiveness and the implementation of policies and decisions of the Board. The CEO works closely with the Chairman on formulating the Group's operational strategies and matters to be tabled at the Board level.

The presence of a strong, independent and active participation of the Independent Directors ensures the proper functioning of the Board and good check and balance. Their performance and appointment to the Board is reviewed by the NC and their remuneration packages are reviewed by the RC periodically. As such, the Board believes that there are adequate safety measures in place against an uneven concentration of power and authority, and the Chairman and CEO do not have unfettered powers of decisions.

[Provision 3.3]
Mr. Lim Tai Toon, the Lead Independent Non-executive Director, is to provide leadership in situations where the Chairman is conflicted and is available to shareholders where they have concerns and for which contact through the normal channels of the Chairman, the CEO or the Financial Controller has failed to resolve or is inappropriate or inadequate.

Board Membership

Principle 4: The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

[Provision 4.2]
The NC comprises the following four (4) members, three (3) of whom are Independent Non-executive Directors:-

Mr. Ye Binlin	Independent Non-executive Director	Chairman
Mr. Tan Lee Meng	Non-executive Chairman	Member
Mr. Lim Tai Toon	Lead Independent Non-executive Director	Member
Mr. Wee Yiap Fook San	Independent Non-executive Director	Member

The NC is guided by the terms of reference approved by the Board and sets out the duties and responsibilities of this committee.

[Provision 4.1 & 4.3]
The NC's principal functions are to:

- review and approve any new employment of related persons to directors and proposed terms of their employment;
- review of board succession plans for directors, in particular the appointment and/or replacement of the Chairman, the CEO and key management personnel;
- development of a process and criteria for evaluation of the performance of the Board, the Board Committees and Directors;
- review of training and professional development programs for the Board and the Directors;
- recommend to the Board on Board appointments, including re-nominations of existing Directors for re-election in accordance with the Company's Constitution, taking into account the Director's contribution and performance;
- review the adequacy of the size of the Board, taking into consideration the scope and nature of operations of the Company. The Board must comprise members with an appropriate balance and diversity of skills, experience, gender and knowledge of the Company;
- assess whether a Director is able to and has adequately carried out his duties as a director of the company in particular where the director concerned has multiple Board representations;
- determination on an annual basis, whether a director is independent, bearing in mind the relevant provisions of the Code and all other salient factors; and
- review the appointment and re-appointment of Directors (including alternate Director, if any).

The NC has put in place a formal process for the selection of new directors to increase transparency of the nomination process in identifying and evaluating nominees for directors. The search and nomination process for new directors involves a review of the existing size and composition of the Board. In such reviews, the NC endeavours to ensure that the size of the Board is adequate and not unwieldy to interfere with efficiency in decision-making; and the composition of the Board is appropriately diverse with views and opinions for discussion and decision-making. The NC considers factors such as the ability of the potential candidate to contribute to discussions, deliberations and activities of the Board. In addition, the relevant experience, qualification, competence and attributes of the prospective candidates are evaluated in considering their appointment to the Board. In doing so, where necessary and appropriate, the NC may rely on its networking contacts and/or recommendations from fellow Board members to assist with identifying and short listing of candidates. Subsequent to the interview of the shortlisted candidates, NC would recommend the selected candidate to the Board for consideration and approval.

The Company's Constitution provides that one-third of the directors (or, if their number is not a multiple of three, the number nearest to but not less than one third) shall retire from office and are subject to re-election at every annual general meeting ("AGM"). All Directors are required to retire from office at least once in every three years. Newly appointed directors must also submit themselves for election at the next AGM immediately following their appointment. The shareholders approve the election and re-election of Board members at the AGM.

The NC is responsible for re-election of directors. In its deliberations on the re-election of existing Directors, the NC would assess the performance (including his/her contribution and performance as an Independent Director, if applicable) of the Director in accordance with the performance criteria set by the Board and also consider the current needs of the Board. Subject to the NC's satisfactory assessment, the NC would recommend the proposed election or re-election of the Director to the Board for its consideration and approval. Directors subject to retirement pursuant to the Company's Constitution will give his/her consent to seek for re-election and whom being eligible, will be recommended by the Board for re-election at the forthcoming AGM of the Company.

Pursuant to the Company's Constitution, Mr. Tan Lee Meng, Mr. Wee Yiap Fook San and Mr. Ye Binlin will retire as Directors of the Company at the forthcoming AGM. Mr. Wee Yiap Fook San had indicated to the Board that he will not be seeking for re-election at the forthcoming AGM, and will accordingly retire as an Independent Director of the Company at the conclusion of the forthcoming AGM. Following the conclusion of the forthcoming AGM, Mr. Wee Yiap Fook San will also cease to be the Chairman of the RC and a member of the AC and NC.

The NC has assessed and is satisfied that Mr. Tan Lee Meng and Mr. Ye Binlin are properly qualified for re-election and election respectively by virtue of their skills, experiences and their contributions of guidance and time to the Board's deliberations. As such, the NC has recommended to the Board that Mr. Tan Lee Meng and Mr. Ye Binlin, who are due to retire in accordance with the Company's Constitution, be nominated for re-election and election at the forthcoming AGM.

Mr. Tan Lee Meng will, upon re-election as a Director, remain as Chairman of the Board and a member of the AC, RC and NC. He will be considered non-independent for the purpose of Rule 704(7) of the Catalist Listing Manual.

Mr. Ye Binlin will, upon election as a Director, remain as Chairman of the NC and a member of the AC and RC. He will be considered independent for the purpose of Rule 704(7) of the Catalist Listing Manual.

Mr. Tan Lee Meng and Mr. Ye Binlin had abstained from voting on any resolution and making any recommendation and/or participating in respect of matters in which each has an interest.

The Company currently does not have any alternate director.

[Provision 4.4]
On an annual basis, the Directors are each required to provide information on their current shareholding interests, areas of conflicts (if any), directorship in other companies; and declare their independence (for Independent Directors) and time commitment towards discharging of their responsibilities.

The NC determines annually, and as and when circumstances require, based on a Director's Independence Checklist ("**Checklist**") completed, if a director is independent, having regard to the circumstances or independence criteria set forth in provision 2.1 of the Code. The NC determined that, during the course of FY2021, there was no Director whose relationships with the Company, its related corporations, its substantial shareholders or its officers, if any, affect their independence as an independent director of the Company. The Board is in accord with the NC's determination.

In determining whether a director is able to and had been adequately carrying out his/her duties as a Director of the Group, the NC also takes into account the results of the assessment of individual director, and the respective directors' actual conduct on the Board, in making this determination.

Presently, none of the Independent Directors has served for more than nine years.

Board Performance

Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

[Provisions 5.1 & 5.2]
The NC has developed a process for performance evaluation of the Board, the Board's Committees and individual Directors and conducts annual assessment on the performance of the Board as a whole, the Board Committees and individual directors and takes into account each Director's contribution and devotion of time and attention given to the Company.

This process is conducted using a questionnaire designed to assess the performance of the Board and the Board Committees. Individual Directors are assessed on self-evaluation basis. The responses received from the questionnaires are then tabulated and collated before giving to the Chairman of the NC for his review and discussion at the NC meeting. The conclusion of the assessment derived from the consolidated results and recommendations are then presented to the Board for its review and adoption, if deem necessary.

The Board reviews the evaluation conducted by the NC based on the consolidated results received from the Directors and recommendations put forward by the Directors for improvement of performance and effectiveness of the Board, the Board Committees and individual Directors. Following the review, the Board is of the view that the Board, the Board Committees and individual Directors performed consistently good and operated effectively for FY2021.

The NC proposes performance criteria for the Board and the Board Committee which include, among others, Independent Directors to involve and participate more often in management meetings to enable the Management team to have more opportunities to leverage on the Directors' experience and knowledge to further improve the current business and operation of the Group.

The Directors, led by the NC assessed the performance of the Chairman of the Board for FY2021 at the Board meeting and provided the feedback to the Chairman of the Board.

There was no external consultant involved in the Board's evaluation process in FY2021.

[Provision 1.4]
The NC had performed the following activities for FY2021:-

- reviewed the proposed terms of reference of the NC;
- developed the process for performance evaluation of the Board, the Board's Committees and individual Directors;
- reviewed the re-election of Directors, and making recommendation to the Board for their approval;
- reviewed the independency of the Independent Directors;
- reviewed the structure, size and composition of the Board;
- reviewed the succession plans for the Board and Key Management Personnel; and
- reviewed the training and professional development programs for the Directors.

(B) REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

Principle 6: The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

[Provision 6.2]
The RC comprises the following four (4) members, all of whom are Non-executive Directors and three (3) of whom are Independent Non-executive Directors:

Mr. Wee Yiap Fook San	Independent Non-executive Director	Chairman
Mr. Tan Lee Meng	Non-executive Chairman	Member
Mr. Lim Tai Toon	Lead Independent Non-executive Director	Member
Mr. Ye Binlin	Independent Non-executive Director	Member

[Provision 6.1]
The RC is responsible for ensuring a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No member of the RC is involved in deliberations and voting on any resolution in respect of any remuneration, compensation, options, or any form of benefits to be granted to him or that of employees related to him.

The members of the RC carried out their duties in accordance with the terms of reference which include the following key terms:

- review and recommend to the Board for endorsement, a framework of remuneration for the Board and key management personnel. The framework covers all aspect of remuneration, including but not limited to, director's fees, salaries, allowances, bonuses, grant of shares, options, shares-based incentives and awards and benefits in kind;

- review and recommend to the Board, the specific remuneration packages for each directors as well as for the key management personnel;

- consult professional consultancy firms where necessary in determining remuneration packages; and

- review all aspects of remuneration of Executive Directors and key management personnel including the Company's obligations arising in the event of termination of their service contracts, to ensure the contracts contain fair and reasonable termination clauses which are not overly generous. *[Provision 6.3]*

[Provision 6.4]
The RC has access to the professional advice of external experts in the area of remuneration, where required.

No remuneration consultants were engaged by the Company in FY2021.

Level and Mix of Remuneration

Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

[Provision 7.1]
The remuneration of the Company's Directors and key management personnel has been formulated to attract, retain and motivate these executives to run the Company successfully. The level and structure of remuneration are aligned with the long-term interests and risk policies of the Company.

The Company adopts a remuneration policy for employees comprising a fixed component and a variable component. The fixed component is in the form of a base salary. The variable component is in the form of a variable bonus that is linked to the performance of the Company and the individual. The remuneration policy is aligned with the interests of the shareholders and promotes long-term success of the Group. No remuneration consultants were engaged by the Company in FY2021.

The RC reviews the service contracts of the Company's Executive Director and key management personnel. The compensation commitments in service contracts are reviewed periodically or as and when necessary.

The Company has put in place two shares plans namely "Medinex Performance Share Plan" ("**PSP**") and "Medinex Employee Share Option Scheme" ("**ESOS**") (collectively the "**Share Plans**"). The RC oversees the administration of the Share Plans.

PSP is a compensation scheme that promotes higher performance goals and recognises exceptional achievement. PSP is based on the principle of pay-for-performance and is designed to enable the Company to reward, retain and motivate employees of the Group to achieve superior performance. The purpose of the PSP is to give the Company greater flexibility to align the interest of employees of the Group, especially key executives with the interest of shareholders.

ESOS will provide eligible participants with an opportunity to participate in the equity of the Company and to motivate them towards better performance through increased dedication and loyalty. ESOS is designed to primarily reward and retain employees whose services are vital to the Company's success.

The Share Plans were adopted on 9 November 2018 for a period of ten (10) years and will expire on 9 November 2028. Further details of the Share Plans are set out in the Company's offer document dated 30 November 2018.

[Provision 7.2]
The RC reviews the remuneration of the Non-executive Directors to ensure the remuneration of the non-executive directors of the Company is appropriate to the level of contribution, taking into account factors such as effort, time spent, and responsibilities.

Non-executive Directors receive a basic fee for their services and are eligible to participate in the Share Plans so as to better align the interest of the Non-executive Directors with the interests of shareholders. The RC ensures that the Non-executive Directors should not be over-compensated to the extent that their independence may be compromised.

[Provision 7.3]
The RC takes into consideration the need to ensure the remuneration is appropriate to attract, retain and motivate the directors to provide good stewardship of the Company and key management personnel to successfully manage the Company for the long-term.

Disclosure on Remuneration

Principle 8: The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

[Provisions 8.1 & 8.3]
The remuneration of Directors, CEO and key management personnel (who are not Directors or the CEO) of the Group for FY2021, is set out below:-

Directors' Remuneration

Directors	Fees ($'000)	Salary(1) ($'000)	Bonus(1) ($'000)	Other Benefits(2) ($'000)	Total ($'000)
Ms. Jessie Low Mui Choo	–	324	–	6	330
Mr. Tan Lee Meng	20	–	–	–	20
Mr. Lim Tai Toon	25	–	–	–	25
Mr. Wee Yiap Fook San	20	–	–	–	20
Mr. Suresh Kumar*	8	–	–	–	8
Mr. Ye Binlin**	12	–	–	–	12

* Ceased as an Independent Non-executive Director, Chairman of NC and a member of the AC and RC on 25 August 2020
** Appointed as an Independent Non-executive Director, Chairman of NC and a member of the AC and RC on 1 September 2020

Notes:

(1) Salary and bonus include employer's contributions to Central Provident Fund.
(2) Other benefits refer to benefits-in-kind such as car, housing allowances, club membership etc. made available to directors as appropriate.

Top 5 Key Management Personnel's Remuneration

Key Management Personnel	Fees (%)	Salary[1] (%)	Bonus[1] (%)	Other Benefits[2] (%)	Total (%)
Below S$250,000					
Mr. Lee Kim Hung	–	92%	–	8%	100.0%
Ms. Low Siam Kiang	–	62%	33%	5%	100.0%
Mr. Chai Yee Hoi	–	85%	7%	8%	100.0%
Ms. Low Mui Keow, Valerie[3]	7%	58%	34%	1%	100.0%
Mr. Ng Guan Kiat[4]	–	100%	–	–	100.0%

Notes:

(1) Salary and bonus include employer's contributions to Central Provident Fund.
(2) Other benefits refer to benefits-in-kind such as car, housing allowances, club membership etc. made available to directors as appropriate.
(3) Ms. Low Mui Keow, Valerie is the sister of Ms. Jessie Low Mui Choo, the Executive Director, CEO and controlling shareholder of the Company. *[Provision 8.2]*
(4) Mr. Ng Guan Kiat has resigned with effect from 30 September 2020.

The aggregate total remuneration for the top five (5) key management personnel (who are not Directors or CEO) is approximately S$695,000 for FY2021.

The Company did not grant any termination, retirement and post-employment benefits to the Directors, the CEO and the rest of the Key Management Personnel during FY2021.

[Provision 8.2]
The remuneration of the employee(s) who is/are immediate family of a director, the CEO and substantial shareholder of the Company is as follows:

Name	Fees (%)	Salary[1] (%)	Bonus[1] (%)	Other Benefits[2] (%)	Total (%)
Between S$100,001 and S$200,000					
Mr. Karunanithi S/O Letchumanan[3]	–	98%	–	2%	100.0%
Between S$200,001 to S$300,000					
Ms. Low Mui Keow, Valerie[4]	7%	58%	34%	1%	100.0%

Notes:

(1) Salary and bonus include employer's contributions to Central Provident Fund.
(2) Other benefits refer to benefits-in-kind such as car, housing allowances, club membership etc. made available to directors as appropriate.
(3) Spouse of Ms. Jessie Low Mui Choo, the Executive Director, CEO and controlling shareholder of the Company.
(4) Sister of Ms. Jessie Low Mui Choo, the Executive Director, CEO and controlling shareholder of the Company.

For FY2021, save as disclosed in the above tables which show the breakdown of the remuneration of Mr. Karunanithi S/O Letchumanan and Ms Low Mui Keow, Valerie, the Company and its subsidiaries do not have any other employee or an immediate family member of a director or the CEO or a substantial shareholder and whose remuneration exceeds S$100,000.

Save for Ms. Jessie Low Mui Choo who is a substantial shareholder of the Company, there is no employee who is a substantial shareholder of the Company. Save for Mr. Karunanithi S/O Letchumanan and Ms. Low Mui Keow, Valerie who are respectively the spouse and sister of Ms. Jessie Low Mui Choo, there is no employee who is related to a substantial shareholder of the Company.

There were no awards and/or options granted under the Share Plans in FY2021. No options and shares have been granted pursuant to the ESOS and PSP respectively as at the date of this report.

[Provision 1.4]
The RC performed the following activities in FY2021:-

- reviewed the proposed terms of reference of the RC;
- reviewed the service contract of key management personnel;
- reviewed the remuneration packages for Executive Directors, key management personnel and Employees related to the Directors of the Company and recommended to the Board for approval; and
- reviewed the Directors' Fees and recommended to the Board for approval.

Directors' Fees

The fees paid/payable to independent directors take into account factors such as effort and time spent, and responsibilities of these directors. In this regard, the Company will be seeking shareholders' approval at the AGM of the Company, for the payment of directors' fees of S$84,677 for FY2021. The Directors' fees are pro-rated according to their appointment and retirement date for the year, where applicable. No Director decides his own fees.

(C) ACCOUNTABILITY AND AUDIT

Risk Management and Internal Controls

Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.

[Provisions 9.1&9.2]
The Board is responsible for the governance of risk. It ensures that Management maintains a sound system of risk management and internal controls to safeguard shareholders' interests and the Group's assets, and determines the nature and extent of the significant risks which the Board is willing to take in achieving its strategic objectives.

The Board acknowledges that it is responsible for maintaining a sound system of internal control and risk management, but recognises that no cost effective internal control system and risk management will preclude all errors and irregularities. Internal controls and risk management can provide only reasonable and not absolute assurance against material misstatement, losses, human errors, fraud or other irregularities.

Management is responsible to the Board for the design, implementation, and monitoring of the Group's risk management and internal control systems and to provide the Board with a basis to determine the Group's level of risk tolerance and risk policies.

The Board received assurance from the CEO and the Financial Controller of the Company that the financial records of the Group have been properly maintained and the financial statements for FY2021 give a true and fair view of the Group's operations and finances.

The Board also received assurance from the CEO and key management personnel of the Group who are responsible, that the risk management and internal control systems of the Group were adequate and effective as at 31 March 2021.

Based on the internal controls established and maintained by the Group, work performed by the internal auditors, discussions with external auditors and reviews performed by Management and the assurances provided by the CEO, the Financial Controller and key management personnel, as stated in the afore paragraph, the Board is of the view that the Group's internal controls (including financial, operational, compliance and information technology controls) and risk management systems were adequate and effective for FY2021.

The AC concurs with the Board's view that the internal controls (including financial, operational, compliance and information technology controls) and risk management systems in place of the Group were adequate and effective as at 31 March 2021.

Audit Committee

Principle 10: The Board has an Audit Committee which discharges its duties objectively.

[Provision 10.2]
The AC comprises the following four (4) members, all of whom are Non-executive Directors and three (3) of whom are Independent Non-executive Directors:

Mr. Lim Tai Toon	Lead Independent Non-executive Director	Chairman
Mr. Tan Lee Meng	Non-executive Chairman	Member
Mr. Wee Yiap Fook San	Independent Non-executive Director	Member
Mr. Ye Binlin	Independent Non-executive Director	Member

The Chairman of the AC, Mr. Lim Tai Toon, graduated from National University of Singapore with a Degree of Bachelor of Accountancy in 1985 and obtained a Master of Business Administration from Brunei University in 1994.

Mr. Tan Lee Meng has been providing investment and consultancy services to individuals and companies on their investments and merger and acquisition exercises since 2000. He graduated from Oklahoma City University in 1993 with a Bachelor of Science (Summa cum Laude) and obtained a Master of Business Administration (Investment and Finance) from the University of Hull.

Mr. Wee Yiap Fook San graduated with a Bachelor of Science in Engineering from Coventry University in 1981 and obtained his Master in Business Administration from the University of Warwick in 1990. Since 1992, he has been providing turnaround services for distressed companies.

Mr. Ye Binlin graduated from Shanghai Maritime University (formerly known as Shanghai Maritime College) in 1998 with a Bachelor's degree in economics. He has since been offering finance, accounts and legal related services for various companies.

Detailed profiles of the Directors can be found on pages 4 and 5 of the Annual Report.

The NC and the Board are satisfied that the members of AC have recent and relevant accounting or related financial management expertise and experience to discharge the AC functions.

[Provision 10.3]
No former partner or director of the Company's existing auditing firm or auditing corporation is a member of the AC.

[Provision 10.1]
The AC is guided by the terms of reference approved by the Board. The principal duties, responsibilities and activities of the AC are to:

- assisting the Board in the discharge of its responsibilities on financial reporting matters;

- reviewing with the internal and external auditors, the audit plans, scope of work, evaluation of the system of internal accounting controls, management's letter and management's response, and results compiled by the Group's internal and external auditors;

- reviewing the half-yearly and annual financial statements and results announcements (including casting an oversight on the guaranteed profits provided to the Company and the related payments to the Company) before submission to the Board for approval, focusing in particular, on changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, the going concern statement, compliance with financial reporting standards as well as compliance with the Catalist Listing Manual and any other statutory or regulatory requirements;

- reviewing significant financial reporting issues and judgements with the Financial Controller and the external auditors so as to ensure the integrity of the financial statements of the Group and any announcements relating to the Group's financial performance before their submission to the Board;

- reviewing the assurance from the CEO and Financial Controller on the financial records and financial statements;

- reviewing the effectiveness and adequacy of the Group's internal control and procedures, including financial, operational, compliance and information technology controls, and risk management policies and systems established by the management, and ensure coordination between the Group's internal and external auditors, and management;

- reviewing the assistance given by the management to the auditors and discuss concern and problems, if any, arising from the audit, and any matters which the auditors may wish to discuss (in the absence of the management where necessary);

- reviewing the adequacy, effectiveness, independence, scope and results of the external audit and internal audit functions, and assessing the independence and objectivity of the external auditor;

- reviewing and discussing with the external auditor any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Group's operating results or financial position, and the management's response;

- making recommendations to the Board on the proposals to shareholders on the appointment, re-appointment and removal of the external auditor, and approving the remuneration and terms of engagement of the external auditor;

- reviewing and report to the Board at least annually the adequacy and effectiveness of the Group's internal controls and risk management systems with the Financial Controller and the internal and external auditor, including financial, operation, compliance and information technology controls via reviews carried out by the internal auditor;

- reviewing the nature and extent of non-audit services provided by the external auditor;

- reviewing any transactions falling within the scope of Chapter 9 and Chapter 10 of the Catalist Listing Manual;

- reviewing any potential conflicts of interest;

- reviewing and approve any hedging policies and instruments to be implemented by the Group;

- undertaking such other reviews and projects as may be requested by the Board and report to the Board its findings from time to time on matters arising and requiring the attention of the AC;

- reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on, and ensure that the Company publicly discloses, and clearly communicates to employees, the existence of a whistle-blowing policy and procedures for raising such concerns; and

- generally undertaking such other functions and duties as may be required by law or the Catalist Listing Manual, and by such amendments made thereto from time to time.

During the course of review of the financial statements for FY2021, the AC discussed with the Management and the external auditor on the significant issues that were brought to the AC's attention. These material issues which the external auditor assessed to be most significant in its audit of the financial statements for the year under review have been highlighted in the key audit matters section of Independent Auditor's Report.

The AC reviewed the work performed by the Management and made enquiries relevant to the key audit matters. In addition, the AC also reviewed and discussed the findings presented and related work performed by the external auditor. The AC was satisfied that these material issues have been properly addressed and appropriately adopted and disclosed in the financial statements.

The AC reviews the independence and objectivity of the external auditors through discussions with the external auditors as well as reviewing the non-audit fees awarded to them. The total fees paid in respect of audit and non-audit to the external auditors, BDO LLP for FY2021 are as stated below:

External Auditor Fee for FY2021	S$	% of total audit fees
Total audit fees	128,500	100.0%
Total non-audit fees	–	–
Total fees paid	**128,500**	**100.0%**

No non-audit services were provided by the external auditors in FY2021.

The Company and the Group have complied with Rule 712 and Rule 715 of the Catalist Listing Manual in the appointment of its auditors. The AC recommends to the Board the reappointment of Messrs BDO LLP as the external auditors of the Group at the forthcoming AGM, taking into consideration the Audit Quality Indicators Disclosure Framework published by the Accounting and Corporate Regulatory Authority.

The Group has no significant foreign-incorporated subsidiaries and associated companies within the meaning of Listing Rule 718 which their financial statements have to be consolidated for audit by BDO LLP.

[Provision 1.4]
In the course of FY2021, the AC carried out the following activities:-

- reviewed the proposed terms of reference of the AC;

- reviewed the effectiveness of the Company's internal audit function;

- reviewed the adequacy and effectiveness of the Company's internal controls systems, including financial, operational, compliance and information technology controls, and risk management system;

- received the statement of assurance from the CEO and Financial Controller in respect of the integrity of the financial results and statements of the Group and the effectiveness of the Company's internal control systems, including financial, operational, compliance and information technology controls, and risk management system;

- reviewed half-yearly and full year financial statements (audited and unaudited), and recommending to the Board for approval;

- reviewed interested/related parties transactions;

- reviewed audit plan/report and assess the independence of external auditor;
- reviewed internal audit plan/report and the appointment of internal auditor;
- reviewed the nomination of external auditor for re-appointment at AGM and determined their remuneration, and made appropriate recommendations to the Board for approval;
- met with the internal and external auditors of the Company without the presence of management.

The Group recognises the importance of providing the Board with accurate and relevant information on a timely basis. Management provides the Board with management accounts, operations reviews and related explanations together with the financial statements on a half-yearly basis and as the Board may require from time to time. The AC reviews the half-yearly and full year financial statements and recommends to the Board for approval.

The Board reviews and approves the interim half year and full year results before its release. Results for the half-yearly and full year are released to shareholders within the timeframe stipulated under Rule 705 of the Catalist Listing Manual. In presenting the annual and half-yearly financial statements to shareholders, the Board aims to provide shareholders with a balanced and clear assessment of the Group's performance, position and prospects. The Board also ensures timely and full disclosure of material corporate developments to shareholders.

The Board also provides negative assurance confirmation to shareholders on the integrity of the half-yearly financial statements.

The AC also conducts reviews of all interested person transactions ("**IPT**") to ensure that all IPTs of the Company are properly documented. Accordingly, the AC is satisfied that all material IPTs for FY2021 which warrant disclosure or further discussion have been properly reviewed and announced, where applicable; and there are no improprieties in this area.

The AC is kept abreast by the Management, the Company's Sponsor, Company Secretaries and the External Auditors of changes to accounting standards, Catalist Listing Manual and other regulations which could have an impact on the Group's business and financial statements.

The Company has adopted a Whistle-Blowing Policy which sets the framework to encourage the reporting in good faith of serious concerns or escalate serious matters on a confidential basis without fear of reprisal, dismissal, or discriminatory treatment. The Whistle-Blowing Policy provides procedures to validate concerns and for investigation to be carried out independently. The employees of the Group are aware of the existence of the Whistle-Blowing Policy as it has been circulated to all employees of the Group. A copy of the Group's Whistle-Blowing Policy is also available on the corporate website of the Company. The person in charge of receiving whistle-blowing reports is Mr. Lim Tai Toon, the Company's Lead Independent Non-executive Director. *[Provision 10.1(f)]*

[Provision 10.4]
The Company has outsourced its internal audit function to RSM Risk Advisory Pte. Ltd. ("**RSM**"). The primary reporting line of the internal audit function is to the AC, which also decides on the appointment, termination and remuneration of the firm for the internal audit function. The internal audit function has unfettered access to the Company's documents, records, properties and personnel, including the AC, and has appropriate standing within the Group.

The AC is satisfied that RSM is staffed by independent, suitably qualified and experienced professionals with the relevant experience and has adequate resources to perform its function effectively. Mr. Dennis Lee, the head of the internal audit function team, is highly qualified with almost 18 years of audit, internal audit and risk management experience. RSM carries out its function in accordance to the standards set by the Standards for the Professional Practice of Internal Auditing set by The Institute of Internal Auditors.

[Provision 10.5]
The AC has met with the external auditors, and the internal auditors, without the presence of Management, once in FY2021 and obtained feedback on the competency and adequacy of the finance function to ascertain if there was any material weakness in control effectiveness in the Group's financial reporting and operational systems. Besides scheduled meetings, the internal and external auditors as well as the AC Chairman have direct and open access channels of communication.

(D) SHAREHOLDER RIGHTS AND RESPONSIBILITIES

Shareholder Rights and Conduct of General Meetings

Principle 11: The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

[Provision 11.1]
To facilitate shareholders' ownership rights, the Company ensures that all material information is disclosed on a comprehensive, accurate and timely basis. The Company recognises that the release of timely and relevant information is central to good corporate governance and enables shareholders to make informed decisions in respect of their investments in the Company. All shareholders are entitled to attend the general meetings and are accorded the opportunity to participate effectively in the general meetings.

The Company's Constitution allows a shareholder to appoint up to two (2) proxies to attend and vote in the shareholders' place at the general meetings. Indirect investors who hold the Company's shares through a nominee company or custodian bank or through CPF/SRS agent bank may attend and vote at each general meetings. Pursuant to Section 181(1C) of the Companies Act, Chapter 50, a member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the general meetings, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the proxy form.

The Board welcomes the view of shareholders on matters affecting the Company, whether at shareholders' meetings or on an ad hoc basis. The Board encourages active shareholder participation in shareholders general meetings and believes that general meetings are an opportune forum and suitable platform for shareholders and the Board and Management of the Company to engage in active exchange of ideas.

The Company sends its Annual Report and Notice of general meetings to all shareholders (save as directed under the provisions of the COVID-19 ((Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (the "**Order 2020**")). The Notice will nevertheless be made available on SGXNet and the Company's website.

The Company conducts a poll voting for all proposed resolutions at general meetings for greater transparency in the voting process. The total number of votes cast for or against the resolutions will also be announced after the meetings via SGXNet.

The Company Secretaries or their representative prepare minutes of general meetings which capture the essence of comments and queries from shareholders and responses to them from the Board and Management.

In view of the COVID-19 pandemic, the last AGM of the Company on 25 August 2020 was held by electronic means pursuant to the Order 2020. Alternative arrangements relating to attendance at the AGM via electronic means (including arrangements by which the AGM can be electronically accessed via live audio-visual webcast or live audio-only feed), submission of questions to the Chairman of the AGM in advance of the AGM, addressing of substantial and relevant questions prior to or at the meetings and voting by appointing the Chairman of the AGM as proxy at the AGM, are set out in the Notice of AGM.

The forthcoming AGM of the Company will also be held by way of electronic means pursuant to the Order 2020. Shareholders will not be able to attend the AGM in person, but they may observe the proceedings of the AGM by live audio-visual webcast or live audio-only feed. Shareholders may appoint the Chairman of the AGM as proxy to vote on their behalf at the AGM. Shareholders may submit questions relating to the business of the meeting in advance. Please refer to the Notice of AGM of the forthcoming AGM for more information.

[Provision 11.2]
The Company provides for separate resolutions at general meetings on each distinct issue. All the resolutions at the general meetings are single item resolutions. Detailed information on each item in the AGM and extraordinary general meeting ("**EGM**") agenda is in the explanatory notes to the Notice of AGM or Notice of EGM in the Annual Report or Circular respectively.

[Provision 11.3]
At the general meetings, shareholders have the opportunity to raise questions to the Board and Management, and clarify with them any issues they may have relating to the resolutions to be passed. Board members and Management are required to attend shareholders' meetings and are on hand to address any questions raised. The Company's external auditors are also present to address shareholders' queries on the conduct of audit and the preparation and content of the auditors' report, where necessary and appropriate. All minutes of general meetings, including the questions raised by shareholders in relation to the meeting agenda and the responses from the Board and/or Management, will be made available to shareholders upon their request.

All Directors attended the AGM of the Company held on 25 August 2020 save for Mr. Ye Binlin who was appointed as director of the Company on 1 September 2020.

[Provision 11.4]
The Company's Constitution allows all shareholders to appoint up to two proxies to attend general meetings and vote on their behalf. As the authentication of shareholder identity information and other related security issues still remain a concern, the Group has decided, for the time being, not to implement voting in absentia by mail, email or fax.

[Provision 11.5]
Minutes of the AGM of the Company held on 25 August 2020 had been published by the Company on the SGX website and on its corporate website at http://www.medinex.com.sg/investor-relations-2-2/ within one month after the AGM was held.

[Provision 11.6]
The Company does not have a fixed dividend policy in place. The Company may declare an annual dividend with the approval of the shareholders in a general meeting, but the amount of such dividend shall not exceed the amount recommended by the Board. The Board may also declare an interim dividend without the approval of the shareholders. For FY2021, the Company had paid an interim dividend of 0.84 Singapore cents per ordinary share and is recommending a final dividend of 0.84 Singapore cents per ordinary share to be approved by shareholders at the forthcoming AGM.

Engagement with Shareholders

Principle 12: The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

[Provision 12.1]
The Group is committed to maintaining high standards of corporate disclosure and transparency. The Group values dialogue sessions with its shareholders. The Group believes in regular, effective, and fair communication with shareholders and is committed to hearing shareholders' views and addressing their concerns.

Material information is disclosed in an adequate, accurate, and timely manner via SGXNet and the corporate website (www.medinex.com.sg). In the event that unpublished material information is inadvertently disclosed to any selected group in the course of the Group's interactions with the investing community, a media release or announcement will be released to the public via SGXNet.

The Group's corporate website is the key resource of information for shareholders. In addition to the financial results materials, it contains a wealth of investor related information on the Group, including profiles of key management personnel, list of announcements made via SGXNet and important Company policies such as the investor relations policy and whistle blowing policy.

All shareholders are encouraged to contact the Company with any queries or concerns. The contact details of the Company can be found easily on the corporate website. The AGM is a good platform for shareholders to engage with the Board and Management. During the meetings, the shareholders will be invited and are encouraged to ask questions on the resolutions tabled and to express their views. At the same time, they will be updated on the Group's corporate achievements and financial performance.

[Provision 12.2]
The Company has established an investor relation policy that governs regular, effective and fair communication with shareholders. A copy of the Company's investor relations policy is available on the corporate website of the Company under the "Investor Relations" section.

[Provision 12.3]
The investor relation policy sets out mechanism through which shareholders and the investment community may contact the Company's investor relations team with questions and through which the Company's investor relations team may respond to such questions.

(E) MANAGING STAKEHOLDERS RELATIONSHIPS

Engagement with Stakeholders

Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

[Provision 13.1]
The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to work towards sustainable growth. The Company's efforts on sustainability are focused on creating sustainable value for our key stakeholders, which include employees, lenders, investors, clients and regulators / Government.

[Provision 13.2]
The Company's strategy and key areas of focus in relation to the management of stakeholder relationships during the reporting period can be found under Sustainability Report section of the Annual Report.

[Provision 13.3]
The Company maintains a current corporate website at http://www.medinex.com.sg. Any members of public who wish to receive updates on the Company's corporate information and SGXNet announcements may visit the said corporate website and submit their request under "Contact Us".

The contact details of the investor relations teams are also available on the Company's corporate website, to enable the stakeholders to contact the Company, if required.

With the above, the Company hopes to have a good communication and engagement with all its stakeholders.

(F) OTHER CORPORATE GOVERNANCE MATTERS

Dealing In Securities
Catalist Rule 1204(19)

In line with Rule 1204(19) of the Catalist Listing Manual regarding the dealings in securities, the Company issues a half yearly circular to its directors, officers and employees reminding them of the restrictions on dealings in listed securities of the Group during the period commencing one (1) month before announcement of the Company's half year and full year results as the case may be, and ending on the date of the announcement of the relevant results. Directors, officers and employees are also directed to refrain from dealing in listed securities of the Group at any time they are in possession of unpublished price sensitive information, or on short-term considerations.

Material Contracts
Catalist Rule 1204(8)

Save as disclosed below, and in the section "Interested Person Transactions", there were no material contracts entered into by the Company and its subsidiaries involving the interests of its CEO, Directors or controlling shareholders which are either still subsisting at the end of FY2021 or if not then subsisting, entered into since the end of the previous financial period from 1 January 2019 to 31 March 2020.

Entry into joint venture, J-Connect
The Company had on 3 July 2020, entered into a joint venture with (a) Mr. Tan Lee Meng, the Company's Non-executive Chairman, (b) Dreamcation Cruises and Tours Pte. Ltd. ("**DCT**") and (c) Mr. Lim Chye Lai, Gjan ("**Mr. Gjan Lim**"), in respect of J-Connect. Mr. Tan Lee Meng and Shinex Capital Pte. Ltd., a controlling shareholder of the Company, hold 15.4% and 20.0% of the issued share capital of DCT respectively. Each of the Company, Mr. Tan Lee Meng, DCT and Mr. Gjan Lim had contributed S$25,000 to the issued share capital of J-Connect and subscribed for shares representing 25% of the issued share capital of J-Connect. Please refer to the Company's announcement on 7 July 2020 for more details.

Interested Person Transactions

The Company has established procedures to ensure that all transactions with interested persons are reported in a timely manner to the AC, and that transactions are conducted on an arm's length basis and are not prejudicial to the interests of the shareholders.

The Company does not have any prior shareholders' mandate pursuant to Catalist Rule 920. There were IPTs conducted during the financial year with the details of the IPT set out as follows:-

Name of Interested Person	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) (S$'000)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000) (S$'000)
JK Group Services Pte. Ltd.(1)	Associate of the Executive Director and Chief Executive Officer, Ms. Jessie Low Mui Choo	120	–
HC Surgical Specialists Limited(2)	Controlling Shareholder	182	–

Note:-

(1) Rental of the entire unit at 111 North Bridge Road, #23-04 Peninsula Plaza, Singapore 179098 from JK Group Services Pte. Ltd., which is 90% owned by Mr. Karunanithi S/O Letchumanan (spouse of Ms. Jessie Low Mui Choo, the Executive Director and Chief Executive Officer of the Company) and 10% owned by Ms. Jessie Low Mui Choo.
(2) The purchase consideration paid by the Company for 20% of the issued share capital of HEPL, as announced by the Company on 8 October 2020 and 23 December 2020. The investment in HEPL was entered into with the Company's controlling shareholder, HC Surgical Specialists Limited. Please refer to the announcements for more details.

Non-Sponsor Fees

For FY2021, there was no non-sponsor fee paid by the Company to its sponsor, Novus Corporate Finance Pte. Ltd.

Use of Proceeds

The Company refers to the net cash proceeds amounting to S$5.28 million (excluding listing expenses of approximately S$1.22 million) raised from the IPO on the Catalist Board of SGX-ST on 7 December 2018.

The Board further refers to the Company's announcement dated 28 May 2021 on its unaudited financial statements and dividend announcement for the full year ended 31 March 2021 ("**Full Year Results Announcement**"), and wishes to clarify that the disclosure made under paragraph 14 of the Full Year Results Announcement on the Company's status of use of its IPO net proceeds is inaccurate, as the investment in J-Connect and HEPL of S$25,000 and S$182,000 respectively were funded by the Company's internal resources (as per the Company's announcements made on 7 July 2020 and 23 December 2020 respectively), and not funded by the Company's IPO net proceeds.

As at the date of this annual report, the status on the use of the IPO net proceeds is as follows:

Use of IPO net proceeds	Amount allocated (S$'000)	Amount utilized (S$'000)	Balance (S$'000)
Expand our Group's business operations via acquisitions, joint ventures and/or strategic partnerships	4,000.00	3,532.50[(1)]	467.50
Working Capital	1,316.00	786.00[(2)]	530.00
Total	5,316.00	4,318.50	997.50

Notes:

(1) Utilised for the following:-
  (a) acquisition of Sen Med Holdings Pte. Ltd. – S$1,732,500
  (b) acquisition of Ark Leadership & Learning Pte. Ltd. – S$600,000
  (c) acquisition of SKI Consultancy Pte. Ltd. and Medinex Advisory Pte. Ltd. – S$1,200,000

(2) Utilised for the payment of listing expenses of S$36,000 and the provision of the convertible loan amount of S$750,000 to Singapore Paincare Holdings Limited.

The utilisation is in accordance with the intended use as stated in the Company's offer document dated 30 November 2018.

Sustainability Reporting
Catalist Rule 711A, 711B

The Company's sustainability report is set out from pages 11 to 19 of this annual report.

DIRECTORS' *STATEMENT*

The Directors of Medinex Limited (the "**Company**") present their statement to the members together with the audited consolidated financial statements of the Company and its subsidiaries (the "**Group**") for the financial year ended 31 March 2021 and the statement of financial position of the Company as at 31 March 2021.

1. Opinion of the Directors

In the opinion of the Board of Directors,

(a) the consolidated financial statements of the Group and the statement of financial position of the Company together with the notes thereon are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2021, and of the financial performance, changes in equity and cash flows of the Group for the financial year then ended; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2. Directors

The Directors of the Company in office at the date of this statement are as follows:

Mr. Tan Lee Meng	(Non-executive Chairman)
Ms. Jessie Low Mui Choo	(Executive Director and Chief Executive Officer)
Mr. Lim Tai Toon	(Lead Independent Non-executive Director)
Mr. Wee Yiap Fook San	(Independent Non-executive Director)
Mr. Suresh Kumar	(Independent Non-executive Director) (Resigned on 25 August 2020)
Mr. Ye Binlin	(Independent Non-executive Director) (Appointed on 1 September 2020)

3. Arrangements to enable Directors to acquire shares or debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose object is, to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

4. Directors' interests in shares or debentures

The Directors of the Company holding office at the end of the financial year had no interests in the shares or debentures of the Company and its related corporations as recorded in the register of directors' shareholdings kept by the Company under Section 164 of the Singapore Companies Act, Chapter 50 (the "Act"), except as follows:

	Shareholdings registered in the name of Directors		**Shareholdings in which Directors are deemed to have an interest**	
	Balance at 1 April 2020	**Balance at 31 March 2021**	**Balance at 1 April 2020**	**Balance at 31 March 2021**
The Company	**Number of ordinary shares**			
Ms. Jessie Low Mui Choo	27,443,340	**27,443,340**	390,000	**390,000**
Mr. Tan Lee Meng	11,649,440	**11,705,740**	–	–
Mr. Ye Binlin	–	**25,000**	–	–

4. Directors' interests in shares or debentures (Continued)

By virtue of Section 7 of the Act, Ms. Jessie Low Mui Choo is deemed to have interests in the shares of all subsidiary corporations of the Company at the beginning and at the end of the financial year.

In accordance with the continuing listing requirements of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), the Directors of the Company state that, according to the register of directors' shareholdings, the directors' interest as at 21 April 2021 in the shares of the Company have not changed from those disclosed as at 31 March 2021.

5. Share options

There were no share options granted by the Company or its subsidiary corporations during the financial year.

There were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or its subsidiary corporations.

There were no unissued shares of the Company or its subsidiary corporations under option as at the end of the financial year.

Employee Share Option Scheme

The Company has implemented an Employee Share Option Scheme known as the Medinex Employee Share Option Scheme ("**Medinex ESOS**"). The Medinex ESOS was approved and adopted by the shareholders at an Extraordinary General Meeting of the Company held on 9 November 2018. No options have been granted pursuant to the Medinex ESOS as at the date of this report.

Performance Share Plan

The Company has implemented a Performance Share Plan known as the Medinex Performance Share Plan ("**Medinex PSP**"). The Medinex PSP was approved and adopted by the shareholders at an Extraordinary General Meeting of the Company held on 9 November 2018. No shares have been granted pursuant to the Medinex PSP as at the date of this report.

6. Audit committee

The Audit Committee of the Company is chaired by Mr. Lim Tai Toon, Lead Independent Non-Executive Director, and includes Mr. Wee Yiap Fook San, an Independent Non-Executive Director, Mr. Tan Lee Meng, a Non-Executive Chairman and Mr. Ye Binlin, an Independent Non-Executive Director. The Audit Committee has carried out its functions in accordance with Section 201B(5) of the Act, including reviewing the following, where relevant, with the Executive Directors and external auditor of the Company:

(i) assisting the Board of Directors in the discharge of its responsibilities on financial reporting matters;

(ii) reviewing with the internal and external auditors, the audit plans, scope of work, evaluation of the system of internal accounting controls, management's letter and management's response, and results compiled by the Group's internal and external auditors;

(iii) reviewing the half-yearly and annual financial statements and results announcements (including casting an oversight on the guaranteed profits provided to the Company and the related payments to the Company) before submission to the Board of Directors for approval, focusing in particular, on changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, the going concern statement, compliance with financial reporting standards as well as compliance with the Catalist Listing Manual and any other statutory or regulatory requirements;

6. Audit committee (Continued)

(iv) reviewing significant financial reporting issues and judgments with the Financial Controller and the external auditor so as to ensure the integrity of the financial statements of the Group and any announcements relating to the Group's financial performance before their submission to the Board of Directors;

(v) reviewing the assurance from the CEO and Financial Controller on the financial records and financial statements;

(vi) reviewing the effectiveness and adequacy of the Group's internal control and procedures, including financial, operational, compliance and information technology controls, and risk management policies and systems established by the management, and ensure coordination between the Group's internal and external auditors, and management;

(vii) reviewing the assistance given by the management to the auditors and discuss concern and problems, if any, arising from the audit, and any matters which the auditors may wish to discuss (in the absence of the management where necessary);

(viii) reviewing the adequacy, effectiveness, independence, scope and results of the external audit and internal audit functions, and assessing the independence and objectivity of the external auditor;

(ix) reviewing and discussing with the external auditor any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Group's operating results or financial position, and the management's response;

(x) making recommendation to the Board of Directors on the proposals to shareholders on the appointment, re-appointment and removal of the external auditor, and approving the remuneration and terms of engagement of the external auditor;

(xi) reviewing and report to the Board of Directors at least annually the adequacy and effectiveness of the Group's internal controls and risk management systems with the Financial Controller and the internal and external auditors, including financial, operation, compliance and information technology controls via reviews carried out by the internal auditor;

(xii) reviewing the nature and extent of non–audit services provided by the external auditor;

(xiii) reviewing any transactions falling within the scope of Chapter 9 and Chapter 10 of the Catalist Listing Manual;

(xiv) reviewing any potential conflicts of interest;

(xv) reviewing and approve any hedging policies and instruments to be implemented by the Group;

(xvi) undertaking such other reviews and projects as may be requested by the Board of Directors and report to the Board of Directors its findings from time to time on matters arising and requiring the attention of the Audit Committee;

(xvii) reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on, and ensure that the Company publicly discloses, and clearly communicates to employees, the existence of a whistle-blowing policy and procedures for raising such concerns; and

(xviii) generally undertaking such other functions and duties as may be required by law or the Catalist Listing Manual, and by such amendments made thereto from time to time.

6. Audit committee (Continued)

The Audit Committee confirmed that it has undertaken a review of all non-audit services provided by the external auditor to the Group and is satisfied that the nature and extent of such services would not affect the independence of the external auditor.

The Audit Committee has full access to and has the co-operation of the management and has been given the resources required for it to discharge its functions properly. It also has full discretion to invite any Director and Executive Officer of the Group to attend its meetings. The external auditor have unrestricted access to the Audit Committee.

The Audit Committee has recommended to the Board of Directors the nomination of BDO LLP, for re-appointment as external auditor of the Company at the forthcoming Annual General Meeting.

7. Independent auditor

The independent auditor, BDO LLP, has expressed its willingness to accept re-appointment.

On behalf of the Board of Directors,

Tan Lee Meng
Director

Jessie Low Mui Choo
Director

Singapore
5 July 2021

INDEPENDENT *AUDITOR'S REPORT*

To the members of Medinex Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Medinex Limited (the "Company") and its subsidiaries (the "Group"), which comprise:

- the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 March 2021;
- the consolidated statement of comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows of the Group for the financial year then ended; and
- notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 March 2021 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the financial year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSA"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current financial year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters (Continued)

KEY AUDIT MATTER	AUDIT RESPONSE
1 **Impairment assessment of goodwill**	
As at 31 March 2021, the Group's goodwill amounted to $6,844,779. Under SFRS(I) 1-36 *Impairment of Assets*, the Group is required to test goodwill for impairment annually, or more frequently if there are indications that these goodwill may be impaired. For the purpose of impairment assessment, management applied the value-in-use (discounted cash flow forecasts) method to determine the recoverable amounts for the respective cash generating units to which the goodwill belong. We have determined the impairment assessment of goodwill to be a key audit matter as the impairment assessment involved significant judgements and estimates with regard to the key assumptions used in estimating the discounted future cash flows, such as the revenue growth rates and discount rates. Refer to Notes 3.2(ii) and 6 to the financial statements.	We performed the following audit procedures, amongst others: ● Reviewed that the cash flow projections were based on approved management forecasts and evaluated management's forecasting process by comparing previous forecasts to actual results. ● Discussed with management and evaluated the reasonableness of the key assumptions made by management, including performing analytical procedures and comparing the revenue growth rates against historical performance, recent trends and market outlook caused by the COVID-19 pandemic, as appropriate. ● Engaged our internal valuation specialist to evaluate the reasonableness of the discount rates used. ● Performed sensitivity analysis around the key assumptions, including the revenue growth rates and discount rates, used in cash flow forecasts. ● Assessed the adequacy of the disclosures in the financial statements.

Key Audit Matters (Continued)

KEY AUDIT MATTER	AUDIT RESPONSE
2 Impairment assessment of investments in subsidiaries	
As at 31 March 2021, the net carrying amount of the Company's investments in subsidiaries amounted to $10,883,577. The subsidiaries are service providers of medical and business support services, pharmaceutical services and medical services. At the end of the reporting period, management carried out an impairment assessment in respect of subsidiaries with indicators of impairment to determine whether an impairment loss should be recognised in the financial statements. Management determined the recoverable amounts based on higher of the value-in-use calculations by estimating the expected discounted future cash flows to be derived from the investments in those subsidiaries and fair value less costs of disposal. Arising from the assessment, an impairment loss of $39,296 was recognised on the investments in subsidiaries during the financial year. We focused on the recoverable amounts based on value-in-use calculation as a key audit matter owing to the significant management judgements involved in the key assumptions used in estimating the expected discounted future cash flows such as the revenue growth rates and discount rates. Refer to Notes 3.2(i) and 7 to the financial statements.	We performed the following audit procedures, amongst others: ● Reviewed management's assessment for indicators of impairment relating to the Company's investments in subsidiaries. ● For investment in subsidiaries with indicators of impairment, we reviewed the cash flow projections based on approved management forecasts and comparing previous forecasts against actual results in current year. ● Discussed with management and evaluated the reasonableness of the key assumptions made by management, including performing analytical procedures and comparing the revenue growth rates against historical performance, recent trends and market outlook caused by the COVID-19 pandemic, as appropriate. ● Engaged our internal valuation specialist to evaluate the reasonableness of the discount rates used. ● Performed sensitivity analysis around the key assumptions, including the revenue growth rates and discount rates, used in cash flow forecasts. ● Assessed the adequacy of the disclosures in the financial statements.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company, and by those subsidiary corporations in Singapore of which we are the auditors, have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Tan Boon Kai.

BDO LLP
Public Accountants and
Chartered Accountants

Singapore
5 July 2021

STATEMENTS *OF FINANCIAL POSITION*

As at 31 March 2021

	Note	Group		Company	
		2021	2020	2021	2020
		$	$	$	$
ASSETS					
Non-current assets					
Plant and equipment	4	**135,026**	58,867	**50,690**	15,918
Right-of-use assets	5	**1,444,480**	1,914,744	**–**	–
Intangible assets	6	**7,097,900**	7,193,086	**–**	–
Investments in subsidiaries	7	**–**	–	**10,883,577**	10,922,872
Investments in joint ventures	8	**320,935**	139,515	**286,244**	91,519
Financial assets at fair value through profit or loss ("FVTPL")	9	**4,321,136**	886,613	**4,320,356**	885,833
Other receivables	10	**589,200**	534,106	**589,200**	534,106
		13,908,677	10,726,931	**16,130,067**	12,450,248
Current assets					
Inventories	11	**561,546**	836,406	**–**	–
Trade and other receivables	10	**2,187,952**	2,355,395	**208,796**	937,150
Contract assets	12	**14,885**	51,183	**–**	–
Prepayments		**99,921**	86,475	**61,122**	59,561
Fixed deposits	13	**1,550,781**	1,528,600	**1,037,953**	1,019,600
Cash and bank balances	13	**5,106,846**	3,735,740	**1,242,763**	620,717
		9,521,931	8,593,799	**2,550,634**	2,637,028
Total assets		**23,430,608**	19,320,730	**18,680,701**	15,087,276
EQUITY AND LIABILITIES					
Equity					
Share capital	14	**14,163,317**	14,163,317	**14,163,317**	14,163,317
Other reserves	15	**(1,540,381)**	(1,540,381)	**408,000**	408,000
Foreign currency translation reserve		**1,112**	–	**–**	–
Retained earnings	16	**4,033,248**	1,641,901	**1,868,258**	69,628
Equity attributable to owners of the parent		**16,657,296**	14,264,837	**16,439,575**	14,640,945
Non-controlling interests		**269,349**	344,409	**–**	–
Total equity		**16,926,645**	14,609,246	**16,439,575**	14,640,945
Non-current liabilities					
Lease liabilities	17	**910,204**	1,376,340	**–**	–
Bank borrowings	18	**2,291,667**	–	**–**	–
Deferred tax liabilities	19	**43,097**	59,210	**–**	–
Provisions	20	**23,224**	28,671	**–**	–
		3,268,192	1,464,221	**–**	–

The accompanying notes form an integral part of these financial statements.

STATEMENTS *OF FINANCIAL POSITION*
As at 31 March 2021

		Group		Company	
	Note	2021	2020	2021	2020
		$	$	$	$
Current liabilities					
Trade and other payables	21	**1,637,615**	1,705,729	**2,230,959**	436,331
Contract liabilities	12	**459,128**	388,148	**–**	–
Lease liabilities	17	**534,054**	538,823	**–**	–
Bank borrowings	18	**218,500**	10,000	**10,167**	10,000
Current income tax payable		**386,474**	604,563	**–**	–
		3,235,771	3,247,263	**2,241,126**	446,331
Total liabilities		**6,503,963**	4,711,484	**2,241,126**	446,331
Total equity and liabilities		**23,430,608**	19,320,730	**18,680,701**	15,087,276

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED *STATEMENT OF COMPREHENSIVE INCOME*

For the financial year ended 31 March 2021

	Note	Year ended 31 March 2021 $	Period from 1 January 2019 to 31 March 2020 $
Revenue	22	**10,785,511**	16,742,917
Other item of income			
Other income	23	**2,514,792**	401,758
Items of expense			
Changes in inventories		**(274,859)**	378,084
Inventories and consumables		**(2,848,412)**	(5,300,362)
Employee benefits expense	24	**(4,286,627)**	(5,111,659)
Depreciation and amortisation expenses	25	**(693,102)**	(747,710)
Loss allowance on trade receivables		**(283,478)**	(199,510)
Other expenses		**(995,395)**	(1,497,740)
Finance costs	26	**(72,253)**	(81,927)
Share of results of joint ventures, net of tax		**9,934**	63,621
Profit before income tax	27	**3,856,111**	4,647,472
Income tax expense	28	**(302,681)**	(553,154)
Profit for the financial year/period, representing total comprehensive income for the financial year/period		**3,553,430**	4,094,318
Other comprehensive income			
Items that will or may be reclassified subsequently to profit or loss			
Foreign currency translation differences		**1,112**	–
Other comprehensive income for the financial year/period, net of tax		**1,112**	–
Total comprehensive income for the financial year/period		**3,554,542**	4,094,318
Profit attributable to:			
Owners of the Company		**3,493,490**	3,636,089
Non-controlling interests		**59,940**	458,229
		3,553,430	4,094,318
Profit and total comprehensive income attributable to:			
Owners of the parent		**3,494,602**	3,636,089
Non-controlling interests		**59,940**	458,229
		3,554,542	4,094,318
Earnings per share (cents)			
- Basic and diluted	29	**2.66**	2.77

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED *STATEMENT OF CHANGES IN EQUITY*
For the financial year ended 31 March 2021

	Note	Share capital $	Other reserves $	Foreign currency translation reserve $	Retained earnings $	Equity attributable to owners of the parent $	Non-controlling interests $	Total equity $
Balance at 1 April 2020		14,163,317	(1,540,381)	–	1,641,901	14,264,837	344,409	14,609,246
Profit for the financial year		–	–	–	3,493,490	3,493,490	59,940	3,553,430
Other comprehensive income								
Foreign currency translation differences								
- foreign operation		–	–	1,112	–	1,112	–	1,112
Total comprehensive income for the financial year		–	–	1,112	3,493,490	3,494,602	59,940	3,554,542
Distributions to owners								
Dividends	30	–	–	–	(1,102,143)	(1,102,143)	–	(1,102,143)
Total transactions with owners		–	–	–	(1,102,143)	(1,102,143)	–	(1,102,143)
Transaction with non-controlling interests								
Dividend paid to non-controlling interests in subsidiaries	7	–	–	–	–	–	(135,000)	(135,000)
Total transaction with non-controlling interest		–	–	–	–	–	(135,000)	(135,000)
Balance at 31 March 2021		**14,163,317**	**(1,540,381)**	**1,112**	**4,033,248**	**16,657,296**	**269,349**	**16,926,645**

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED *STATEMENT OF CHANGES IN EQUITY*

For the financial year ended 31 March 2021

	Note	Share capital $	Other reserves $	Retained earnings $	Equity attributable to owners of the parent $	Non-controlling interests $	Total equity $
Balance at 1 January 2019		14,163,317	(1,948,381)	1,312,242	13,527,178	–	13,527,178
Profit for the financial period		–	–	3,636,089	3,636,089	458,229	4,094,318
Total comprehensive income for the financial period		–	–	3,636,089	3,636,089	458,229	4,094,318
Contributions by and distributions to owners							
Share-based payments	15	–	408,000	–	408,000	–	408,000
Dividends	30	–	–	(3,306,430)	(3,306,430)	–	(3,306,430)
Total transactions with owners		–	408,000	(3,306,430)	(2,898,430)	–	(2,898,430)
Transactions with non-controlling interests							
Acquisition of subsidiaries		–	–	–	–	381,180	381,180
Dividend paid to non-controlling interests in subsidiaries	7	–	–	–	–	(495,000)	(495,000)
Total transactions with non-controlling interest		–	–	–	–	(113,820)	(113,820)
Balance at 31 March 2020		14,163,317	(1,540,381)	1,641,901	14,264,837	344,409	14,609,246

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED *STATEMENT OF CASH FLOWS*

For the financial year ended 31 March 2021

	Note	Year ended 31 March 2021 $	Period from 1 January 2019 to 31 March 2020 $
Operating activities			
Profit before income tax		**3,856,111**	4,647,472
Adjustments for:			
Amortisation of intangible assets	6	**101,186**	54,903
Depreciation of plant and equipment	4	**36,519**	31,349
Depreciation of right-of-use assets	5	**555,397**	661,458
Loss allowance on trade receivables	10	**283,478**	199,510
Bad debt recovered		**(2,537)**	(8,230)
Bad debts written off	10	**25,000**	–
Inventories written off	11	**–**	30,425
Written back of liabilities	23	**(24,553)**	–
Fair value gain on financial assets at FVTPL	23	**(1,281,089)**	(135,833)
Interest income	23	**(74,159)**	(53,327)
Interest expense	26	**72,253**	81,927
Gain on lease termination		**(2,585)**	–
Gain on disposal of financial asset at FVTPL	23	**(5,381)**	–
Gain on disposal of plant and equipment		**(1,000)**	–
Plant and equipment written off	23	**1,564**	–
Impairment loss on joint venture	8	**12,275**	–
Dividend income from financial asset at FVTPL	23	**(188,941)**	–
Rental concession	17	**(122,645)**	–
Provision for reinstatement cost no longer required		**(9,641)**	–
Share of results of joint venture		**(9,934)**	(63,621)
Operating cash flows before working capital changes		**3,221,318**	5,446,033
Working capital changes:			
Inventories		**274,860**	(336,775)
Trade and other receivables		**(138,498)**	(867,687)
Contract asset and contract liabilities		**107,278**	194,056
Prepayments		**(13,445)**	10,437
Trade and other payables		**125,971**	(212,781)
Cash generated from operations		**3,577,484**	4,233,283
Income tax paid		**(536,883)**	(296,747)
Net cash from operating activities		**3,040,601**	3,936,536

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED *STATEMENT OF CASH FLOWS*

For the financial year ended 31 March 2021

	Note	Year ended 31 March 2021 $	Period from 1 January 2019 to 31 March 2020 $
Investing activities			
Acquisition of subsidiaries, net of cash acquired	7	**(120,000)**	(2,136,789)
Purchase of plant and equipment	4	**(80,950)**	(42,506)
Proceeds from the disposal of plant and equipment		**1,000**	–
Additions to right-of-use assets	5	**(44,713)**	–
Additions to intangible asset	6	**(6,000)**	–
Interest received		**19,065**	53,327
Dividend income from joint venture		**23,239**	15,625
Dividend income from financial assets at FVTPL		**188,941**	–
Investment in joint ventures	8	**(207,000)**	(625)
Loan to a joint venture		**–**	(625,000)
Investment in financial asset at FVTPL, net		**(2,148,053)**	(750,000)
Net cash used in investing activities		**(2,374,471)**	(3,485,968)
Financing activities			
Proceeds from bank borrowings		**2,500,167**	10,000
Repayment of principal portion of lease liabilities	17	**(419,383)**	(623,171)
Repayment of interest portion of lease liabilities	17	**(50,114)**	(81,927)
Dividends paid to owners of the parent	30	**(1,102,143)**	(3,306,430)
Dividends paid to non-controlling interests (Note A)		**(180,000)**	(317,023)
Interest paid		**(22,139)**	–
Net cash from/(used in) financing activities		**726,388**	(4,318,551)
Net change in cash and cash equivalents		**1,392,518**	(3,867,983)
Cash and cash equivalents at beginning of financial year/period		**5,264,340**	9,132,323
Effect of foreign exchange rate changes on cash and cash equivalents		**769**	–
Cash and cash equivalents at end of financial year/period	13	**6,657,627**	5,264,340

Note A

In the previous financial period, there was no cash outflow for dividends declared of $177,977, which includes an amount of $45,000 remained unpaid as at 31 March 2020 and $132,977 were used to offset against non-trade payables that were due to non-controlling interest.

The accompanying notes form an integral part of these financial statements.

These notes form an integral part of and should be read in conjunction with the financial statements.

1. General corporate information

1.1 Domicile and activities

Medinex Limited (the "Company") is a public limited company incorporated and domiciled in Singapore. The Company was listed on the Catalist Board of the Singapore Exchange Securities Trading Limited ("SGX-ST") on 7 December 2018.

The Company's registered office and its principal place of business is located at 111 North Bridge Road #23-04 Peninsula Plaza Singapore 179098. The registration number of the Company is 200900689W. The Group's ultimate controlling party is Jessie Low Mui Choo.

The principal activity of the Company is that of an investment holding company.

The principal activities of the subsidiaries are set out in Note 7 to the financial statements.

The statement of financial position of the Company as at 31 March 2021 and the consolidated financial statements of the Company and its subsidiaries ("the Group") for the financial year ended on that date were authorised for issue in accordance with a Directors' resolution dated 5 July 2021.

2. Summary of significant accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") and are prepared under the historical cost convention, except as disclosed in the accounting policies below.

Items included in the individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The consolidated financial statements of the Group and the statement of financial position of the Company are presented in Singapore dollar, which is the functional currency of the Company and the presentation currency of the financial statements. The financial statements are expressed in Singapore dollar ("$"), unless otherwise stated.

The preparation of financial statements in conformity with SFRS(I) requires the management to exercise judgement in the process of applying the Group's and the Company's accounting policies and requires the use of accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the end of the reporting period, and the reported amounts of revenue and expenses during the financial year. Although these estimates are based on management's best knowledge of historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances, actual results may differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the financial year in which the estimate is revised if the revision affects only that financial year, or in the financial year of revision and future years if the revision affects both current and future financial years.

Critical accounting judgements and key sources of estimation uncertainty used that are significant to the financial statements are disclosed in Note 3 to the financial statements.

2. Summary of significant accounting policies (Continued)

2.1 Basis of preparation of financial statements (Continued)

Changes in accounting policy

New standards, amendments and interpretations effective from 1 April 2020

The standards, amendments to standards, and interpretations, issued by Accounting Standards Council Singapore ("ASC") that will apply for the first time by the Group and the Company are not expected to impact the Group and the Company as they are either not relevant to the Group's and the Company's business activities or require accounting which is consistent with the Group's and the Company's current accounting policies, except as detailed below.

Amendment to SFRS(I) 16 *Leases: COVID-19-Related Rent Concession*

Effective 1 June 2020, the amendment provides a practical expedient for lessees accounting for rent concessions that arise as a direct consequence of the COVID-19 pandemic and satisfy the following criteria:

(a) The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;

(b) The reduction in lease payments affects only payments originally due on or before 30 June 2021; and

(c) There is no substantive change to other terms and conditions of the lease.

Rent concessions that satisfy these criteria may be accounted for in accordance with the practical expedient, which means the lessee does not need to assess whether the rent concession meets the definition of a lease modification.

The Group has elected to early apply the above amendment to SFRS(I) 16 and utilise the practical expedient for all rent concessions that meet the criteria. The practical expedient has been applied retrospectively, meaning it has been applied to all rent concessions that satisfy the criteria, which in the case of the Group, occurred from April 2020 to July 2020. The impact of rent concessions recognised is disclosed in Note 23 to the financial statements.

2. Summary of significant accounting policies (Continued)

2.1 Basis of preparation of financial statements (Continued)

SFRS(I) issued but not yet effective

As at the date of authorisation of these financial statements, the following SFRS(I) were issued but not yet effective and have not been early adopted in these financial statements:

		Effective date (annual periods beginning on or after)
SFRS(I) 10 and SFRS(I) 1-28 (Amendments)	: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined
SFRS(I) 4 (Amendments)	: Extension of the Temporary Exemption from Applying SFRS(I) 9	–
SFRS(I) 16 (Amendments)	: Covid-19-Related Rent Concessions beyond 30 June 2021	1 April 2021
SFRS(I) 3 (Amendments)	: Reference to the Conceptual Framework	1 January 2022
SFRS(I) 1-16 (Amendments)	: Property, Plant and Equipment - Proceeds before Intended Use	1 January 2022
SFRS(I) 1-37 (Amendments)	: Onerous Contracts - Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to SFRS(I)s 2018-2020		1 January 2022
SFRS(I) 17	: Insurance Contracts	1 January 2023
SFRS(I) 1-1 (Amendments)	: Classification of Liabilities as Current or Non-current	1 January 2023
Various	: Amendments to SFRS(I) 17	1 January 2023
SFRS(I) 1-1 and SFRS(I) Practice Statement 2 (Amendments)	: Disclosure of Accounting Policies	1 January 2023
SFRS(I) 1-8 (Amendments)	: Definition of Accounting Estimates	1 January 2023

Consequential amendments were also made to various standards as a result of these new or revised standards.

Management anticipates that the adoption of the above SFRS(I), if applicable, will not have a material impact on the financial statements of the Group and the Company in the period of their initial adoption.

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries made up to the end of the reporting period. The financial statements of the subsidiaries are prepared for the same reporting date as that of the parent company.

Accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Group to ensure consistency.

Subsidiaries are consolidated from the date on which control is transferred to the Group up to the effective date on which that control ceases. In preparing the consolidated financial statements, inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment loss of the asset transferred.

2. Summary of significant accounting policies (Continued)

2.2 Basis of consolidation (Continued)

Non-controlling interests in subsidiaries relate to the equity in subsidiaries which is not attributable directly or indirectly to the owners of the parent. They are shown separately in the consolidated statements of comprehensive income, financial position and changes in equity.

Non-controlling interests in the acquire that are a present ownership interest and entitle its holders to a proportionate share of the equity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having deficit balance.

Changes in the Group's interest in subsidiary that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the parent.

When the Group loses control of subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for (i.e. reclassified to profit or loss or transferred directly to retained earnings) in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investments retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under SFRS(I) 9 *Financial Instruments* or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

2.3 Business combinations

The acquisitions of subsidiaries are accounted for using the acquisition method. The considerations transferred for the acquisitions are measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred. Consideration transferred also includes the fair value of any contingent consideration measured at the acquisition date. Subsequent changes in fair value of contingent consideration which is deemed to be an asset or liability will be recognised to profit or loss, except for contingent consideration which was classified as equity shall not be remeasured and its subsequent settlement shall be accounted for within equity.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under SFRS(I) 3 *Business Combinations* are recognised at their fair values at the acquisition date, except for non-current assets (or disposal groups) that are classified as held-for-sale in accordance with SFRS(I) 5 *Non-current Assets Held for Sale and Discontinued Operations*, which are recognised and measured at the lower of cost and fair value less costs to sell.

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss.

2. Summary of significant accounting policies (Continued)

2.3 Business combinations (Continued)

Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under SFRS(I) 3 are recognised at their fair values at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with SFRS(I) 1-12 *Income Taxes* and SFRS(I) 1-19 *Employee Benefits* respectively;

- liabilities or equity instruments related to the replacement by the Group of an acquiree's share-based payment awards are measured in accordance with SFRS(I) 2 *Share-based Payment*; and

- assets (or disposal groups) that are classified as held for sale in accordance with SFRS(I) 5 are measured in accordance with that standard.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see below), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date, and is subject to a maximum of one year.

Goodwill arising on acquisition is recognised as an asset at the acquisition date and initially measured at the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest (if any) in the entity over net acquisition date fair value amounts of the identifiable assets acquired and the liabilities and contingent liabilities assumed.

If, after reassessment, the net fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Acquisition under common control

Business combination arising from transfers of interest in entities that are under common control are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established. For this purpose, comparatives are restated. The assets and liabilities acquired are recognised at the carrying amounts recognised previously and no adjustments are made to reflect the fair values or recognised any new assets or liabilities, including no goodwill is recognised as a result of the combination. The components of equity of the acquired entities are added to the same components within the Group equity. Any difference between the consideration paid for the acquisition and share capital of acquiree is recognised directly to equity as merger reserve.

2. Summary of significant accounting policies (Continued)

2.4 Plant and equipment

Plant and equipment are initially recorded at cost. Subsequent to initial recognition, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any.

The cost of plant and equipment includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Dismantlement, removal or restoration costs are included as part of the cost of plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the plant and equipment.

Subsequent expenditure relating to the plant and equipment that has already been recognised is added to the carrying amount of the asset when it is probable that the future economic benefits, in excess of the standard of performance of the asset before the expenditure was made, will flow to the Group and the Company, and the cost can be reliably measured. Other subsequent expenditure is recognised as an expense during the financial year in which it is incurred.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in profit or loss in the financial year the asset is derecognised.

Low value assets items which cost less than $1,000 are recognised as an expense directly in profit or loss in the financial year of acquisition.

Depreciation is calculated using the straight-line method to allocate the depreciable amounts of the plant and equipment over their estimated useful life as follows:

Fully depreciated plant and equipment are retained in the financial statements until they are no longer in use.

	Years
Computers	1 to 3
Furniture and fittings	3
Office equipment	3
Renovation	5 to 9
Motor vehicle	8
Medical equipment	3 to 5

The residual values, estimated useful life and depreciation method are reviewed at each financial year-end to ensure that the residual values, period of depreciation and depreciation method are consistent with previous estimates and expected pattern of consumption of the future economic benefits embodied in the items of plant and equipment.

2.5 Intangible assets

Intangible assets acquired separately are measured initially at cost. The cost of intangible assets acquired in a business combination is their fair values as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

2. Summary of significant accounting policies (Continued)

2.5 Intangible assets (Continued)

The useful life of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite life are amortised on a straight-line basis over the estimated economic useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least once at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite useful life is recognised in profit or loss.

Intangible assets with indefinite useful life or not yet available for use are tested for impairment annually or more frequently if the events or changes in circumstances indicate that the carrying amount may be impaired either at individual or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the changes in useful life from indefinite to finite is made on prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured at the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

Goodwill

Goodwill arising on the acquisition of subsidiary represents the excess of the consideration transferred, the amount of any non-controlling interests in the acquiree and the acquisition date fair value of any previously held equity interest in the acquiree over the acquisition date fair value of the identifiable assets, liabilities and contingent liabilities of the subsidiary recognised at the date of acquisition.

Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the gain or loss on disposal.

Customer listing

Customer listing was acquired through business combinations, and measured at fair value as at the date of acquisition. Subsequently, customer listing is carried at cost less accumulated amortisation and impairment losses, if any. Amortisation is recognised in profit or loss on a straight-line basis over 3 to 9 years.

Customer listing is assessed for impairment whenever there is an indication that the intangible asset may be impaired. The useful life and amortisation method are reviewed at the end of each reporting period to ensure that the period of amortisation and amortisation method are consistent with previous estimates and the expected pattern of consumption of the future economic benefits.

Web development

Web development is stated at cost less accumulated amortisation and any accumulated impairment losses. This cost is amortised to profit or loss using the straight-line method over 5 years, which is the shorter of its estimated useful lives and periods of contractual rights.

2. Summary of significant accounting policies (Continued)

2.6 Subsidiaries

Subsidiaries are entities over which the Group has control. The Group controls an investee if the Group has power over the investee, exposure to variable returns from its involvement with the investee, and the ability to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

Investments in subsidiaries are accounted for at cost, less impairment loss, if any, in the Company's statement of financial position.

2.7 Joint venture

A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control, where the strategic, financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control.

Joint ventures are initially recognised in the consolidated statement of financial position at cost, and subsequently accounted for using the equity method less any impairment losses. Any premium paid for a joint venture above the fair value of the Group's share of the identifiable assets, liabilities and contingent liabilities acquired is included in the carrying amount of the investment in joint venture.

Under the equity method, the Group's share of post-acquisition profits and losses and other comprehensive income is recognised in the consolidated statement of comprehensive income. Post-acquisition changes in the Group's share of net assets of joint ventures and distributions received are adjusted against the carrying amount of the investments.

Losses of a joint venture in excess of the Group's interest in that joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment) are not recognised, unless the Group has incurred legal or constructive obligations to make good those losses or made payments on behalf of the associate or joint venture.

Where a Group entity transacts with a joint venture, unrealised profits are eliminated to the extent of the Group's interest in the joint venture. Any eliminated gain that is in excess of the carrying amount of the Group's interest in the joint venture should be recognised as deferred income. Unrealised losses are also eliminated, but only to the extent that there is no impairment.

As the dates of the joint ventures' audited financial statements used are not conterminuous with that of the Group, the Group's share of results is arrived at based on the latest available unaudited management financial statements up to the end of the reporting period. Consistent accounting policies are applied for like transactions and events in similar circumstances.

Investments in joint ventures are accounted for at cost, less impairment loss, if any, in the Company's statement of financial position.

2.8 Impairment of non-financial assets excluding goodwill

The carrying amounts of non-financial assets excluding goodwill are reviewed at the end of each reporting period to determine whether there is any indication of impairment loss and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If any such indication exists, or when annual impairment testing for an asset is required, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups of assets. Impairment loss is recognised in profit or loss.

2. Summary of significant accounting policies (Continued)

2.8 Impairment of non-financial assets excluding goodwill (Continued)

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to sell and its value in use. Recoverable amount is determined for individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. If this is the case, the recoverable amount is determined for the cash-generating unit to which the assets belong. The fair value less costs to sell is the amount obtainable from the sale of an asset or cash-generating unit in an arm's length transaction between knowledgeable willing parties less costs of disposal. Value in use is the present value of estimated future cash flows expected to be derived from the continuing use of an asset and from its disposal at the end of its useful life, discounted at pre-tax rate that reflects current market assessment of the time value of money and the risks specific to the asset or cash-generating unit for which the future cash flow estimates have not been adjusted.

An assessment is made at the end of each reporting period as to whether there is any indication that an impairment loss recognised in prior periods for an asset may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. An impairment loss recognised in prior periods is reversed only if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversals of impairment loss are recognised in profit or loss. After such a reversal, the depreciation or amortisation is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

2.9 Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost is determined on a weighted average basis and includes all costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price at which inventories can be realised in the ordinary course of business, less estimated costs to be incurred to make the sale. Where necessary, allowance is made for obsolete, slow-moving and defective inventories to adjust the carrying value of those inventories to the lower of cost and net realisable value.

2.10 Financial assets

The Group and the Company classify their financial assets into one of the categories below, depending on the Group's and the Company's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset. The Group and the Company shall reclassify their affected financial assets when and only when the Group and the Company change their business model for managing these financial assets. Other than financial assets in a qualifying hedging relationship, the Group's and the Company's accounting policy for each category is as follows:

Amortised cost

These assets arise principally from the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment. Interest income from these financial assets is included in interest income using the effective interest rate method.

2. Summary of significant accounting policies (Continued)

2.10 Financial assets (Continued)

Amortised cost (Continued)

Impairment provisions for trade receivables are recognised based on the simplified approach within SFRS(I) 9 using the lifetime expected credit losses. During this process, the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised in the consolidated statement of comprehensive income. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

Impairment provisions for other receivables (excluding grant receivables), fixed deposits and cash and bank balances are recognised based on a forward looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether at each reporting date, there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

The Group's and the Company's financial assets measured at amortised cost comprise trade and other receivables, fixed deposits and cash and bank balances in the statements of financial position.

Financial assets at fair value through other profit or loss ("FVTPL")

The Group and the Company have a number of listed and unlisted entities which are not accounted for as subsidiaries, associates or joint ventures. For equity investments that are either held for trading or irrevocable election to measure fair value changes through other comprehensive income has not been made, the fair value changes is recognised in profit or loss.

Dividends are recognised in profit or loss, unless the dividend clearly represents a recovery of part of the cost of the investment, in which case the full or partial amount of the dividend is recorded against the associated investments' carrying amount.

Purchases and sales of financial assets measured at fair value through profit or loss are recognised on settlement date with any change in fair value between trade date and settlement date being recognised in the fair value through profit or loss.

Derecognition of financial assets

The Group and the Company derecognise a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

2.11 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash and deposits with banks. Cash and cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

2. Summary of significant accounting policies (Continued)

2.12 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Ordinary shares are classified as equity and recognised at the fair value of the consideration received. Incremental costs directly attributable to the issuance of new equity instruments are shown in the equity as a deduction from the proceeds.

2.13 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss when the changes arise. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.14 Financial liabilities

Financial liabilities are recognised on the statements of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument. The Group and the Company determine the classification of their financial liabilities at initial recognition.

Trade and other payables

Trade and other payables (excluding deferred grant income and goods and services tax payable) are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, where applicable, using the effective interest method.

Borrowing

Borrowing is initially recognised at fair value, net of transaction costs incurred. Borrowing is subsequently stated at amortised cost using the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption value is taken to profit or loss over the period of the borrowing using the effective interest method.

Borrowing which is due to be settled within 12 months after the end of the reporting period are presented as current borrowing even though the original terms were for a period longer than 12 months and an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the end of the reporting period and before the financial statements are authorised for issue.

2. Summary of significant accounting policies (Continued)

2.14 Financial liabilities (Continued)

Financial guarantee contract

The Group and the Company have issued corporate guarantee to a bank for banking facility of a subsidiary and the guarantee qualify as financial guarantee because the Group and the Company are required to reimburse the banks if the subsidiary breach any repayment term.

Financial guarantee contract liability is measured initially at its fair value, net of transaction costs. Financial guarantee contract is subsequently measured at the higher of:

a) premium received on initial recognition less the cumulative amount of income recognised in accordance with the principles of SFRS(I) 15; and

b) the amount of loss allowance determined in accordance with SFRS(I) 9.

Derecognition of financial liabilities

The Group and the Company derecognise their financial liabilities when, and only when, the Group's and the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount and the consideration paid is recognised in profit or loss.

2.15 Revenue recognition

Revenue is recognised when a performance obligation is satisfied. Revenue is measured based on consideration of which the Group expects to be entitled in exchange for transferring promised good or services to a customer, excluding amounts collected on behalf of third parties (i.e. sales related taxes). The consideration promised in the contracts with customers may include fixed amounts and variable amounts, if any.

Rendering of professional services

The Group provides professional services including accounting support services, tax administration, corporate secretarial services, training service, human resource management services and business and management consultancy services to its customers. Certain revenue contracts with customers consist of multiple professional services under one contract. The management assessed each contract and unbundled these services as distinct performance obligations. The Group allocated transaction price to each performance obligation based on its relative stand-alone selling price.

The Group recognises revenue from rendering professional service, except for corporate secretarial services and human resource advisory service, at point in time upon completion of service. The performance obligations for corporate secretarial services and human resources management services are satisfied over time because the customer simultaneously receives and consumes the benefits. Revenue is recognised over time over the service contract term. Limited judgement is needed to identify when the point of control passes to customers.

The customers are invoiced either on yearly basis or based on the billing terms specified in contract. Contract asset is recognised when the Group has rights to the consideration for those works performed under the contract but has not yet billed the customer. Contract assets are transferred to receivables when the rights become unconditional. A contract liability is recognised when the Group has not yet performed under the contract but has received advanced payments from the customer or advance billing to the customer. Contract liabilities are recognised as revenue as the Group fulfills its performance obligation under the contract. There is no element of financing in the revenue transactions as customers are required to pay within a credit term of 30 to 90 days.

2. Summary of significant accounting policies (Continued)

2.15 Revenue recognition (Continued)

Rendering of medical services

The Group provides medical services including health screenings and general medical services. In the rendering of these services, there are no variable considerations noted in the contract with customers. The Group recognises revenue from rendering medical services at point in time upon completion of service. Limited judgement is needed to identify when the point of control passes to customers.

The customers are invoiced on the billings terms specified in contract. For individual patients, customers do not have credit terms and are generally cash on delivery. For patients on corporate schemes, customers are required to pay within a credit term of 90 days from date of service rendered. There are no payments collected prior to services rendered.

Sale of goods

Revenue from sales of medical and pharmaceutical products are recognised at a point in time based on customer acknowledgement of delivery as control is transferred to the customer. Limited judgement is needed to identify when the point of control passes to customers. There is no element of financing in the Group's revenue transactions as customers are required to pay within a credit term of 30 to 90 days.

2.16 Grants

Grants are recognised at fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grants relate to expenditures, which are not capitalised, the fair value of grants are credited to profit or loss as and when the underlying expenses are included and recognised in profit or loss to match such related expenditures. Grants related to an asset may be presented in the statements of financial position by deducting the grant in arriving at the carrying amount of the asset. Grants which are receivable in relation to expenses to be incurred in the subsequent financial period, are included as grant receivables and deferred government grants, classified as current assets and current liabilities respectively.

2.17 Leases

As lessee

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- leases of low value assets; and
- leases with a duration of twelve months or less.

The payments for leases of low value assets and short-term leases are recognised as an expense on a straight-line basis over the lease term.

Initial measurement

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless this is not readily determinable, in which case the Group's incremental borrowing rate on commencement of the lease is used.

Variable lease payments are only included in the measurement of the lease liability if it is depending on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

2. Summary of significant accounting policies (Continued)

2.17 Leases (Continued)

As lessee (Continued)

Initial measurement (Continued)

On initial recognition, the carrying amount of lease liabilities also includes:

- a fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the Group if it is reasonably certain to assess that option; and
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right-of-use assets are initially measured at the amount of lease liabilities, reduced by any lease incentives received and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the Group is contractually required to dismantle, remove or restore the leased asset.

The Group presents the right-of-use assets and lease liabilities separately from other assets and other liabilities in the consolidated statement of financial position.

Subsequent measurement

Right-of-use assets are subsequently measured at cost less any accumulated depreciation, any accumulated impairment loss and, if applicable, adjusted for any remeasurement of the lease liabilities. The right-of-use assets under cost model are depreciated on a straight-line basis over the shorter of either the remaining lease term or the remaining useful life of the right-of-use assets. If the lease transfers ownership of the underlying asset by the end of the lease term or if the cost of the right-of-use asset reflects that the Group will exercise the purchase option, the right-of-use assets are depreciated over the useful life of the underlying asset on the following bases:

	Years
Office and clinic premises	3 to 9
Office equipment	3 to 5
Motor vehicles	8
Medical equipment	3

The carrying amount of right-of-use assets are reviewed for impairment when events or changes in circumstances indicate that the right-of-use asset may be impaired. The accounting policy on impairment is as described in Note 2.8 to the financial statements.

Subsequent to initial measurement, lease liabilities are adjusted to reflect interest charged at a constant periodic rate over the remaining lease liabilities, lease payment made and if applicable, account for any remeasurement due to reassessment or lease modifications.

2. Summary of significant accounting policies (Continued)

2.17 Leases (Continued)

As lessee (Continued)

Subsequent measurement (Continued)

After the commencement date, interest on the lease liabilities and variable lease payments not included in the measurement of the lease liabilities are recognised in profit or loss, unless the costs are eligible for capitalisation in accordance with other applicable standards.

When the Group revises its estimate of any lease term (i.e. probability of extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments over the revised term. The carrying amount of lease liabilities is similarly revised when the variable element of the future lease payment dependent on a rate or index is revised. In both cases, an equivalent adjustment is made to the carrying amount of the right-of-use assets. If the carrying amount of the right-of-use assets is reduced to zero and there is a further reduction in the measurement of lease liabilities, the remaining amount of the remeasurement is recognised directly in profit or loss.

When the Group renegotiates the contractual terms of a lease with the lessor, the accounting treatment depends on the nature of the modification:

- If the renegotiation in one or more additional assets being leased for an amount commensurate with the standalone price for the additional right-of-use obtained, the modification is accounted for as a separate lease in accordance with the above policy;

- In all other cases where the renegotiation increases the scope of the lease (i.e. extension to the lease term, or one or more additional assets being leased), the lease liability is remeasured using the discount rate applicable on the modification date, with the right-of-use being adjusted by the same amount; and

- If the renegotiation results in a decrease in scope of the lease, both the carrying amount of the lease liability and right-of-use asset reduced by the same proportion to reflect the partial or full termination of the lease with any difference being recognised in profit or loss. The lease liability is then further adjusted to ensure its carrying amount reflects the amount of the renegotiated payments over the negotiated term, with the modified lease payments discounted at the rate applicable on the modification date. The right-of-use asset is adjusted by the same amount.

For lease contracts that convey a right to use an identified asset and require services to be provided by the lessor, the Group has elected to account for the entire contract as a lease. The Group does not allocate any amount of contractual payments to, and account separately for, any services provided by the lessor as part of the contract.

As a practical expedient, SFRS(I) 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement.

As lessor

In classifying a sublease, the Group as an intermediate lessor classifies the sublease as a finance or an operating lease with reference to the right-of-use asset arising from the head lease, rather than the underlying asset.

When the sublease is assessed as an operating lease, the Group recognises lease income from sublease in profit or loss within "Other income". The right-of-use asset relating to the head lease is not derecognised.

For contract which contains lease and non-lease components, the Group allocates the consideration based on a relative stand-alone selling price basis.

2. Summary of significant accounting policies (Continued)

2.17 Leases (Continued)

When the Group is the lessor of operating leases

Leases where the Group retains substantially all risks and rewards incidental to the ownership are classified as operating leases.

Rental income from operating leases (net of any incentives given to lessees) is recognised in profit or loss on a straight-line basis over the lease term.

2.18 Employee benefits

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in profit or loss in the same financial year as the employment that gives rise to the contributions.

Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. An accrual is made for the estimated liability for unutilised leave as a result of services rendered by employees up to the end of the reporting period.

2.19 Borrowing costs

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised as expenses in profit or loss in the financial year in which they are incurred. Borrowing costs are recognised on a time-proportion basis in profit or loss using the effective interest method.

2.20 Income tax

Income tax expense comprises current and deferred taxes. Income tax expense is recognised in profit or loss except to the extent that it relates to a business combination or items recognised directly in equity, or in other comprehensive income.

Current income tax expense is the expected tax payable on the taxable income for the financial year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to income tax payable in respect of previous financial years. Taxable income differs from profit reported as profit or loss because it excluded items of income or expenses that are taxable or deductible in other years and it further excludes items of income or expenses that are not taxable or tax deductible.

Deferred tax is provided, using the balance sheet liability method, for temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax is measured using the tax rates expected to be applied to the temporary differences when they are realised or settled, based on tax rates enacted or substantively enacted at the end of the reporting period.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profits will be available against which the temporary differences can be utilised.

2. Summary of significant accounting policies (Continued)

2.20 Income tax (Continued)

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax liabilities are recognised for all taxable temporary differences associated with investments in subsidiaries, except where the timing of the reversal of the temporary difference can be controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same tax authority and where there is intention to settle the current tax assets and liabilities on a net basis.

2.21 Foreign currencies

Items included in the individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency").

In preparing the financial statements, transactions in currencies other than the entity's functional currency ("foreign currencies") are recorded at the rates of exchange prevailing on the date of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are re-translated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are re-translated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not re-translated.

Exchange differences arising on the settlement of monetary items and on re-translating of monetary items are recognised in profit or loss for the financial year. Exchange differences arising on the re-translation of non-monetary items carried at fair value are recognised in profit or loss for the financial year except for differences arising on the re-translation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income. For such non-monetary items, any exchange component of that gain or loss is also recognised in other comprehensive income.

For the purposes of presenting consolidated financial statements, the results and financial positions of the Group's entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) assets and liabilities are translated at the closing exchange rate at the end of the reporting period;

(ii) income and expenses are translated at average exchange rate for the financial year (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and

(iii) all resulting foreign currency exchange differences are recognised in other comprehensive income and presented in the foreign currency translation account in equity. Such translation differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

2.22 Dividends

Dividends are recognised when they become legally payable. Interim dividends are recorded in the financial year in which they are declared payable. Final dividends are recorded in the financial year in which the dividends are approved by shareholders.

2. Summary of significant accounting policies (Continued)

2.23 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur expenses (including revenue and expenses relating to transactions with other components of the Group) and whose operating results are regularly reviewed by the Group's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance.

3. Critical accounting judgements and key sources of estimation uncertainty

3.1 Critical judgements made in applying the accounting policies

In the process of applying the accounting policies, the management is of the opinion that there are no critical judgements involved that have a significant effect on the amounts recognised in the financial statements, except as disclosed in below:

(i) Revenue recognition

With the application of SFRS(I) 15 *Revenue from Contracts with Customers*, the management considered the detailed criteria for the recognition of revenue, in particular, the allocation of transaction price.

The Group has exercised significant judgement to determine the allocation of transaction price for each identified performance obligation for multiple professional services offered under one contract. Management has made their assessment of the allocation of transaction prices, including considering the individual stand-alone selling prices which may vary due to the different level of complexity of the professional services.

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities and the reported amounts of revenue and expenses within the next financial year are discussed below:

(i) Impairment of investments in subsidiaries

The Company follows the guidance of SFRS(I) 1-36 *Impairment of Assets*, in determining whether investments in subsidiaries are impaired. This determination requires significant judgements and assumptions. The Company evaluates, among other factors, the duration and extent to which the recoverable amount of an investment is less than its carrying amount, the financial health and near-term business outlook of the investments, including factors such as industry and sector performance, changes in technology and operational and financing cash flows.

Investment in subsidiaries are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired. The recoverable amounts of these assets and where applicable, cash-generating units ("CGU") have been determined based on higher of value-in-use calculations or fair value less cost to disposal ("FVLCOD"). The value-in-use calculation requires the Company to estimate the future cash flows expected to arise from the CGU and a suitable discount rate in order to calculate present value. The recoverable amount is most sensitive to revenue growth rates and discount rates used for the discounted cash flow model. The Company's net carrying amount of investments in subsidiaries as at 31 March 2021 was $10,883,577 (2020: $10,922,872) and an allowance for impairment loss of $289,296 (2020: $250,000) was recognised as at 31 March 2021 as disclosed in Note 7 to the financial statements.

3. Critical accounting judgements and key sources of estimation uncertainty (Continued)

3.2 Key sources of estimation uncertainty (Continued)

(ii) Goodwill

Management determines whether goodwill is impaired at least on an annual basis and whenever there is an indication that they are impaired. The process of evaluating potential impairment of goodwill requires significant judgements and assumptions. Management estimates the recoverable amount of the CGU to which the goodwill has been allocated using the value-in-use calculations. The value-in-use calculations are based on a discounted cash flow model. The recoverable amount is most sensitive to revenue growth rates and discount rates used for the discounted cash flow model. The carrying amount of the Group's goodwill as at 31 March 2021 was $6,844,779 (2020: $6,844,779) as disclosed in Note 6 to the financial statements.

(iii) Loss allowance for trade and other receivables

Trade and other receivables (Excluding grant receivables)

Management determines the expected loss based on the simplified approach arising from default for trade receivables, by categorising them based on its historical loss pattern, historical payment profile as well as credit risk profile of customers. Notwithstanding the above, the Group evaluates separately the expected credit loss on customers in financial difficulties which are credit impaired. For non-trade receivables, management considers the performance, financial capability as well as payment profile of these non-trade receivables in order to determine the appropriate stage of expected credit loss for these receivables. Probability or risk of default is then being estimated by considering the future conditions. The carrying amounts of trade and other receivables (excluding grant receivables) of the Group as at 31 March 2021 were $2,727,162 (2020: $2,661,794).

Amounts due from subsidiaries and joint venture - Company level

Management determines whether there is significant increase in credit risk of amounts due from these subsidiaries and joint venture since initial recognition. Management reviews the financial performance and results of the subsidiaries and joint venture. No loss allowance was recognised as at 31 March 2021 and 31 March 2020. The amounts due from subsidiaries and joint venture as at 31 March 2021 were $171,944 (2020: $904,153) and $597,112 (2020: $542,018) respectively.

(iv) Impairment of plant and equipment and right-of-use assets

At the end of the reporting period, management carried out an impairment assessment in respect of plant and equipment and right-of-use assets with indicators of impairment to determine whether an impairment loss should be recognised in the financial statements.

Impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value-in-use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there is separately identifiable cash flow (its cash generating unit or "CGU"). The recoverable amount of plant and equipment and right-of-use assets are determined based on value-in-use, by discounting the expected future cash flows for each CGU.

The recoverable amount is most sensitive to revenue growth rates and discount rates used for the discounted cash flow model. The management carried out an impairment review of plant and equipment and right-of-use assets and no impairment loss was recognised as at 31 March 2021 and 31 March 2020. The carrying amount of the Group's plant and equipment and right-of-use assets were $135,026 (2020: $58,867) and $1,444,480 (2020: $1,914,744) respectively.

4. Plant and equipment

	Computers $	Furniture and fittings $	Office equipment $	Renovation $	Medical equipment $	Motor Vehicle $	Total $
Group							
Cost							
Balance at 1 April 2020	70,189	11,516	11,497	77,701	3,675	–	174,578
Additions	16,332	802	9,849	51,467	2,500	–	80,950
Written off	(11,759)	(133)	(199)	(9,037)	–	–	(21,128)
Reclassified from right-of-use asset	–	–	–	–	–	33,292	33,292
Balance at 31 March 2021	74,762	12,185	21,147	120,131	6,175	33,292	267,692
Accumulated depreciation							
Balance at 1 April 2020	51,310	4,750	8,355	50,786	510	–	115,711
Depreciation for the financial year	11,587	2,555	4,128	16,677	1,572	–	36,519
Written off	(11,589)	(133)	(59)	(7,783)	–	–	(19,564)
Balance at 31 March 2021	51,308	7,172	12,424	59,680	2,082	–	132,666
Net carrying amount							
Balance at 31 March 2021	23,454	5,013	8,723	60,451	4,093	33,292	135,026

	Computers $	Furniture and fittings $	Office equipment $	Renovation $	Medical equipment $	Total $
Group						
Cost						
Balance at 1 January 2019	49,445	9,313	9,997	61,733	–	130,488
Arising from acquisition of subsidiaries	1,258	–	–	326	–	1,584
Additions	19,486	2,203	1,500	15,642	3,675	42,506
Balance at 31 March 2020	70,189	11,516	11,497	77,701	3,675	174,578
Accumulated depreciation						
Balance at 1 January 2019	36,540	2,110	5,979	39,733	–	84,362
Depreciation for the financial period	14,770	2,640	2,376	11,053	510	31,349
Balance at 31 March 2020	51,310	4,750	8,355	50,786	510	115,711
Net carrying amount						
Balance at 31 March 2020	18,879	6,766	3,142	26,915	3,165	58,867

4. Plant and equipment (Continued)

	Computers $	Office equipment $	Renovation $	Total $
Company				
Cost				
Balance at 1 April 2020	**44,611**	**18,229**	**39,928**	**102,768**
Additions	**6,660**	**7,906**	**34,766**	**49,332**
Balance at 31 March 2021	**51,271**	**26,135**	**74,694**	**152,100**
Accumulated depreciation				
Balance at 1 April 2020	**34,513**	**17,470**	**34,867**	**86,850**
Depreciation for the financial year	**5,621**	**2,395**	**6,544**	**14,560**
Balance at 31 March 2021	**40,134**	**19,865**	**41,411**	**101,410**
Net carrying amount				
Balance at 31 March 2021	**11,137**	**6,270**	**33,283**	**50,690**
Cost				
Balance at 1 January 2019	31,077	16,927	33,666	81,670
Additions	13,534	1,302	6,262	21,098
Balance at 31 March 2020	44,611	18,229	39,928	102,768
Accumulated depreciation				
Balance at 1 January 2019	28,040	16,927	33,666	78,633
Depreciation for the financial period	6,473	543	1,201	8,217
Balance at 31 March 2020	34,513	17,470	34,867	86,850
Net carrying amount				
Balance at 31 March 2020	10,098	759	5,061	15,918

5. Right-of-use assets

	Office and clinic premises $	Office equipment $	Motor vehicles $	Medical equipment $	Total $
Group					
Cost					
Balance at 1 April 2020	**2,389,755**	**11,411**	**50,577**	**124,459**	**2,576,202**
Additions	**70,109**	**12,954**	**85,804**	**–**	**168,867**
Termination of the lease contracts	**(140,957)**	**–**	**–**	**–**	**(140,957)**
Reclassified to plant and equipment*	**–**	**–**	**(50,577)**	**–**	**(50,577)**
Currency realignment	**(602)**	**–**	**–**	**–**	**(602)**
Balance at 31 March 2021	**2,318,305**	**24,365**	**85,804**	**124,459**	**2,552,933**
Accumulated depreciation					
Balance at 1 April 2020	**603,031**	**3,642**	**9,603**	**45,182**	**661,458**
Depreciation for the financial year	**496,150**	**6,442**	**9,471**	**43,334**	**555,397**
Termination of the lease contracts	**(91,065)**	**–**	**–**	**–**	**(91,065)**
Reclassified to plant and equipment	**–**	**–**	**(17,285)**	**–**	**(17,285)**
Currency realignment	**(52)**	**–**	**–**	**–**	**(52)**
Balance at 31 March 2021	**1,008,064**	**10,084**	**1,789**	**88,516**	**1,108,453**
Net carrying amount					
Balance at 31 March 2021	**1,310,241**	**14,281**	**84,015**	**35,943**	**1,444,480**
Cost					
Balance at 1 January 2019	1,203,903	11,411	50,577	–	1,265,891
Arising from acquisition of subsidiaries	1,185,852	–	–	60,959	1,246,811
Additions	–	–	–	63,500	63,500
Balance at 31 March 2020	2,389,755	11,411	50,577	124,459	2,576,202
Accumulated depreciation					
Balance at 1 January 2019	–	–	–	–	–
Depreciation for the financial period	603,031	3,642	9,603	45,182	661,458
Balance at 31 March 2020	603,031	3,642	9,603	45,182	661,458
Net carrying amount					
Balance at 31 March 2020	1,786,724	7,769	40,974	79,277	1,914,744

* The ownership of a leased motor vehicle with a cost and carrying amount of $50,577 and $33,292 (2020: Nil) respectively was transferred to the Group's plant and equipment during the financial year after settlement of the final instalment of the related lease liability.

5. Right-of-use assets (Continued)

For the purpose of consolidated statement of cash flows, the Group's additions to right-of-use assets during the financial year/period were financed as follows:

	Year ended 31 March 2021 $	Period from 1 January 2019 to 31 March 2020 $
Additions of right-of-use assets	168,867	63,500
Less: Outstanding balance recognised as lease liabilities	(119,960)	(63,500)
Less: Provision for reinstatement cost made	(4,194)	–
Cash payments to acquire right-of-use assets	44,713	–

Restrictions

Motor vehicles, medical equipment and office equipment with a carrying amount of $119,958 (2020: $128,020) included above are secured over the lease liabilities of $82,263 (2020: $136,704) as at 31 March 2021. The assets will be seized and returned to lessor in the event of default by the Group.

6. Intangible assets

	Customer listing $	Goodwill $	Web development $	Total $
Group				
Cost				
Balance at 1 April 2020	429,549	6,844,779	–	7,274,328
Additions	–	–	6,000	6,000
Balance at 31 March 2021	429,549	6,844,779	6,000	7,280,328
Accumulated amortisation				
Balance at 1 April 2020	81,242	–	–	81,242
Amortisation for the financial year	100,386	–	800	101,186
Balance at 31 March 2021	181,628	–	800	182,428
Net carrying amount				
Balance at 31 March 2021	247,921	6,844,779	5,200	7,097,900
Remaining useful life at end of financial year	1–5 years	Indefinite	4 years	

6. Intangible assets (Continued)

	Customer listing $	Goodwill $	Total $
Group			
Cost			
Balance at 1 January 2019	167,549	3,638,843	3,806,392
Arising from acquisition of subsidiaries	262,000	3,205,936	3,467,936
Balance at 31 March 2020	429,549	6,844,779	7,274,328
Accumulated amortisation			
Balance at 1 January 2019	26,339	–	26,339
Amortisation for the financial period	54,903	–	54,903
Balance at 31 March 2020	81,242	–	81,242
Net carrying amount			
Balance at 31 March 2020	348,307	6,844,779	7,193,086
Remaining useful life at end of financial period	1–6 years	Indefinite	

Amortisation expense was included in "depreciation and amortisation expenses" line item of profit or loss.

Goodwill arising from the business combination were related to the acquisition of subsidiaries that are expected to benefit from the business combination except for Medinex Professional Services Pte. Ltd. ("MPS") and Jo-L Consultus Pte. Ltd. ("Jo-L"), Sen Med Holdings Pte. Ltd. and its subsidiaries ("SMH") and Medinex Advisory Pte. Ltd. and SKI Consultancy Pte. Ltd. ("SKI Group") which are determined as one CGU respectively. Before recognition of impairment loss, the carrying amount of goodwill had been allocated as follows:

	2021 $	2020 $
CGUs		
Nex Healthcare Pte. Ltd. ("Nex")	**2,390,121**	2,390,121
Acctax Management Consultancy Pte. Ltd. ("Acctax")	**335,034**	335,034
MPS and Jo-L	**913,688**	913,688
SMH	**1,266,614**	1,266,614
Ark Leadership & Learning Pte. Ltd. ("ALL")	**871,648**	871,648
SKI Group	**1,067,674**	1,067,674
	6,844,779	6,844,779

6. Intangible assets (Continued)

Impairment test of goodwill and customer listing

As at 31 March 2021, the recoverable amount of the CGU has been determined based on value-in-use calculations using management-approved discounted cash flow projections covering 5 years (2020: 5 years). Management assessed 5 years cash flows and projection to terminal year for the financial forecast of the CGU as appropriate considering the management's business plan in the near future. The key assumptions for the discounted cash flow projections are those regarding the revenue growth rates and discount rates as follows:

	Revenue growth rates		Pre-tax discount rates	
	2021	**2020**	**2021**	**2020**
Nex	**1% to 12%**	-33% to 3%	**14%**	14%
Acctax	**0% to 8%**	-10% to 5%	**12%**	11%
MPS and Jo-L	**0% to 2%**	-32% to 1%	**17%**	15%
SMH	**1% to 99%**	-66% to 157%	**17%**	15%
ALL	**0% to 82%**	-20% to 9%	**17%**	11%
SKI Group	**2%**	-30% to 2%	**17%**	11%

Terminal growth rate of 0.5% (2020: 0.5%) was applied to all CGUs in the cash flows projection to terminal year.

Revenue growth rates and terminal growth rates – The forecasted growth rates are based on management's expectations for each CGU from historical trends as well as average growth rates of the industry.

Discount rates - Management estimates discount rate using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGU.

Sensitivity analysis

As at each reporting date, based on management's assessment of the CGUs except for the above, any reasonably possible change to the key assumptions applied is not likely to cause the recoverable amounts to be below the carrying amounts of the CGU.

7. Investments in subsidiaries

	Company	
	Year ended 31 March 2021	Period from 1 January 2019 to 31 March 2020
	$	$
Unquoted equity investments, at cost		
Balance at beginning of financial year/period	**11,172,872**	7,232,372
Additions during the financial year/period	**1**	3,940,500
Impairment loss during the financial year/period	**(289,296)**	(250,000)
Balance at end of financial year/period	**10,883,577**	10,922,872

Movement in allowance for impairment loss was as follows:

	Company	
	Year ended 31 March 2021	Period from 1 January 2019 to 31 March 2020
	$	$
Balance at beginning of financial year/period	**250,000**	–
Impairment loss during the financial year/period	**39,296**	250,000
Balance at end of financial year/period	**289,296**	250,000

Impairment on investments in subsidiaries

As at the end of the reporting period, the Company carried out a review of the investment in subsidiaries, having regard for indicators of impairment on investments in subsidiaries based on the existing performance of subsidiaries. Following the review, an additional impairment loss of $39,296 (2020: $250,000) was recognised in respect of two subsidiaries for the financial year ended 31 March 2021. The recoverable amount of the impaired subsidiaries were determined based on their fair value less cost of disposal ("FVLCOD") for the financial year ended 31 March 2021 as these subsidiaries had ceased business operations and have filed application for strike off during the financial year. The FVLCOD of the impaired subsidiaries were assessed to be their net assets which approximate to their fair values. The fair value measurement is categorised as a Level 3 in the fair value hierarchy based on the inputs used.

7. Investments in subsidiaries (Continued)

The details of the subsidiaries are as follows:

Name of company	Principal place of business	Principal activities	Proportion of ownership interest held by the Group		Proportion of ownership interest held by non-controlling interests	
			2021	2020	2021	2020
			%	%	%	%
Held by the Company						
Medinex Corporate Services Pte. Ltd.(1)	Singapore	Business support services	**100**	100	**–**	–
Medinex Healthcare Services Pte. Ltd.(1)	Singapore	Medical support services	**100**	100	**–**	–
Nex Healthcare Pte. Ltd.(1)	Singapore	Medical support services and pharmaceutical services	**100**	100	**–**	–
Acctax Management Consultancy Private Limited(1)	Singapore	Business support services	**100**	100	**–**	–
Medinex Professional Services Pte. Ltd.(1)	Singapore	Business support services	**100**	100	**–**	–
Jo-L Consultus Pte. Ltd.(2)	Singapore	Dormant	**100**	100	**–**	–
Ark Leadership & Learning Pte. Ltd.(1)	Singapore	Human resources consultancy and learning development services	**100**	100	**–**	–
Medinex Advisory Pte. Ltd.(1)	Singapore	Business support services	**100**	100	**–**	–
SKI Consultancy Pte. Ltd.(3)	Singapore	Dormant	**100**	100	**–**	–
Sen Med Holdings Pte. Ltd.(1)	Singapore	Investment holding	**55**	55	**45**	45
Medinex Corporate Services Sdn. Bhd.(4)	Malaysia	Shared service centre	**100**	–	**–**	–

7. Investments in subsidiaries (Continued)

Name of company	Principal place of business	Principal activities	Proportion of ownership interest held by the Group		Proportion of ownership interest held by non-controlling interests	
			2021	2020	2021	2020
			%	%	%	%
Held by the Sen Med Holdings Pte. Ltd.						
The Family Clinic @ Towner Pte. Ltd.(1)	Singapore	Operation of medical clinic and the provision of medical services	**55**	55	**45**	45
X-Ray + Medical Screening Pte. Ltd.(1)	Singapore	Operation of medical clinic, provision of medical services and medical diagnostic imaging centres	**55**	55	**45**	45
Express Medical Pte. Ltd.(1)	Singapore	Operation of medical clinic and the provision of medical services	**55**	55	**45**	45

(1) Audited by BDO LLP, Singapore
(2) In the process of striking off as at 31 March 2021
(3) Struck off with effect from 4 May 2021
(4) Insignificant subsidiary of Medinex Limited

Incorporation of a subsidiary

On 15 May 2020, the Company incorporated a wholly owned subsidiary in Malaysia, namely Medinex Corporate Services Sdn. Bhd. with a total issued and paid up capital of RM 2 (which is equivalent to $0.65).

Striking off of subsidiaries

On 28 January 2021, the Company filed for application to strike off a wholly owned subsidiary in Singapore, namely SKI Consultancy Pte. Ltd. with a total issued and paid up capital of $1,000. The application of strike off was approved by Accounting and Corporate Regulatory Authority ("ACRA") on 4 May 2021.

On 12 March 2021, the Company has filled for application to strike off a wholly owned subsidiary in Singapore, namely Jo-L Consultus Pte. Ltd. with a total issued and paid up capital of $100,000.

Acquisition of subsidiaries

Acquisition of Sen Med Holdings Pte. Ltd. and its subsidiaries ("SMH")

The Company acquired 55% equity interest in SMH and obtained control of SMH from 1 March 2019 onwards. SMH holds 100% of the issued and paid-up share capital of three companies, namely The Family Clinic @ Towner Pte. Ltd. ("TFC"), Express Medical Pte. Ltd. ("EM") and X-Ray + Medical Screening Pte. Ltd. ("XRM"), which all companies are incorporated in Singapore. The consideration for the acquisition amounted to $1,732,500, of which was settled in full by cash.

7. Investments in subsidiaries (Continued)

Acquisition of subsidiaries (Continued)

Acquisition of Ark Leadership & Learning Pte. Ltd. ("ALL")

The Company acquired 100% equity interest in ALL, a company incorporated in Singapore and obtained control of ALL from 1 May 2019 onwards.

The consideration for the acquisition amounted to $1,008,000, of which an amount of $600,000 was paid by cash and the remaining $408,000 will be satisfied by issuance of 1,483,636 of the Company's ordinary shares, at fair value of $0.275 per ordinary share. The issuance of the shares consideration will be satisfied upon the fulfilment of the profit guarantee requirement as described below. The Company has recognised the deferred shares consideration in share-based payment reserve as disclosed in Note 15 to the financial statements.

Under the terms of the sale and purchase agreement, the vendor had provided a profit guarantee that the aggregate profit after tax for a three (3)-year period commencing from 1 April 2019 shall not be less than $576,000 ("ALL Guaranteed Profit"). In the event when the actual aggregate profit after tax is less than guaranteed profit, the vendor undertakes to pay to ALL's shareholders, in proportion of their respective shareholdings in ALL, at a 5.25 times of average of the shortfall between ALL Guaranteed Profit and actual net profit after tax over three-year period. Management has assessed based on cash flow projections for 36 months, ALL would be able to achieve the ALL Guaranteed Profit over a three-year period.

Acquisition of Medinex Advisory Pte. Ltd. and SKI Consultancy Pte. Ltd. ("SKI Group")

The Company acquired 100% equity interest in SKI Group, companies incorporated in Singapore, and obtained control of these companies from 1 July 2019 onwards. The consideration for the acquisition amounted to $1,200,000, of which was settled in full by cash, except for $120,000 which was settled in cash during the financial year ended 31 March 2021.

The Company acquired the above subsidiaries in order to expand the Group's medical support service and business support sector as well as to benefit from the expected synergies that can be achieved in combining the operations of these subsidiaries with the Group such as expanding the Group's presence in Singapore and tapping on the subsidiaries' workforce expertise.

The effect of acquisition of subsidiaries on the consolidated statement of cash flows were as follows:

	Year ended 31 March 2021	Period from 1 January 2019 to 31 March 2020
	$	$
Total purchase consideration	–	3,940,500
Less: Non-cash consideration	–	(408,000)
Less: Cash and cash equivalents of subsidiaries acquired	–	(1,329,665)
Less: Consideration payable	–	(120,000)
Add: Consideration paid for acquisition in prior financial period/year	120,000	53,954
Net cash outflow on acquisition	120,000	2,136,789

Trade and other receivables acquired in the prior financial period comprise gross trade and other receivables amounting to $382,262 which approximates fair value. It is expected that full contractual amount of receivables can be collected.

7. Investments in subsidiaries (Continued)

Acquisition of subsidiaries (Continued)

Goodwill of $3,205,936 arising from prior reporting period's acquisitions is attributable to expected synergies that can be achieved in combining the operations of these subsidiaries with the Group such as expanding the Group's presence in Singapore and tapping on the subsidiaries' workforce expertise. These intangibles identified are subsumed into goodwill as they do not meet the recognition criteria for identifiable intangible assets.

Transaction costs related to the aforesaid acquisition of subsidiaries amounted to $7,881 have been recognised in the "Other expenses" line item in the Group's profit or loss for the financial period from 1 January 2019 to 31 March 2020.

Non-controlling interests

Sen Med Holdings Pte. Ltd. a 55% owned subsidiary of the Company, has material non-controlling interests ("NCI"). Summarised financial information in relation to the subsidiary that has NCI that are material to the Group, before intra-group eliminations and together with amounts attributed to NCI, is presented below:

	Sen Med Holdings Pte. Ltd. and its subsidiaries	
	Year ended 31 March 2021	Period from 1 January 2019 to 31 March 2020
	$	$
Revenue	**1,633,724**	3,706,282
Profit before income tax	**142,383**	1,167,437
Income tax expense	**9,183**	149,150
Profit after income tax	**133,200**	1,018,287
Profit allocated to NCI	**59,940**	458,229
Total comprehensive income allocated to NCI	**59,940**	458,229
Dividends paid to NCI	**135,000**	495,000
Cash flows generated from operating activities	**204,931**	905,518
Cash flows used in investing activities	**(4,444)**	(3,709)
Cash flows used in financing activities	**(506,049)**	(1,218,379)
Net cash outflows	**(305,562)**	(316,930)

7. Investments in subsidiaries (Continued)

<u>Non-controlling interests</u> **(Continued)**

	Sen Med Holdings Pte. Ltd. and its subsidiaries	
	2021	2020
	$	$
Assets:		
Current assets	**924,610**	1,448,746
Non-current assets	**696,391**	931,668
Liabilities:		
Current liabilities	**551,688**	910,471
Non-current liabilities	**470,760**	704,591
Net assets	**598,553**	765,352
Accumulated NCI	**269,349**	344,409

8. Investments in joint ventures

	Group		Company	
	2021	2020	2021	2020
	$	$	$	$
Balance at the beginning of financial year/period	**139,515**	–	**91,519**	–
Additions during the financial year/period	**207,000**	625	**207,000**	625
Deemed investment arising from discount on non-current receivables from a joint venture (Note 10)	**–**	90,894	**–**	90,894
Share of results, net of dividend received	**(13,305)**	47,996	**–**	–
Impairment loss during the financial year/period	**(12,275)**	–	**(12,275)**	–
Balance at the end of financial year/period	**320,935**	139,515	**286,244**	91,519

8. Investments in joint ventures (Continued)

Movement in impairment loss on investment in joint ventures was as follows:

	Group		Company	
	Year ended 31 March 2021	Period from 1 January 2019 to 31 March 2020	Year ended 31 March 2021	Period from 1 January 2019 to 31 March 2020
	$	$	$	$
Balance at beginning of financial year/period	–	–	–	–
Impairment loss during the financial year/period	12,275	–	12,275	–
Balance at end of financial year/period	12,275	–	12,275	–

The amount due from joint venture forms part of the Group's net investment in joint ventures. The loan is unsecured and is expected to be settled within next three years from the date of disbursement. The amount due from joint venture is denominated in Singapore dollar.

J-Connect Media Pte. Ltd. has yet to commence operations as at 31 March 2021. The Group thus carried out a review on the recoverable amount on its investment in J-Connect Media Pte. Ltd as at 31 March 2021. The recoverable amount of the above impaired joint venture was determined based on their fair value less cost of disposal ("FVLCOD") for the financial year ended 31 March 2021. The FVLCOD of the impaired subsidiaries was assessed to be their net assets which approximated their fair values. This fair value measurement is categorised as a Level 3 in the fair value hierarchy based on the inputs used. The assessment resulted in the recognition of an impairment loss of $12,275 (2020: $Nil).

The details of the joint ventures are as follows:

Name of company	Principal place of business	Principal activities	Effective equity interest held by the Group	
			2021	2020
			%	%
Held by the Company				
Zenmedic Capital Pte Ltd[(1)]	Singapore	Investment holding company	27.8	27.8
J-Connect Media Pte. Ltd.[(1)]	Singapore	Production of corporate videos and other advertising activities	25	–
Healthcare Essentials Pte. Ltd.[(2)]	Singapore	Distribution of medical consumables	20	–
Held by Sen Med Holdings Pte. Ltd.				
Sen Paincare Pte. Ltd.[(3)]	Singapore	Clinic and other general medical services	–	40

(1) Equity accounted based on the management's financial statements
(2) Equity accounted based on the management's financial statements aligned to the Group's financial year
(3) Struck off with effect from 23 September 2020

8. Investments in joint ventures (Continued)

The financial year end of Zenmedic Capital Pte. Ltd., J-Connect Media Pte. Ltd. and Healthcare Essentials Pte. Ltd. are 31 March, 31 March and 30 June respectively.

Acquisition of equity interests in joint ventures

On 2 May 2019, the Company acquired 625 ordinary shares in Zenmedic Capital Pte. Ltd. ("ZCPL") at a cash consideration of $625, which represents 27.8% of shareholdings in ZCPL.

On 23 December 2020, the Company acquired 10,000 ordinary shares in Healthcare Essentials Pte. Ltd. ("HEPL") at a cash consideration of $182,000, which represents 20% of shareholdings in HEPL.

The fair values of the identifiable assets and liabilities of HEPL as at the date of acquisition was:

	2021
	$
Non-current assets	**186,059**
Current assets	**766,171**
Non-current liabilities	**(481,349)**
Current liabilities	**(51,505)**
Net assets of the joint venture	**419,376**
Proportion of equity interest in the joint venture	**20%**
Proportion of share of net assets	**83,875**
Cash consideration	**182,000**
Goodwill arising from acquisition	**98,125**

Incorporation of joint ventures

On 18 June 2019, the Group set up a joint venture company, Sen Paincare Pte. Ltd. The Group acquired 40 ordinary shares at a cash consideration of $40, which represents 40% of shareholdings. This joint venture was dormant and struck off on 23 September 2020. As the aggregated amount of cost of investment for this joint venture is $40 and the total share of loss before tax for the financial year ended 31 March 2021 is $Nil (2020: $1,212), which is insignificant to the Group, it has not been recognised in the consolidated statement of financial position as at 31 March 2021 and consolidated statement of comprehensive income for the financial year ended 31 March 2021.

On 3 July 2020, the Company incorporated a joint venture company, J-Connect Media Pte. Ltd. ("JCM"), with several parties with a cash consideration of $25,000, which represents 25% of shareholdings in JCM.

The Group and the Company determine ZCPL, HEPL and JCM as joint ventures as they have joint control over the participation in the financial and operating policy decisions in these joint ventures as set out in the shareholders' agreements entered with respective parties in these entities.

8. Investments in joint ventures (Continued)

Summarised financial information in relation to the Group's significant joint ventures are presented below:

Summarised statements of financial position

	HEPL $	ZCPL $	Total $
2021			
Current assets	**784,042**	**75,382**	**859,424**
Non-current assets	**169,931**	**2,423,139**	**2,593,070**
Current liabilities	**(135,872)**	**(38,360)**	**(174,232)**
Non-current liabilities	**(452,894)**	**(2,250,000)**	**(2,702,894)**
Net assets	**365,207**	**210,161**	**575,368**
2020			
Current assets	–	57,599	57,599
Non-current assets	–	2,404,686	2,404,686
Current liabilities	–	(37,389)	(37,389)
Non-current liabilities	–	(2,250,000)	(2,250,000)
Net assets	–	174,896	174,896

The above amounts of assets and liabilities include the following:

	HEPL $	ZCPL $
2021		
Cash and cash equivalents	**246,324**	**32,848**
Current liabilities (excluding trade and other payables and provisions)	**(115,622)**	**(1,315)**
Non-current liabilities (excluding trade and other payables and provisions)	**(337,270)**	**–**
2020		
Cash and cash equivalents	–	15,065
Current liabilities (excluding trade and other payables and provisions)	–	(3,963)
Non-current liabilities (excluding trade and other payables and provisions)	–	–

8. Investments in joint ventures (Continued)

Summarised statements of comprehensive income

	HEPL $	ZCPL $	Total $
2021			
Revenue	**75,271**	**–**	**75,271**
Interest income	**–**	**112,500**	**112,500**
Depreciation	**16,128**	**–**	**16,128**
Interest expense	**(2,849)**	**–**	**(2,849)**
Income tax expenses	**–**	**(4,682)**	**(4,682)**
(Loss)/Profit for the financial year representing total comprehensive income for the financial year	**(54,168)**	**118,855**	**64,687**
2020			
Revenue	–	–	–
Interest income	–	93,236	93,236
Income tax expenses	–	(3,963)	(3,963)
Profit for the financial period representing total comprehensive income for the financial period	–	228,853	228,853

The information above reflects the amounts presented in the financial statements of the joint ventures (and not the Group's share of those amounts), from the beginning of the financial year/acquisition date to end of the financial period/year-end adjusted for differences in accounting policies between the Group and the joint ventures.

Aggregate information of joint ventures that are not individually material

The following table summarises, in aggregate, the Group's share of loss and other comprehensive income of the Group's individually immaterial joint venture accounted for using the equity method.

	Group	
	2021 $	2020 $
The Group's share of loss before tax	**(12,275)**	–
The Group's share of loss after tax	**(12,275)**	–
The Group's share of other comprehensive income	**–**	–
The Group's share of total comprehensive income	**(12,275)**	–
Aggregate net carrying amount of the Group's interest in these joint ventures	**450**	–

8. Investments in joint ventures (Continued)

Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented, to the carrying amount of the Group's interest in joint ventures at the end of reporting period, is as follows:

	HEPL $	JCM $	ZCPL $	Total $
2021				
Proportion of Group ownership	**20%**	**25%**	**27.8%**	
Net assets of the joint ventures	**365,207**	**50,902**	**210,161**	**626,270**
Interest in joint ventures	**73,041**	**12,725**	**58,425**	**144,191**
Goodwill arising from acquisition	**98,125**	**–**	**–**	**98,125**
Deemed investment arising from discount on non-current receivables from a joint venture (Note 10)	**–**	**–**	**90,894**	**90,894**
Less: Allowance for impairment loss	**–**	**(12,275)**	**–**	**(12,275)**
Carrying value of Group's interest in joint ventures	**171,166**	**450**	**149,319**	**320,935**

	ZCPL $
2020	
Proportion of Group ownership	27.8%
Net assets of the joint venture	174,896
Interest in joint venture	48,621
Deemed investment arising from discount on non-current receivables from a joint venture (Note 10)	90,894
Carrying value	139,515

9. Financial assets at fair value through profit or loss ("FVTPL")

	Group		Company	
	2021 $	2020 $	2021 $	2020 $
Quoted equity investments	**4,321,136**	780	**4,320,356**	–
Unquoted equity securities	**–**	885,833	**–**	885,833
	4,321,136	886,613	**4,320,356**	885,833

9. Financial assets at fair value through profit or loss ("FVTPL") (Continued)

	Group		Company	
	Year ended 31 March 2021	**Period from 1 January 2019 to 31 March 2020**	**Year ended 31 March 2021**	**Period from 1 January 2019 to 31 March 2020**
	$	**$**	**$**	**$**
Balance at beginning of financial year/period	**886,613**	780	**885,833**	–
Additions during the financial year/period	**3,392,613**	750,000	**3,392,613**	750,000
Disposal during the financial year/period	**(1,239,179)**	–	**(1,239,179)**	–
Fair value gain recognised through profit or loss	**1,281,089**	135,833	**1,281,089**	135,833
Balance at end of financial year/period	**4,321,136**	886,613	**4,320,356**	885,833

Fair value measurement

The quoted equity shares are listed in Singapore. The Group intends to hold these investments for long-term for appreciation in value as well as strategic investments purposes. The investments in listed equity securities have no fixed maturity date nor coupon rate. The fair values of these securities are based on closing quoted market prices on the last market day of the financial year/period.

On 30 July 2019, the Company entered into a convertible loan agreement with Singapore Paincare Holdings Limited ("SPH") and invested $750,000 in the convertible loan, which was classified as financial asset at fair value through profit or loss. The fair value of the Group's investment in the convertible loan was valued by an independent valuation firm and the valuation technique used to derive the fair value is option valuation approach and was considered as level 3 fair value measurement. The significant judgements and assumptions to the valuation included probability of the successful rate of the initial public offering of the equity instrument.

On 12 May 2020, the Company entered into a deed of amendment to the convertible loan agreement with SPH. Pursuant to this amendment, the Company's conversion of the convertible loan into ordinary shares of SPH was fixed at 5,681,818 number of ordinary shares of SPH upon conversion. On 13 July 2020, the Company converted the receivable from convertible loan into 5,681,818 ordinary shares of SPH upon successful of listing. The Company derecognised the receivable from convertible loan as the risks and rewards were transferred. On the same day, the Company recognised the ordinary shares received as financial asset at fair value through profit and loss at $1,244,560 (2020: $Nil).

10. Trade and other receivables

	Group		Company	
	2021	2020	2021	2020
	$	$	$	$
Non-current assets				
Other receivables				
- joint venture	**589,200**	534,106	**589,200**	534,106
Current assets				
Trade receivables				
- third parties	**2,331,148**	2,084,585	–	–
- subsidiaries	–	–	**42,500**	–
- related parties	**96,526**	90,194	–	–
	2,427,674	2,174,779	**42,500**	–
Loss allowance on receivables	**(492,366)**	(232,408)	–	–
	1,935,308	1,942,371	**42,500**	–
Other receivables				
- third parties	**123,977**	4,905	**912**	4,563
- subsidiaries	–	–	**129,444**	904,153
- joint venture	**7,912**	7,912	**7,912**	7,912
- related parties	**925**	73,676	–	–
Deposits	**69,840**	98,824	**5,480**	480
Grant receivable in respect of Jobs Support Scheme ("JSS")	**49,990**	227,707	**22,548**	20,042
	2,187,952	2,355,395	**208,796**	937,150
	2,777,152	2,889,501	**797,996**	1,471,256

Trade receivables are generally on credit terms of ranging from 30 to 90 (2020: 30 to 90) days. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

The non-trade amounts due from joint venture and related parties included expenses paid on behalf for related parties, which are unsecured, non-interest bearing and repayable on demand, except for the non-current portion which is expected to be settled within 3 years.

The management estimates the fair value of this non-current other receivables due from a joint venture with reference to the stipulated repayment period using a discount rate based on the prevailing available market borrowing rates at 5.25% per annum at the end of the reporting period.

The non-trade amount due from subsidiaries are unsecured, non-interest bearing and repayable on demand.

The grant receivables and deferred grant income relate to JSS announced by the Singapore Government to provide wage support to employers to help them retain their local employees during this period of economic uncertainty. In determining the timing of recognition of the JSS grant income, the management evaluated the entity is impacted from April 2020 onwards following the circuit-breaker measure, hence JSS income of $635,039 (2020: $Nil) was recognised during the financial year/period.

10. Trade and other receivables (Continued)

The Group determined, by reference to past default experience and expected credit losses ("ECL"), which incorporate forward looking estimates. In calculating the ECL rates, the Group considers historical loss rates for each aging bracket of customers and adjust for forward looking macroeconomic data that may affect the ability of the customers to settle receivables.

The Board of Directors has taken into account information that it has available internally about these subsidiaries' past, current and expected operating performance and cash flow position. The Board of Directors assessed the risk of default is considered to be minimal as these subsidiaries are able to repay on demand. Therefore, amount due from subsidiaries has been measured based on 12-month expected credit loss model and subject to immaterial credit loss.

The Group recognises lifetime ECL for trade receivables based on individually significant customers or the ageing of customers collectively that are not individually significant. At the end of reporting period, the analysis of trade receivables and the carrying amount of allowances for impairment loss are as follows:

	ECL Weightage	Gross carrying amount $	Loss allowance on receivables $	Net carrying amount $
Group				
2021				
Other customers collectively assessed				
Not past due	**2.4%**	**862,931**	**(20,426)**	**842,505**
Past due less than 1 month	**5.7%**	**315,965**	**(18,086)**	**297,879**
Past due 1 to 2 months	**5.8%**	**380,422**	**(22,076)**	**358,346**
Past due 2 to 3 months	**6.0%**	**225,087**	**(13,505)**	**211,582**
Past due over 3 months	**46.4%**	**419,974**	**(194,978)**	**224,996**
		2,204,379	**(269,071)**	**1,935,308**
Credit impaired customers		**223,295**	**(223,295)**	**–**
		2,427,674	**(492,366)**	**1,935,308**
2020				
Other customers collectively assessed				
Not past due	1.1%	939,898	(10,291)	929,607
Past due less than 1 month	1.5%	423,339	(6,478)	416,861
Past due 1 to 2 months	2.4%	195,399	(4,744)	190,655
Past due 2 to 3 months	3.8%	193,179	(7,389)	185,790
Past due over 3 months	34.4%	334,319	(114,861)	219,458
		2,086,134	(143,763)	1,942,371
Credit impaired customers		88,645	(88,645)	–
		2,174,779	(232,408)	1,942,371
Company				
2021				
Other customers collectively assessed				
Not past due	–	**42,500**	**–**	**42,500**

10. Trade and other receivables (Continued)

The individually credit impaired trade receivables relate mainly to those customers who were in financial difficulties.

Movements in allowance for impairment loss on third parties trade receivables were as follows:

	Other customers collectively assessed	Credit impaired	Total
	$	$	$
2021			
Balance at beginning of the financial year	**143,763**	**88,645**	**232,408**
Allowance made during the financial year	**176,195**	**167,588**	**343,783**
Allowance for impairment loss on receivables written back	**(50,887)**	**(9,418)**	**(60,305)**
Allowance for impairment loss on receivables written off	**–**	**(23,520)**	**(23,520)**
Balance at end of financial year	**269,071**	**223,295**	**492,366**
2020			
Balance at beginning of the financial period	4,802	28,096	32,898
Allowance made during the financial period	138,961	72,859	211,820
Allowance for impairment loss on receivables written back	–	(12,310)	(12,310)
Balance at end of financial period	143,763	88,645	232,408

Third party receivables written off was included in "Other expenses" line item in profit or loss amounted to $25,000 (2020: $Nil) for the financial year ended 31 March 2021 as management deemed the amount to be irrecoverable.

The currency profile of trade and other receivables as at the end of the reporting period is Singapore dollar.

11. Inventories

	Group	
	2021	2020
	$	$
Medical and pharmaceutical products for resale	**561,546**	836,406

During the financial year ended 31 March 2021, the Group recognised an amount of $Nil (2020: $30,425) in profit or loss, being part of an inventory write-down during the financial year/period as the inventories had expired.

The cost of inventories recognised as an expense in the Group's profit or loss amounted to $3,123,271 (2020: $4,922,278).

12. Contract assets and contract liabilities

	Group	
	2021	2020
	$	$
Contract assets		
Accrued revenue	**14,885**	51,183
Contract liabilities		
Deferred revenue	**332,213**	229,588
Service fee received in advance	**126,915**	158,560
	459,128	388,148

The contract assets primarily relate to the Group's rights to consideration for service rendered but not billed at the reporting date on the delivery of service. The contract assets are transferred to trade receivables when the rights become unconditional. This usually occurs when the Group invoices the customer.

The contract liabilities primarily relate to the Group's obligation to transfer delivery of service.

Contract assets of $51,183 (2020: $23,417) which were included at the beginning of the financial year/period were transferred to trade receivables during the financial year/period.

Contract liabilities are recognised as revenue over the contract service term. Revenue recognised in 2021 which was included in the contract liabilities balance at the beginning of the financial year was $339,200 (2020: $121,207).

13. Cash and cash equivalents

	Group		Company	
	2021	**2020**	**2021**	**2020**
	$	**$**	**$**	**$**
Fixed deposits	**1,550,781**	1,528,600	**1,037,953**	1,019,600
Cash and bank balances	**5,106,846**	3,735,740	**1,242,763**	620,717
	6,657,627	5,264,340	**2,280,716**	1,640,317

Fixed deposits are placed for a period of 12 months (2020: 12 months) with maturity date of 5 October 2021 and 2 January 2022 and bear effective interest rates ranging from 0.25% to 0.60% (2020: 1.80%) per annum. These fixed deposits are included in the cash and cash equivalents in the consolidated statement of cash flows as there is no significant cost or penalty in converting the fixed deposits into cash before maturity.

The currency profile of cash and cash equivalents as at the end of the reporting period is as follows:

	Group		Company	
	2021	**2020**	**2021**	**2020**
	$	**$**	**$**	**$**
Singapore dollar	**6,624,171**	5,264,340	**2,280,716**	1,640,317
Ringgit Malaysia	**33,456**	–	**–**	–
	6,657,627	5,264,340	**2,280,716**	1,640,317

14. Share capital

	Group and Company			
	2021	2020	2021	2020
	Number of ordinary shares		$	$
Issued and fully-paid:				
Balance at beginning and end of financial year/period	**131,207,540**	131,207,540	**14,163,317**	14,163,317

15. Other reserves

	Group		Company	
	2021	2020	2021	2020
	$	$	$	$
Capital reserve	**(1,948,381)**	(1,948,381)	**–**	–
Share-based payment reserve	**408,000**	408,000	**408,000**	408,000
	(1,540,381)	(1,540,381)	**408,000**	408,000

Capital reserve

The capital reserve relates to the difference between the change in non-controlling interests when acquiring additional equity interests in subsidiaries and the fair value of the consideration given for the acquisition.

Share-based payment reserve

On 1 May 2019, the Company acquired 100% equity interest of ALL at purchase consideration of $1,008,000, which $600,000 was satisfied by cash and the remaining $408,000 will be satisfied through the issuance of 1,483,636 ordinary shares of the Company. The share consideration is payable three years later upon the achievement of ALL Guaranteed Profit or upon the repayment of the shortfall of the ALL Guaranteed Profit by the vendor. The deferred shares consideration which is classified as an equity component will be reclassified to share capital upon issuance of ordinary shares.

The movement of the other reserves of the Group are presented in the consolidated statement of changes in equity.

16. Retained earnings

Movements in retained earnings of the Company were as follows:

	Company	
	Year ended 31 March 2021	Period from 1 January 2019 to 31 March 2020
	$	$
Balance at beginning of financial year/period	**69,628**	1,511,797
Total comprehensive income for the financial year/period	**2,900,773**	1,864,261
Dividends	**(1,102,143)**	(3,306,430)
Balance at end of financial year/period	**1,868,258**	69,628

17. Lease liabilities

	Group 2021 $	Group 2020 $
Presented in consolidated statement of financial position		
- Current	**534,054**	538,823
- Non-current	**910,204**	1,376,340
	1,444,258	1,915,163
Balance at beginning of financial year/period	**1,915,163**	1,224,824
Arising from acquisition of subsidiaries	**–**	1,250,010
Additions	**124,154**	63,500
Rental concession	**(122,645)**	–
Termination of lease contract	**(52,477)**	–
Interest expense	**50,114**	81,927
Lease payments		
- Principal portion	**(419,383)**	(623,171)
- Interest portion	**(50,114)**	(81,927)
Currency re-alignment	**(554)**	–
Balance at end of financial year/period	**1,444,258**	1,915,163

The maturity analysis of lease liabilities of the Group at end of reporting period are as follows:

	Group 2021 $	Group 2020 $
Contractual undiscounted cash flows		
- Within one financial year	**540,012**	586,741
- After one financial year but within five financial years	**618,765**	739,715
- After five financial years	**363,600**	713,800
	1,522,377	2,040,256
Less: Future interest expense	**(78,119)**	(125,093)
Present value of lease liabilities	**1,444,258**	1,915,163

The Group leases a number of office and clinic premises, office equipment, motor vehicles and medical equipment with fixed payments over the lease terms.

Certain office equipment of the Group qualify as low value assets. The election of short-term leases is made by class of underlying assets with similar nature and use in the Group's operation whereas the low-value lease exemption is made on lease-by-lease basis.

As at 31 March 2021, the incremental borrowing rate applied in the lease liabilities were ranging from 3% to 4.80% (2020: 3% to 3.86%).

The Group's lease liabilities of $82,263 (2020: $136,704) were secured over certain motor vehicles, medical equipment and office equipment classified under right-of-use assets (Note 5).

17. Lease liabilities (Continued)

The currency profile of lease liabilities as at the end of the reporting period are as follows:

	Group	
	2021	**2020**
	$	**$**
Singapore dollar	**1,384,036**	1,915,163
Ringgit Malaysia	**60,222**	–
	1,444,258	1,915,163

18. Bank borrowings

	Group		Company	
	2021	**2020**	**2021**	**2020**
	$	**$**	**$**	**$**
Non-current				
Unsecured				
Term loan I	**2,291,667**	–	–	–
Current				
Unsecured				
Term loan I	**208,333**	–	–	–
Revolving working capital line	**10,167**	10,000	**10,167**	10,000
	218,500	10,000	**10,167**	10,000
	2,510,167	10,000	**10,167**	10,000

Revolving working capital line is repayable on demand, unsecured and is arranged at floating rates.

Term loan I is arranged at fixed rate and is repayable within over 60 months. It is supported by corporate guarantee provided by the Company. The carrying amount of the Group's non-current term loan approximate its fair values as the current lending rates for similar types of lending arrangement is not materially different from the rate obtained by the Group.

During the financial year ended 31 March 2021, the average effective interest rate of the bank loan was 4.12% (2020: 0.67%) per annum.

As at the end of the reporting period, the Group and the Company have banking facilities as follows:

	Group		Company	
	2021	**2020**	**2021**	**2020**
	$	**$**	**$**	**$**
Banking facilities granted	**5,750,000**	3,250,000	**250,000**	250,000
Banking facilities utilised	**2,510,000**	10,000	**10,000**	10,000

The currency profile of the bank borrowings as at the end of the respective reporting periods are Singapore dollar.

19. Deferred tax liabilities

	Group	
	Year ended 31 March 2021	Period from 1 January 2019 to 31 March 2020
	$	$
Balance at beginning of financial year/period	**59,210**	24,004
Arising from acquisition of subsidiaries	**–**	44,540
Credited to profit or loss	**(16,113)**	(9,334)
Balance at end of financial year/period	**43,097**	59,210

Deferred tax liabilities are attributable to temporary differences arising from accelerated tax depreciation computed at Singapore's income tax rate of 17% (2020: 17%).

20. Provisions

	Group	
	Year ended 31 March 2021	Period from 1 January 2019 to 31 March 2020
	$	$
Provisions for reinstatement cost		
Balance at beginning of financial year/period	**28,671**	28,671
Provision made	**4,194**	–
Reversal of provision no longer required	**(9,641)**	–
Balance at end of financial year/period	**23,224**	28,671

The provision for reinstatement cost is the estimated cost of dismantlement, removal or restoration of plant and equipment arising from the acquisition or use of asset, which is capitalised and included in the cost of plant and equipment.

21. Trade and other payables

	Group		Company	
	2021	**2020**	**2021**	**2020**
	$	**$**	**$**	**$**
Trade payables				
- third parties	**364,981**	461,560	**–**	–
- subsidiaries	**–**	–	**115,500**	–
	364,981	461,560	**115,500**	–
Other payables				
- third parties	**449,934**	341,696	**359,025**	210,772
- subsidiaries	**–**	–	**1,526,899**	8,000
- related parties	**4,497**	–	**–**	–
- director of the subsidiaries	**78,241**	199,716	**–**	–
Goods and services tax payable, net	**163,118**	151,148	**9,369**	11,699
Accrued expenses	**486,039**	313,903	**184,509**	185,818
Deferred grant income in respect of JSS	**80,805**	227,706	**35,657**	20,042
Refundable deposit	**10,000**	10,000	**–**	–
	1,637,615	1,705,729	**2,230,959**	436,331

Trade payables are unsecured, non-interest bearing and are normally settled between 30 to 60 (2020: 30 to 60) days' credit terms.

The non-trade amounts due to third parties, subsidiaries, related parties and directors of the subsidiaries are unsecured, non-interest bearing and repayable on demand.

The currency profile of trade and other payables as at the end of the reporting period is as follows:

	Group		Company	
	2021	**2020**	**2021**	**2020**
	$	**$**	**$**	**$**
Singapore dollar	**1,600,692**	1,705,729	**2,230,959**	436,331
Ringgit Malaysia	**36,925**	–	**–**	–
	1,637,615	1,705,729	**2,230,959**	436,331

22. Revenue

Disaggregation of revenue

The Group has disaggregated revenue into various categories in the following table which is intended to:

(i) depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic data; and

(ii) enable users to understand the relationship with revenue segment information provided in Note 34 to the financial statements.

Business segment	Medical support services		Business support services		Pharmaceutical services		Medical services		Total	
	Year ended 31 March 2021	Period from 1 January 2019 to 31 March 2020	Year ended 31 March 2021	Period from 1 January 2019 to 31 March 2020	Year ended 31 March 2021	Period from 1 January 2019 to 31 March 2020	Year ended 31 March 2021	Period from 1 January 2019 to 31 March 2020	Year ended 31 March 2021	Period from 1 January 2019 to 31 March 2020
	$	$	$	$	$	$	$	$	$	$
Type of good or services										
Service fee	3,473,792	4,589,946	2,485,524	3,461,674	-	-	-	-	5,959,316	8,051,620
Sale of medical and pharmaceutical products	-	-	-	-	3,192,471	4,985,015	-	-	3,192,471	4,985,015
Provision of medical services	-	-	-	-	-	-	1,633,724	3,706,282	1,633,724	3,706,282
	3,473,792	4,589,946	2,485,524	3,461,674	3,192,471	4,985,015	1,633,724	3,706,282	10,785,511	16,742,917
Timing of transfer of goods and services										
Point in time	3,363,561	4,410,073	1,729,470	2,847,402	3,192,471	4,985,015	1,633,724	3,706,282	9,919,226	15,948,772
Over time	110,231	179,873	756,054	614,272	-	-	-	-	866,285	794,145
	3,473,792	4,589,946	2,485,524	3,461,674	3,192,471	4,985,015	1,633,724	3,706,282	10,785,511	16,742,917

23. Other income

	Group	
	Year ended 31 March 2021	Period from 1 January 2019 to 31 March 2020
	$	$
Government grants		
- JSS	635,039	–
- Others	106,383	92,566
Fair value gain on financial assets at FVTPL	1,281,089	135,833
Gain on disposal of financial assets at FVTPL	5,381	–
Gain on disposal of plant and equipment	1,000	–
Dividend income from financial asset at FVTPL	188,941	–
Interest income	74,159	53,327
Bad debt recovered	2,537	8,230
Rental income	33,400	65,925
Rental concession	122,645	–
Commission income	–	30,557
Gain on lease termination	2,585	–
Written back of liabilities	24,553	–
Provision for reinstatement reversed	9,641	–
Others	27,439	15,320
	2,514,792	401,758

24. Employee benefits expense

	Group	
	Year ended 31 March 2021	Period from 1 January 2019 to 31 March 2020
	$	$
Directors' fees		
- Directors of the Company	84,677	97,918
- Directors of the subsidiaries	32,581	35,162
Salaries, bonuses and other staff benefits	3,843,983	4,487,818
Contributions to defined contribution plans	325,386	490,761
	4,286,627	5,111,659

Included in the employee benefits expense were the remuneration of Directors of the Company and key management personnel of the Group, as set out in Note 32 to the financial statements.

25. Depreciation and amortisation expenses

	Group	
	Year ended 31 March 2021	Period from 1 January 2019 to 31 March 2020
	$	$
Depreciation of plant and equipment	**36,519**	31,349
Depreciation of right-of-use assets	**555,397**	661,458
Amortisation of intangible assets	**101,186**	54,903
	693,102	747,710

26. Finance costs

	Group	
	Year ended 31 March 2021	Period from 1 January 2019 to 31 March 2020
	$	$
Interest expense		
- lease liabilities	**50,114**	81,927
- bank borrowings	**22,139**	–
	72,253	81,927

27. Profit before income tax

In addition to the charges and credits disclosed elsewhere in the notes to the financial statements, the above includes the following charges:

	Group	
	Year ended 31 March 2021	Period from 1 January 2019 to 31 March 2020
	$	$
Other expenses		
Audit fees		
- auditor of the Company	**128,500**	136,500
Non-audit fees		
- auditor of the Company	**–**	–
Bad debts written off	**25,000**	–
Lease expense for low value assets	**1,104**	7,898
Professional fees	**93,309**	401,525
Repair and maintenance	**63,265**	63,384
Secretarial cost	**148,037**	278,998
Set-up costs	**13,552**	54,953
Sub-contractor fees	**41,582**	50,450
Short term leases		
- rental of premises	**5,040**	11,609
Travelling expense	**18,462**	43,603

28. Income tax expense

	Year ended 31 March 2021	Period from 1 January 2019 to 31 March 2020
	$	$
Current income tax		
- current financial year/period	**316,447**	573,340
- under/(over) provision in prior financial period/year	**2,347**	(10,852)
	318,794	562,488
Deferred tax		
- current financial year/period	**(16,113)**	(9,334)
Total income tax expense recognised in profit or loss	**302,681**	553,154

28. Income tax expense (Continued)

Reconciliation of effective income tax rate

	Group	
	Year ended 31 March 2021	Period from 1 January 2019 to 31 March 2020
	$	$
Profit before income tax	**3,856,111**	4,647,472
Less: Share of results of joint ventures	**(9,934)**	(63,621)
	3,846,177	4,583,851
Income tax calculated at Singapore's statutory income tax rate of 17% (2020:17%)	**653,851**	779,255
Tax effect of non-deductible expenses for income tax purposes	**102,471**	110,249
Tax effect of income not subject to income tax	**(389,443)**	(23,092)
Tax effect of tax exempt income	**(105,300)**	(257,275)
Tax effect of enhanced deduction/allowance	**–**	(6,381)
Corporate tax rebate and incentive	**–**	(111,519)
Deferred tax assets not recognised	**52,291**	68,731
Utilisation of deferred tax not recognised	**(5,765)**	–
Under/(Over) provision of current income tax in prior financial period/year	**2,347**	(10,852)
Others	**(7,771)**	4,038
	302,861	553,154

Unrecognised deferred tax assets

	Group		Company	
	Year ended 31 March 2021	Period from 1 January 2019 to 31 March 2020	Year ended 31 March 2021	Period from 1 January 2019 to 31 March 2020
	$	$	$	$
Balance at beginning of financial year/period	**68,731**	–	**70,838**	–
Adjustment resulting from change in temporary differences	**(653)**	–	**(19,314)**	–
Amount not recognised during financial year/period	**52,291**	68,731	**41,977**	70,838
Utilisation of deferred tax not recognised during the financial year/period	**(5,765)**	–	**–**	–
Balance at end of financial year/period	**114,604**	68,731	**93,501**	70,838

28. Income tax expense (Continued)

Unrecognised deferred tax assets (Continued)

Unrecognised deferred tax assets are attributable to the following temporary differences computed at statutory income tax rate of 17% (2020: 17%):

	Group		Company	
	2021	2020	2021	2020
	$	$	$	$
Unutilised tax losses	97,343	68,731	87,709	70,838
Plant and equipment	(1,050)	–	(1,635)	–
Provision	18,311	–	7,427	–
	114,604	68,731	93,501	70,838

As at 31 March 2021, the Group and the Company have unutilised tax losses of approximately $573,000 and $516,000 (2020: $404,000 and $404,000) available for offset against future taxable profits provided that in accordance with the provisions of the Singapore Income Tax Act, there is no substantial change in the composition of the shareholders and their respective shareholdings in the Group and the Company at the relevant dates when these losses are utilised and subject to the agreement by the tax authorities.

Deferred tax assets have not been recognised in respect of the tax losses as it is not certain whether future taxable profit will be available against which the Group and the Company can utilise the benefits. Accordingly, the deferred tax asset has not been recognised in the financial statements in accordance with the accounting policy in Note 2.20 to the financial statements.

29. Earnings per share

The calculation for earnings per share is based on:

	Group	
	Year ended 31 March 2021	Period from 1 January 2019 to 31 March 2020
Profit attributable to owners of the parent ($)	3,493,490	3,636,089
Weighted-average number of ordinary shares used in issue during the financial year/period applicable to earnings per share	131,207,540	131,207,540
Earnings per share (in cents)		
– Basic and diluted	2.66	2.77

The calculations of basic and diluted earnings per share are based on profit attributable to owners of the parent divided by the weighted average number of ordinary shares outstanding during the financial year/period.

The Group did not have any dilutive potential ordinary shares in the financial year ended or previous financial period from 1 January 2019 to 31 March 2020.

30. Dividends

	Group	
	Year ended 31 March 2021	Period from 1 January 2019 to 31 March 2020
	$	$
Final tax exempt dividend of $0.0084 per ordinary share for the financial year ended 31 December 2018	–	1,102,143
First interim tax exempt dividend of $0.0084 per ordinary share for the financial year ended 31 March 2021 (2020: financial period from 1 January 2019 to 31 March 2020)	**1,102,143**	1,102,144
Second interim tax exempt dividend of $Nil (2020: $0.0084) per ordinary share for the financial year ended 31 March 2021 (2020: financial period from 1 January 2019 to 31 March 2020)	–	1,102,143
	1,102,143	3,306,430

The Board of Directors proposed that a final tax exempt dividend of $0.0084 per ordinary share amounting to $1,102,143 to be paid for the financial year ended 31 March 2021. These dividends have not been recognised as a liability as at the end of the reporting period as it is subject to the approval of the shareholders at the Annual General Meeting.

31. Operating lease commitments

The Group as lessors

The Group subleases its office spaces under non-cancellable operating leases. As at 31 March 2021, these non-cancellable leases have remaining lease terms of 21 (2020: 33) months.

The future minimum lease receivables under non-cancellable operating leases contracted for as at the end of the reporting period but not recognised as receivables, are as follows:

	Group	
	2021	2020
	$	$
Within one financial year	**33,000**	30,000
After one financial year but within five financial years	**22,500**	60,000
	55,500	90,000

The above operating lease receivables are based on existing rental rates at the end of the reporting period.

32. Significant related party transactions

For the purpose of these financial statements, parties are considered to be related to the Group and the Company if the Group and the Company have the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

In addition to the related party information disclosed elsewhere in the financial statements, the following were significant related party transactions at rates and terms agreed between the Group and the Company with related parties during the financial year/period:

	Group		Company	
	Year ended 31 March 2021 $	Period from 1 January 2019 to 31 March 2020 $	Year ended 31 March 2021 $	Period from 1 January 2019 to 31 March 2020 $
With subsidiaries				
Management fee income	–	–	**2,025,000**	1,162,500
Dividend income	–	–	**1,515,000**	2,405,000
Expenses paid on behalf of	–	–	**256,660**	220,855
Advances to	–	–	**100,000**	–
Advances from	–	–	**2,381,218**	–
Management fees expenses	–	–	**115,500**	–
HR outsource expense	–	–	**115,581**	101,912
With joint ventures				
Expenses paid on behalf of	–	7,961	–	7,961
Dividend income	**23,239**	15,625	**23,239**	15,625
Interest income	**55,094**	–	**55,094**	–
With related parties				
Service rendered fee	**236,960**	260,104	–	–
Sales of medicine	**25,962**	33,600	–	–
Rental expense	**128,500**	202,500	–	–
HR outsource expense	–	24,000	–	24,000
Entertainment expenses	**11,994**	–	**11,994**	–
Administrative fees expenses	**95,466**	–	–	–
With director of the Company				
Payment made on behalf by	**18,298**	–	**18,298**	–

As at 31 March the outstanding balances in respect of the above transactions are disclosed in Notes 10 and 21 to the financial statements.

32. Significant related party transactions (Continued)

Compensation of key management personnel

Key management personnel are directors of the Company and those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly and indirectly.

The remuneration of directors and other key management personnel of the Group during the financial year/period were as follows:

	Group	
	Year ended 31 March 2021	**Period from 1 January 2019 to 31 March 2020**
	$	**$**
Directors of the Company		
- short-term employee benefits	**318,000**	417,600
- post-employment benefits	**12,240**	17,340
- Directors' fees	**84,677**	97,918
	414,917	532,858
Directors of the subsidiaries		
- short-term employee benefits	**701,885**	899,295
- post-employment benefits	**54,985**	93,977
- Directors' fees	**32,581**	35,162
	789,451	1,028,434
Other key management personnel		
- short-term employee benefits	**259,962**	242,286
- post-employment benefits	**40,290**	37,764
	300,252	280,050

33. Financial guarantee

As at 31 March 2021, the Company has issued corporate guarantees amounting to $5,500,000 (2020: $5,500,000) to banks for banking facilities of certain subsidiaries. The maximum amount of the Company could be required to settle under the guarantees obligation if the full guaranteed amount is claimed by the counterparties to the guarantees is $2,500,000 (2020: $Nil). The earliest period that the guarantees could be called is within 1 year from the reporting date.

The Company has not recognised any liability in respect of the guarantees given to the banks for banking facilities granted to the subsidiaries as the Board of Directors has assessed that the likelihood of the subsidiary defaulting on repayment of its banking facilities are remote. However, this estimate is subject to change depending on the probability of the counterparty claiming under the guarantee which is a function of the likelihood that the financial receivables held by the counterparty which are guaranteed suffer credit losses.

As at the end of the reporting period, the Company had also given undertakings to certain subsidiaries to provide continued financial support to these subsidiaries to enable them to operate as going concerns and to meet their obligations as and when they fall due for at least 12 months from the financial year end.

34. Segment information

Business segment

Management monitors the operating results of the segment separately for the purposes of making decisions about resources to be allocated and of assessing performance. Segment performance is evaluated based on operating profit or loss which is similar to the accounting profit or loss.

The Group has four primary business segments, which are that of medical support services, business support services, pharmaceutical services and medical services.

Medical support services business segment provides professional services to clients in primary and secondary healthcare sectors comprising general practitioners and specialists.

Business support services business segment provides professional services to customer base who are outside from healthcare industry.

Pharmaceutical services business segment provides distribution of medical and pharmaceutical products to clinics located in Singapore.

Medical services business segment provides x-rays, pre-employment check-ups and health screening in clinics located in Singapore.

Unallocated expenses include corporate headquarter which are not directly attributable to a particular reportable segment above.

The Group's reportable segments are strategic business units that are organised based on their function and targeted customer groups. They are managed separately because each business unit requires different skill sets and marketing strategies.

Management monitors the operating results of the segment separately for the purposes of making decisions about resources to be allocated and of assessing performance. Segment performance is evaluated based on operating profit or loss which is similar to the accounting profit or loss.

The segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise corporate assets, liabilities and expenses.

34. Segment information (Continued)

Business segment (Continued)

	Medical support services $	Business support services $	Pharmaceutical services $	Medical services $	Unallocated expenses $	Consolidated $
Year ended 31 March 2021						
Revenue						
External revenue	3,473,792	2,485,524	3,192,471	1,633,724	–	10,785,511
Profit/(loss) from operations						
Share of results from joint venture, net of tax	–	–	(10,834)	–	20,768	9,934
Interest income	2,021	–	2,021	–	70,117	74,159
Inventories and consumables, net of changes	–	–	2,708,053	415,218	–	3,123,271
Finance costs	34,213	3,821	6,721	26,120	1,378	72,253
Depreciation and amortisation	168,098	190,467	57,613	256,868	20,056	693,102
Employee benefits expense	750,191	203,472	561,675	826,363	1,944,926	4,286,627
Income tax expense	175,882	116,405	–	9,184	1,210	302,681
Reportable segment profit/(loss) before income tax	2,417,030	1,945,308	(146,366)	239,438	(599,299)	3,856,111
Net profit/(loss) for the financial year after income tax	2,241,148	1,828,903	(146,366)	230,254	(600,509)	3,553,430
Other information:						
Other material non-cash items						
- Loss allowance on trade receivables	101,892	62,974	81,947	36,665	–	283,478
- Fair value gain on financial assets at FVTPL	–	–	–	–	1,281,089	1,281,089
- Dividend income from financial assets at FVTPL	–	–	–	–	188,941	188,941
Additions to non-current assets						
- plant and equipment	6,081	17,502	3,591	4,443	49,333	80,950
- intangible assets	6,000	–	–	–	–	6,000
- right-of-use assets	–	–	85,804	17,148	65,915	168,867
Investment in joint ventures	–	–	171,166	–	149,769	320,935
Segment assets	5,101,465	5,392,428	2,467,345	2,896,828	7,572,542	23,430,608
Segment liabilities	3,469,542	614,849	703,576	1,017,448	698,548	6,503,963

34. Segment information (Continued)

Business segment (Continued)

	Medical support services	Business support services	Pharmaceutical services	Medical services	Unallocated expenses	Consolidated
	$	$	$	$	$	$
Period from 1 January 2019 to 31 March 2020						
Revenue						
External revenue	4,589,946	3,461,674	4,985,015	3,706,282	–	16,742,917
Profit/(loss) from operations						
Share of results from joint venture, net of tax	–	–	–	–	63,621	63,621
Interest income	7,478	4,437	7,478	–	33,934	53,327
Inventories and consumables, net of changes	–	–	3,958,918	963,360	–	4,922,278
Finance costs	22,896	7,811	10,870	40,350	–	81,927
Depreciation and amortisation	206,596	192,233	70,560	270,104	8,217	747,710
Employee benefits expense	1,035,876	1,406,356	702,039	976,597	990,791	5,111,659
Income tax expense	287,036	100,757	23,925	149,150	(7,714)	553,154
Reportable segment profit/(loss) before income tax	3,204,142	1,337,206	193,752	1,236,797	(1,324,425)	4,647,472
Net profit/(loss) for the financial period after income tax	2,917,106	1,228,303	169,827	1,087,647	(1,308,565)	4,094,318
Other information:						
Other material non-cash items						
- Loss allowance on trade receivables	–	109,992	2,995	86,563	–	199,510
- Fair value gain on financial assets at FVTPL	–	–	–	–	135,833	135,833
Additions to non-current assets						
- plant and equipment	12,119	5,002	1,870	4,001	21,098	44,090
- intangible assets	–	2,201,322	–	1,266,614	–	3,467,936
- right-of-use assets	–	113,088	–	1,197,223	–	1,310,311
Investment in joint venture	–	–	–	–	139,515	139,515
Segment assets	4,902,392	5,646,292	1,816,769	3,471,080	3,484,197	19,320,730
Segment liabilities	1,146,555	895,344	685,648	1,502,647	481,290	4,711,484

Geographical information

The Group's revenue and assets are mainly derived from Singapore, accordingly, no geographical segment information is presented.

Major customers

The Group's revenue attributable to 1 customer in Group's pharmaceutical services of $1,912,471 and $2,901,457 for financial year ended 31 March 2021 and financial period from 1 January 2019 to 31 March 2021 respectively. It represents 29.60% and 17.33% of the Group's revenue during the financial year ended 31 March 2021 and for the financial period from 1 January 2019 to 31 March 2020 respectively.

35. Financial instruments, financial risks and capital management

The Group's and the Company's activities expose them to credit risks, liquidity risks, and market risk (including equity risk) arising in the ordinary course of business. The Group's and the Company's exposure to foreign currency risks is minimal as their transactions and balances are mostly denominated in the currencies which are the same as the functional currency of entities within the Group and the Company. The Group and the Company are not exposed to interest rate risk as their variable interest bearing liabilities at the end of the reporting period is insignificant. The Group's and the Company's overall risk management strategy seek to minimise adverse effects from the volatility of financial markets on the Group's and the Company's financial performance.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Group and the Company. The Group's and the Company's management then establish the detailed policies such as risk identification and measurement, exposure limits and hedging strategies, in accordance with the objectives and underlying principles approved by the Board of Directors.

There has been no change to the Group's and the Company's exposure to these financial risks or the manner in which the risks are managed and measured. The Group and the Company do not hold or issue derivative financial instruments for trading purposes or to hedge against fluctuations, if any, in interest rates and foreign exchange rates.

35.1 Credit risks

Credit risks refer to the risk that counterparty will default on its contractual obligations resulting in a loss to the Group and the Company. The Group and the Company have adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Group and the Company perform ongoing credit evaluation of its counterparties' financial condition and generally do not require collaterals.

The Group and the Company do not have any significant credit exposure to any single counterparty or any group of counterparties having similar characteristics, except for the Group has outstanding trade receivables from 1 group of customers which represent 19% and 15% of total trade receivables balance as at 31 March 2021 and 31 March 2020 respectively.

The Group defines counterparties as having similar characteristics if they are related entities. Ongoing evaluation is performed on the financial condition of trade receivables.

Trade receivables that are neither past due nor impaired are substantially companies with good collection track record with the Group and the Company. Please refer to Note 10 to the financial statements for further information on loss allowance movement.

The carrying amounts of financial assets recorded in the consolidated financial statements, grossed up for any allowances for losses, represents the Group's and the Company's maximum exposure to credit risks except for the financial guarantees issued to banks for banking facilities of certain subsidiaries as disclosed in Note 33 to the financial statements. The Group and the Company do not hold any collateral.

Cash and cash equivalents

Credit risk also arises from cash and cash equivalents and deposits with banks and financial institutions. The Group and the Company held cash and cash equivalents of $6,657,627 and $2,280,716 as 31 March 2021 (2020: $5,264,340 and $1,640,317). The cash and cash equivalents are held with banks and financial institutions counterparties, which are rated A3 to Aa1, based on Moody's ratings. Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Group and the Company consider that their cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

35. Financial instruments, financial risks and capital management (Continued)

35.2 Liquidity risks

Liquidity risks refer to the risks in which the Group and the Company encounter difficulties in meeting their short-term obligations. Liquidity risks are managed by matching the payment and receipt cycle.

The Group and the Company actively manage their operating cash flows so as to ensure that all payment needs are met. As part of its overall prudent liquidity management, the Group and the Company maintain sufficient levels of cash to meet their working capital requirements.

Contractual maturity analysis

The following tables detail the Group's and the Company's remaining contractual maturity for their non-derivative financial instruments. The tables have been drawn up based on undiscounted cash flows of financial instruments based on the earlier of the contractual date or when the Group and the Company are expected to pay.

	Within one financial year $	After one financial year but within five financial years $	After five financial years $	Total $
Group				
2021				
Financial liabilities				
Trade and other payables (excluding GST payables and deferred grant income)	**1,393,692**	**–**	**–**	**1,393,692**
Bank borrowings	**268,500**	**2,475,228**	**–**	**2,743,728**
Lease liabilities	**540,012**	**618,765**	**363,600**	**1,522,377**
	2,202,204	**3,093,993**	**363,600**	**5,659,797**
2020				
Financial liabilities				
Trade and other payables (excluding GST payables and deferred grant income)	1,326,875	–	–	1,326,875
Bank borrowings	10,000	–	–	10,000
Lease liabilities	586,741	739,715	713,800	2,040,256
	1,923,616	739,715	713,800	3,377,131

35. Financial instruments, financial risks and capital management (Continued)

35.2 Liquidity risks (Continued)

Contractual maturity analysis (Continued)

	Within one financial year	After one financial year but within five financial years	After five financial years	Total
	$	$	$	$
Company				
2021				
Financial liabilities				
Trade and other payables (excluding GST payables and deferred grant income)	**2,185,933**	**–**	**–**	**2,185,933**
Bank borrowings	**10,167**	**–**	**–**	**10,167**
	2,196,100	**–**	**–**	**2,196,100**
2020				
Financial liabilities				
Trade and other payables (excluding GST payables and deferred grant income)	404,590	–	–	404,590
Bank borrowings	10,000	–	–	10,000
	414,590	–	–	414,590

35.3 Market risk

Market risk is the risk that changes in market prices, such as equity prices that will affect the Group's and the Company's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimising the return.

(i) Equity prices

The Group and the Company are exposed to equity price risks arising from equity investments classified as financial assets at FVTPL. These equity investments are held for strategic reasons rather than trading purpose. The Group and the Company do not actively trade equity investments.

Further details of these equity investments can be found in Note 9 to the financial statements.

Equity price sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to equity price risks at the end of the reporting period.

In respect of quoted equity investments carried at FVTPL, if the prices for equity securities listed on the Singapore Exchange Securities Trading Limited had been 1% (2020: 1%) higher or lower with all other variables including tax rate being held constant, the Group's net profit for the financial year ended 31 March 2021 would increase or decrease by $43,211 (1 January 2019 to 31 March 2020: $8).

35. Financial instruments, financial risks and capital management (Continued)

35.4 Capital management policies and objectives

The Group and the Company manage capital to ensure that the Group and the Company are able to continue as a going concern and maintain an optimal capital structure so as to maximise shareholders' value.

The Group and the Company manage their capital structure which consist of equity attributable to owners of the parent, comprising issued share capital, other reserves and retained earnings as disclosed in Notes 14, 15 and 16 to the financial statements and make adjustments to it, in line with changes in economic conditions. To maintain or adjust the capital structure, the Group and the Company may adjust the dividend payment to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial year ended 31 March 2021 and financial period from 1 January 2019 to 31 March 2020.

As at 31 March 2021 and 31 March 2020, the gearing ratio is not meaningful as cash and cash equivalents are more than the Group's and the Company's total liabilities.

The Group is subject to and has complied with externally imposed capital requirements in respect of the financial covenants imposed by the banks for the borrowings as disclosed in Note 18 to the financial statements for the financial year ended 31 March 2021. The Group and the Company did not have externally imposed capital requirements for the financial period from 1 January 2019 to 31 March 2020.

35.5 Fair value of financial assets and financial liabilities

The fair values of financial assets and financial liabilities are determined as follows:

- the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices; and
- the fair value of other financial assets and other financial liabilities (excluding derivative instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

Fair value hierarchy

The Group and the Company classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair values of financial instruments that are not carried at fair value

The carrying amounts of the current financial assets and current financial liabilities that are not carried at fair value approximate their respective fair values as at the end of the reporting period due to the relatively short-term maturity of these financial instruments.

The fair values of non-current financial liabilities that are not carried at fair value in relation to borrowing is disclosed in Notes 18 to the financial statements.

35. Financial instruments, financial risks and capital management (Continued)

35.5 Fair value of financial assets and financial liabilities (Continued)

Fair values of financial instruments carried at fair value

The fair value of financial assets at fair value through profit and loss are calculated using quoted prices (Level 1 of fair value hierarchy).

The table below classified financial instruments carried at fair value by level of fair value hierarchy as at the end of the reporting year:

	Fair value measurements using			
	Level 1	**Level 2**	**Level 3**	**Total**
	$	**$**	**$**	**$**
Group				
2021				
Financial assets				
Financial assets, at FVTPL				
- Quoted equity securities	**4,321,136**	–	–	**4,321,136**
2020				
Financial assets				
Financial assets, at FVTPL				
- Quoted equity securities	780	–	–	780
- Unquoted equity instrument	–	–	885,833	885,833
	780	–	885,833	886,613
Company				
2021				
Financial assets				
Financial assets, at FVTPL				
- Quoted equity securities	**4,320,356**	–	–	**4,320,356**
2020				
Financial assets				
Financial assets, at FVTPL				
- Unquoted equity instrument	–	–	885,833	885,833

The carrying amounts of financial assets at fair value through profit or loss are disclosed on the face of statements of financial position and in Note 9 to the financial statements.

There were no transfers between levels during the financial year/period and no changes in the valuation techniques of the various classes of financial assets during the financial year ended 31 March 2021 and financial period from 1 January 2019 to 31 March 2020.

35. Financial instruments, financial risks and capital management (Continued)

35.6 Categories of financial instruments

The following table sets out the financial instruments as at the end of the reporting period:

	Group $	Company $
2021		
Financial assets		
At fair value through profit or loss	**4,321,136**	**4,320,356**
At amortised cost	**9,384,789**	**3,056,164**
Financial liabilities		
At amortised cost	**5,348,117**	**2,196,100**
2020		
Financial assets		
At fair value through profit or loss	886,613	885,833
At amortised cost	8,182,476	3,091,531
Financial liabilities		
At amortised cost	3,252,038	414,590

36. Comparative figures

The Group and the Company changed their financial year-end from 31 December to 31 March in prior financial period. The comparative figures of the financial statements for the prior financial period covered a period of 15 months from 1 January 2019 to 31 March 2020 and therefore the amounts presented in the financial statements are not comparable.

37. Impact of COVID-19

The prolonged pandemic with the new variants spreading across the world has caused uphill challenges for Singapore's healthcare system and the healthcare industry. The overall business environment will continue to be quite challenging. The Group's subsidiary, Sen Med Holdings Pte. Ltd. and its subsidiaries are experiencing a decrease in demand for health screening services and general medical services attributed by border controls which restricted the entry of new foreign workers and the waiver of requirement for foreign workers to undertake an annual health screening check.

The other subsidiary, Nex Healthcare Pte Ltd, which is primary involve in providing pharmaceutical services and medical support services, recorded a reduction in revenue arising mainly from the lower demand in pharmaceutical products. The reluctance of general public visiting clinics is the main cause of the reduction of demand in pharmaceutical products.

37. Impact of COVID-19 (Continued)

Nevertheless, it is not all doom and gloom in Singapore's healthcare sector. There are some of the positive impact the pandemic has sparked. The COVID-19 pandemic is likely to revolutionise the healthcare industry in Singapore, which has a robust healthcare system in place and embraces the use of technology, enabling the healthcare industry in Singapore to pull through and emerge stronger than before. The Group has rode on the growing trend in technology to set up the digital supply-chain portal as well as invest in the joint venture to open up new online channel to promote the medical products.

The Government has introduced support packages to help employers, employees and business owners to tide over this period of economic uncertainty and also believes that companies should continue to build capabilities in order to emerge stronger as the economy recovers. The Group has tapped on the scheme and incentives supported by the Government to increase its competitiveness by providing more training to the employees and recruit additional experienced employees.

As challenges remain on the road ahead, the Group will continue to navigate this challenging time by remaining agile and prudent in the review of our business operations and continue to seek new business opportunity to minimize the impact of Covid-19.

STATISTICS *OF SHAREHOLDING*
As at 21 June 2021

SHARE CAPITAL

Class of shares	:	Ordinary shares
Number of issued and paid-up shares	:	131,207,540
Voting rights	:	One vote per share

* There are no treasury shares or subsidiary holdings held as at 21 June 2021.

DISTRIBUTION OF SHAREHOLDINGS

Size of shareholdings	No. of shareholders	%	No. of shares	%
1 - 99	–	–	–	–
100 - 1,000	13	8.67	7,200	0.01
1,001 - 10,000	41	27.33	239,200	0.18
10,001 - 1,000,000	84	56.00	15,505,750	11.82
1,000,001 and above	12	8.00	115,455,390	87.99
TOTAL	**150**	**100.00**	**131,207,540**	**100.00**

LIST OF 20 LARGEST REGISTERED SHAREHOLDERS

No.	Name	No. of shares	%
1	HC SURGICAL SPECIALISTS LIMITED	30,071,050	22.92
2	RAFFLES NOMINEES (PTE) LIMITED	27,503,440	20.96
3	HSN HEALTHCARE PTE. LTD.	12,460,110	9.50
4	BNP PARIBAS NOMINEES SINGAPORE PTE LTD	11,705,740	8.92
5	SHINEX CAPITAL PTE LTD	8,674,460	6.61
6	NOBEL CAPITAL VENTURE PTE LTD	6,000,000	4.57
7	TAN TECK JACK	4,997,460	3.81
8	DBS NOMINEES PTE LTD	4,494,120	3.43
9	CHEE BOON PING	3,650,890	2.78
10	LEO TING PING RONALD	2,000,000	1.52
11	CHAI YEE HOI	1,698,120	1.29
12	NOVUS CORPORATE FINANCE PTE. LTD.	1,200,000	0.91
13	TEOU KEM ENG @ TEOU KIM ENG	1,200,000	0.91
14	CITIBANK NOMINEES SINGAPORE PTE LTD	900,000	0.69
15	WAYNE KOO KIM HENG (WAYNE QIU JINXING)	829,060	0.63
16	CGS-CIMB SECURITIES (SINGAPORE) PTE LTD	800,000	0.61
17	LYE KHENG LENG LAWRENCE (LAI QINGLONG LAWRENCE)	800,000	0.61
18	JEREMY LEE SHENG POH	800,000	0.61
19	CHENG EE LIENG	800,000	0.61
20	UOB KAY HIAN PTE LTD	748,600	0.57
	TOTAL	**121,333,050**	**92.46**

STATISTICS *OF SHAREHOLDING*

As at 21 June 2021

SUBSTANTIAL SHAREHOLDERS

As recorded in the Register of Substantial Shareholders

Name of shareholder	Direct interest No. of shares	%	Deemed interest No. of shares	%
Jessie Low Mui Choo	27,443,340[(1)]	20.92	390,000[(1)]	0.30
Tan Lee Meng	11,705,740[(2)]	8.92	–	–
HC Surgical Specialists Limited ("**HCSS**")	30,071,050	22.92	12,460,110[(3)]	9.50
Shinex Capital Pte. Ltd. ("**Shinex Capital**")	8,674,460	6.61	12,460,110[(4)]	9.50
HSN Healthcare Pte. Ltd. ("**HSN Healthcare**")	12,460,110	9.50	–	–
Dr. Heah Sieu Min	–	–	30,071,050[(5)]	22.92
Dr. Chia Kok Hoong	–	–	30,071,050[(6)]	22.92
Shine Medi-Capital Pte. Ltd.	–	–	8,674,460[(7)]	6.61
Sia Ling Sing	–	–	8,674,460[(8)]	6.61
Lim Ewe Ghee	–	–	8,674,460[(9)]	6.61
Tan Tin Nam	240,000	0.18	8,674,460[(10)]	6.61

(1) Jessie Low Mui Choo holds 27,443,340 ordinary shares, of which 27,148,340 ordinary shares are held in the name of Raffles Nominees (Pte.) Limited and 295,000 ordinary shares are held in the name of Phillip Securities Nominees Pte. Ltd.. She is deemed to be interested in the 390,000 ordinary shares held by her spouse, Karunanithi s/o Letchumanan by virtue of Section 133(4) of the Securities and Futures Act ("**SFA**").

(2) Tan Lee Meng holds 11,705,740 ordinary shares, all of which are held in the name of BNP Paribas Nominees Singapore Pte. Ltd..

(3) HCSS holds 40.0% of the total issued and paid-up share capital of HSN Healthcare, and accordingly pursuant to Section 4 of the SFA, it would be treated as having an interest in the 9.50% of the total issued and paid-up share capital of the Company held by HSN Healthcare.

(4) Shinex Capital holds 40.0% of the total issued and paid-up share capital of HSN Healthcare, and accordingly pursuant to Section 4 of the SFA, it would be treated as having an interest in the 9.50% of the total issued and paid-up share capital of the Company held by HSN Healthcare.

(5) Dr. Heah Sieu Min holds approximately 42.98% of the total issued and paid-up share capital of HCSS, and accordingly pursuant to Section 4 of the SFA, he would be treated as having an interest in the 22.92% of the total issued and paid-up share capital of the Company held by HCSS.

(6) Dr. Chia Kok Hoong holds approximately 23.34% of the total issued and paid-up share capital of HCSS, and accordingly pursuant to Section 4 of the SFA, he would be treated as having an interest in the 22.92% of the total issued and paid-up share capital of the Company held by HCSS.

(7) Shine Medi-Capital Pte. Ltd. holds 37.50% of the total issued and paid-up share capital of Shinex Capital, and accordingly pursuant to Section 4 of the SFA, it would be treated as having an interest in the 6.61% of the total issued and paid-up of the Company held by Shinex Capital.

(8) Sia Ling Sing holds 25.00% of the total issued and paid-up share capital of Shinex Capital, and accordingly pursuant to Section 4 of the SFA, he would be treated as having an interest in the 6.61% of the total issued and paid-up of the Company held by Shinex Capital.

(9) Lim Ewe Ghee holds 37.50% of the total issued and paid-up share capital of Shinex Capital, and accordingly pursuant to Section 4 of the SFA, he would be treated as having an interest in the 6.61% of the total issued and paid-up of the Company held by Shinex Capital.

(10) Tan Tin Nam, the father of the Non-executive Chairman of the Company, Tan Lee Meng, holds 66.67% of the total issued and paid-up share capital of Shine Medi-Capital Pte. Ltd. which in turn hold 37.50% of the total issued and paid-up share capital of Shinex Capital, and accordingly pursuant to Section 4 of the SFA, he would be treated as having an interest in the 6.61% of the total issued and paid-up share capital of the Company held by Shinex Capital.

SHAREHOLDING HELD IN HANDS OF PUBLIC

Based on information available to the Company as at 21 June 2021, approximately 29.08% of the issued ordinary shares of the Company is held by the public and therefore, Rule 723 of the Listing Manual Section B: Rules of the Catalist is complied with.

NOTICE OF ANNUAL GENERAL MEETING

Important Notes to Members

1. The Annual General Meeting is being convened, and will be held, by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020.
2. This Notice of Annual General Meeting has been made available on SGXNET and the Company's website and may be accessed at the URLs https://www.sgx.com/securities/company-announcements and http://www.medinex.com.sg/investor-relations-2-2/ respectively. A printed copy of this Notice of Annual General Meeting will NOT be despatched to members.

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("**AGM**") of the Company will be held by way of electronic means on Wednesday, 28 July 2021 at 2.00 p.m. to transact the following businesses:-

AS ORDINARY BUSINESS

1. To lay before the meeting the Audited Financial Statements for the financial year ended 31 March 2021 and the Directors' Statement and the Independent Auditor's Report thereon.

   (See Explanatory Note 1)

2. To declare a final dividend (tax-exempt one-tier) of S$0.0084 per ordinary share for the financial year ended 31 March 2021. **(Resolution 1)**

3. To approve the payment of Directors' fees of S$84,677 for the financial year ended 31 March 2021 (FY2020: S$97,918). **(Resolution 2)**

4. To re-elect Mr. Tan Lee Meng who is retiring pursuant to Regulation 98 of the Company's Constitution. **(Resolution 3)**

   (See Explanatory Note 2)

5. To elect Mr. Ye Binlin who is retiring pursuant to Regulation 102 of the Company's Constitution. **(Resolution 4)**

   (See Explanatory Note 3)

6. To note the retirement of Mr. Wee Yiap Fook San pursuant to Regulation 98 of the Company's Constitution.

   (See Explanatory Note 4)

7. To re-appoint Messrs. BDO LLP as auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 5)**

8. To transact any other ordinary business which may properly be transacted at an AGM.

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following ordinary resolutions with or without modifications:-

9. Authority to allot and issue shares

   (a) "That, pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore (the "**Act**"), and Rule 806 of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist ("**Catalist Rules**"), authority be and is hereby given to the Directors of the Company at any time to such persons and upon such terms and for such purposes as the Directors of the Company may in their absolute discretion deem fit, to:

(i) allot and issue shares in the capital of the Company whether by way of rights, bonus or otherwise;

(ii) make or grant offers, agreements or options that might or would require shares to be issued or other transferable rights to subscribe for or purchase shares (collectively, "**Instruments**") including but not limited to the creation and issue of options, warrants, debentures or other instruments convertible into shares;

(iii) issue additional Instruments arising from adjustments made to the number of Instruments previously issued in the event of rights, bonus or capitalisation issues; and

(b) (notwithstanding the authority conferred by the Shareholders may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while the authority was in force, provided always that:

(1) the aggregate number of shares to be issued pursuant to this resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this resolution) does not exceed one hundred percent (100%) of the total number of issued shares excluding treasury shares and subsidiary holdings of the Company, of which the aggregate number of shares (including shares to be issued in pursuance of Instruments made or granted pursuant to this resolution) to be issued other than on a pro rata basis to Shareholders of the Company does not exceed fifty percent (50%) of the total number of issued shares excluding treasury shares and subsidiary holdings of the Company, and (subject to such manner of calculation as may be prescribed by the SGX-ST for the purpose of determining the aggregate number of shares that may be issued under this paragraph) for the purpose of this resolution, the issued share capital shall be the Company's total number of issued shares excluding treasury shares and subsidiary holdings at the time this resolution is passed, after adjusting for;

(i) new shares arising from the conversion or exercise of convertible securities, or

(ii) new shares arising from exercising share options or vesting of share awards outstanding or subsisting at the time this resolution is passed provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules, and

(iii) any subsequent bonus issue, consolidation or subdivision of the Company's shares;

(2) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Act and the Constitution for the time being of the Company; and

(3) such authority shall, unless revoked or varied by the Company at a general meeting, continue in force until the conclusion of the next AGM or the date by which the next AGM of the Company is required by law to be held, whichever is the earlier." **(Resolution 6)**

(See Explanatory Note 5)

10. Authority to offer and grant share awards and to allot and issue shares pursuant to the Medinex Limited Performance Share Plan (the "**Medinex Performance Share Plan**")

"That:

(a) authority be and is hereby given to the Directors of the Company to offer and grant share awards in accordance with the Medinex Performance Share Plan; and

(b) approval be and is hereby given to the Directors of the Company to exercise full powers of the Company to allot and issue from time to time such number of shares as may be required to be allotted and issued pursuant to the award of shares under the Medinex Performance Share Plan, provided that the aggregate number of shares to be issued pursuant to the Medinex Employee Share Option Scheme and the Medinex Performance Share Plan shall not exceed fifteen percent (15%) of the total number of issued shares excluding treasury shares and subsidiary holdings in the capital of the Company from time to time."

(Resolution 7)

(See Explanatory Note 6)

11. Authority to offer and grant options and to allot and issue shares pursuant to the Medinex Limited Employee Share Option Scheme (the "**Medinex Employee Share Option Scheme**")

"That:

(a) authority be and is hereby given to the Directors of the Company to offer and grant options in accordance with the provisions of the Medinex Employee Share Option Scheme; and

(b) approval be and is hereby given to the Directors of the Company to exercise full powers of the Company to allot and issue from time to time such number of shares in the Company as may be required to be issued pursuant to the exercise of the options under the Medinex Employee Share Option Scheme,

provided that the aggregate number of shares to be issued pursuant to the Medinex Employee Share Option Scheme and the Medinex Performance Share Plan shall not exceed fifteen percent (15%) of the total number of issued shares excluding treasury shares and subsidiary holdings in the capital of the Company from time to time."

(Resolution 8)

(See Explanatory Note 6)

By Order of the Board

Lin Moi Heyang
Company Secretary

6 July 2021

Explanatory Notes:-

1. This Agenda is meant for discussion only as under the provisions of Section 201 of the Act, the Audited Financial Statements need to be laid before the meeting and hence, the matter will not be put forward for voting.

2. Mr. Tan Lee Meng will, upon re-election as a Director of the Company, remain as the Non-executive Chairman, and a member of the Audit Committee, Nominating Committee and Remuneration Committee of the Company.

3. Mr. Ye Binlin is considered independent for the purpose of Rule 704(7) of the Catalist Rules.

   Mr. Ye Binlin will, upon re-election as a Director of the Company, remain as an Independent Non-executive Director, Chairman of the Nominating Committee, and a member of the Audit Committee and Remuneration Committee of the Company.

   Key information on the retiring Directors can be found on pages 131 to 134 of the Annual Report.

4. Mr. Wee Yiap Fook San is retiring pursuant to Regulation 98 of the Company's Constitution and is not seeking for re-election at the AGM. Mr. Wee Yiap Fook San will, upon retirement, cease to be the Independent Non-executive Director, the Chairman of the Remuneration Committee, and a member of the Audit Committee and Nominating Committee of the Company. An announcement of Mr. Wee Yiap Fook San's retirement had been made on 24 June 2021 via SGXNET.

5. The ordinary resolution 6 above is to authorise the Directors of the Company from the date of the above AGM until the next AGM to issue shares and convertible securities in the Company up to an amount not exceeding in aggregate one hundred percent (100%) of the issued share capital of the Company of which the total number of shares and convertible securities issued other than on a pro-rata basis to existing Shareholders shall not exceed fifty percent (50%) of the issued share capital (excluding treasury shares and subsidiary holdings) at the time the resolution is passed, for such purposes as they consider would be in the interests of the Company. This authority will, unless revoked or varied at a general meeting, expire at the next AGM of the Company.

6. The ordinary resolutions 7 and 8 above are to authorise the Directors of the Company to offer and award shares pursuant to the Medinex Performance Share Plan as well as grant options under the Medinex Employee Share Option Scheme, provided that the aggregate number of shares to be issued shall not exceed fifteen percent (15%) of the Company's issued shares, excluding treasury shares in the capital of the Company from time to time.

Documents for the AGM

1. This Notice of AGM, the Proxy Form and the Annual Report have been made available on the SGXNET as well as the Company's websites at the following URLs:-

   SGX's website: https://www.sgx.com/securities/company-announcements
   Company's website: http://www.medinex.com.sg/investor-relations-2-2/

Participation in the AGM via live webcast or live audio feed

2. As the AGM will be held by way of electronic means, members will NOT be able to attend the AGM in person. Instead, alternative arrangements have been put in place to allow members to participate at the AGM by:-

   (a) watching the AGM proceedings via live audio-visual webcast or listening to the AGM proceedings via live audio-only feed;

   (b) submitting questions in advance of the AGM; and/or

   (c) appointing the Chairman of the AGM as proxy to vote on their behalf at the AGM.

3. Members are required to pre-register their participation in the AGM ("**Pre-registration**") at this link: https://septusasia.com/medinex-agm-registration ("**AGM Registration and Q&A Link**") by **2 p.m.** on **25 July 2021**, **Sunday** ("**Registration Deadline**") for verification of their status as members (or the corporate representatives of such members).

4. Upon successful verification, each such member or its corporate representative will receive an email by **2 p.m.** on **27 July 2021**, **Tuesday**. The email will contain instructions to access the live audio-visual webcast or live audio-only feed of the AGM proceedings. Members or their corporate representatives must not forward the email to other persons who are not members and who are not entitled to participate in the AGM proceedings. Members or their corporate representatives who have pre-registered by the Registration Deadline but do not receive an email by **2 p.m.** on **27 July 2021**, **Tuesday**, may contact Septus Singapore Pte Ltd by email at webcast@septusasia.com.

5. Investors who hold Shares through depository agents (as defined in Section 81SF of the Securities and Futures Act, Chapter 289) and wish to watch the AGM proceedings via live audio-visual webcast or listen to the AGM proceedings via live audio-only feed must approach their respective depository agents to pre-register by **5 p.m.** on **15 July 2021** in order to allow sufficient time for their respective depository agents to in turn pre-register their interest with the Company.

Voting by Proxy

6. A member will not be able to vote through the live audio-visual webcast and voting is only through submission of proxy form. A member (whether individual or corporate) must submit his/her/its proxy form appointing the Chairman of the AGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the AGM if such member wishes to exercise his/her/its voting rights at the AGM. The proxy form for the AGM may be accessed at this link: http://www.medinex.com.sg/investor-relations-2-2/ and is available on SGXNET at the URL https://www.sgx.com/securities/company-announcements.

7. Where a member (whether individual or corporate) appoints the Chairman of the AGM as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the proxy form, failing which the appointment of the Chairman of the AGM as proxy for that resolution will be treated as invalid.

8. The duly executed Proxy Form can be submitted to the Company in the following manner:

   a) if submitted in hard copy by post, be lodged at the office of the Company's Share Registrar at 80 Robinson Road, #02-00, Singapore 068898; or

   b) if submitted electronically, by sending a scanned pdf copy electronically via email to sg.is.proxy@sg.tricorglobal.com,

   in either case, by **2.00 p.m. on 25 July 2021** (being at least 72 hours before the time appointed for holding the AGM) (the "**Proxy Deadlines**").

9. A member who wishes to submit a Proxy Form must download, complete and sign the Proxy Form, before submitting it by post to the address provided above, or before scanning and sending it electronically to the email address provided above.

10. Investors who hold their Shares through relevant intermediaries as defined in Section 181 of the Act (including CPF investors, SRS investors and holders under depository agents) and who wish to exercise their votes by appointing the Chairman of the AGM as proxy should approach their respective relevant intermediaries (including their respective CPF agent banks, SRS approved banks or depository agents) to submit their voting instructions by **5.00 p.m. on 15 July 2021** in order to allow sufficient time for their respective relevant intermediaries to in turn submit a proxy form to appoint the Chairman of the AGM to vote on their behalf **no later than the Proxy Deadlines**.

11. The instrument appointing the Chairman of the AGM as proxy must be under the hand of the appointor or his/her attorney duly authorised in writing. Where the instrument appointing the Chairman of the AGM as proxy is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or duly authorised officer.

12. The Company shall be entitled to reject the instrument appointing the Chairman of the AGM as proxy if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the Chairman of the AGM as proxy.

13. In the case of a member of the Company whose shares are entered against his/her name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289), the Company may reject any instrument appointing the Chairman of the AGM as proxy lodged if such member is not shown to have shares entered against his/her name in the Depository Register at 72 hours before the time appointed for holding the AGM as certified by The Central Depository (Pte) Limited to the Company.

Submission of questions prior to the AGM

14. Members may submit questions related to the resolutions to be tabled at the AGM in the following manner:

   a) if submitted in hard copy by post, be deposited at the Company's office at 111 North Bridge Road, #23-04 Peninsula Plaza, Singapore 179098;

   b) if submitted electronically, by email to ir@medinex.com.sg; or

   c) during Pre-registration via the AGM Registration and Q&A Link;

   in either case, (a) or (b), by 2.00 p.m. on 25 July 2021.

   Members who submit questions must provide the following information for authentication:-

   1. Member's full name;
   2. Member's identification number;
   3. Member's address; and
   4. the manner in which the member holds shares in the Company (e.g., via CDP, CPF or SRS).

15. The Board of Directors of the Company will endeavour to address all substantial and relevant questions received from members prior to the AGM by publishing the responses to those questions on SGXNET at the URL https://www.sgx.com/securities/company-announcements and the Company's website at the URL http://www.medinex.com.sg/investor-relations-2-2/. Where substantial and relevant questions submitted by members are unable to be addressed prior to the AGM, the Company will address them during the AGM through the live audio-visual webcast and live audio-only feed.

16. The Company shall only address relevant and substantial questions (as may be determined by the Company in its sole discretion) received. The Company will publish the minutes of the AGM on SGXNET and the Company's website within one month after the date of AGM.

NOTICE *OF ANNUAL GENERAL MEETING*

Important Reminder:

In view of the constantly evolving COVID-19 situation, the Company may be required to change its AGM arrangements at short notice. Members are advised to regularly check the Company's website or announcements released on SGXNET for the latest updates on the status of AGM. Members are also strongly encouraged to submit completed Proxy Forms electronically via email.

Personal data privacy:

By (a) submitting an instrument appointing the Chairman of the AGM as a proxy to vote at the AGM and/or any adjournment thereof, or (b) completing the Pre-registration in accordance with this Notice of AGM, or (c) submitting any question prior to the AGM in accordance with this Notice of AGM, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purposes of processing and administration by the Company (or its agents or service providers) of proxy forms appointing the Chairman of the AGM as a proxy for the AGM (including any adjournment thereof), processing of the Pre-registration for purposes of granting access to members (or their corporate representatives in the case of members which are legal entities) to the live audio-visual webcast or live audio-only feed of the AGM proceedings and providing them with any technical assistance where necessary, addressing relevant and substantial questions from members received before the AGM and if necessary, following up with the relevant members in relation to such questions, preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the AGM (including any adjournment thereof), in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines, and (ii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

DISCLOSURE *OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION*

Tan Lee Meng and Ye Binlin are the Directors seeking re-elections at the forthcoming Annual General Meeting of the Company to be convened on 28 July 2021 ("**AGM**") (the "**Retiring Directors**").

Pursuant to Rule 720(5) of the Listing Manual Section B: Rules of the Catalist of the SGX-ST, the following is the information relating to the Retiring Directors as set out in Appendix 7F to the Listing Manual Section B: Rules of the Catalist of the SGX-ST:-

Name	**Tan Lee Meng**	**Ye Binlin**
Date of Appointment	22 May 2017	1 September 2020
Date of last re-appointment	30 April 2019	N.A.
Age	53	54
Country of principal residence	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board, having considered the recommendation of the Nominating Committee and assessed the qualifications and experience of Mr. Tan Lee Meng, is of the view that he has the requisite experience and capabilities to assume the duties and responsibilities as the Non-executive Chairman of the Company.	The Board, having considered the recommendation of the Nominating Committee and assessed the qualifications and experience of Mr. Ye Binlin, is of the view that he has the requisite experience and capabilities to assume the duties and responsibilities as the Independent Non-executive Director of the Company.
Whether appointment is executive, and if so, the area of responsibility	Non-executive	Non-executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	• Non-executive Chairman • Member of the Audit, Remuneration and Nominating Committee	• Independent Non-executive Director • Chairman of the Nominating Committee • Member of the Audit and Remuneration Committee
Professional qualifications	Mr. Tan graduated from Oklahoma City University in 1993 with a Bachelor of Science (Summa cum Laude) and obtained a Master of Business Administration (Investment and Finance) from the University of Hull.	Mr. Ye graduated from Shanghai Maritime University (formerly known as Shanghai Maritime College) with a Bachelor's degree in economics.
Working experience and occupation(s) during the past 10 years	Please refer to the Board of Directors section in the Company's 2021 Annual Report.	Please refer to the Board of Directors section in the Company's 2021 Annual Report.
Shareholding interest in the listed issuer and its subsidiaries	11,705,740 ordinary shares (8.92%) (Held through BNP Paribas Nominees Singapore Pte. Ltd.)	25,000 ordinary shares (0.02%) (Held through DBS Nominees Pte. Ltd.)
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	None	None

DISCLOSURE *OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION*

Name	Tan Lee Meng	Ye Binlin
Conflict of Interest (including any competing business)	None	None
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes
Other Principal Commitments* Including Directorships# Past (for the last 5 years)	Past Directorships: Baventures Pte. Ltd. BRC Asia Limited Jing Ma Investment Pte. Ltd. HSN Healthcare Pte. Ltd. J3 Ventures Pte. Ltd. (formerly known as Shine International Group Pte. Ltd.) Nex Healthcare Pte. Ltd. Nobel Capital Venture Pte. Ltd. Shine Venture Capital Pte. Ltd. Zeststar Eventures Pte. Ltd. Zhi Ying Language School @ Yishun Pte. Ltd.	Past Directorships: AnAn International Limited (formerly known as CEFC International Limited) Coastal Corporation Limited Guiyuan Culture Pte. Ltd. Shanghai Dajiang Shenyuan Equity Investment Fund Management Co. Ltd. Singapore AnAn Petrochemical & Energy Pte. Ltd. (formerly known as Singapore CEFC Petrochemical & Energy Pte. Ltd.)
Present	Present Directorships: 108 Development Pte. Ltd. Acumen Holdings Pte. Ltd. Shine Medi-Capital Pte. Ltd. Shinex Capital Pte. Ltd.	Present Directorships: 21 Happy Shipping Pte. Ltd. 21 Lucky Shipping Pte. Ltd. Lee Da Hang Pte. Ltd. Oceanis Shipping Pte. Ltd. Sunway Holdings Pte. Ltd.
Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.		
a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?		
	No	No
b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?		
	No	No
c) Whether there is any unsatisfied judgment against him?		
	No	No

Name	Tan Lee Meng	Ye Binlin
d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?		
	No	No
e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?		
	No	No
f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?		
	No	No
g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?		
	No	No
h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?		
	No	No
i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?		
	No	No
j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:– i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or ii. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or iii. any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?		
	No	No

DISCLOSURE *OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION*

Name	Tan Lee Meng	Ye Binlin
k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?		
	No	No
Any prior experience as a director of a listed company? If yes, please provide details of prior experience. If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange. Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).	Not applicable as this relates to re-appointment of Director.	Not applicable as this relates to re-appointment of Director.

MEDINEX LIMITED

(the "**Company**")
(Incorporated in the Republic of Singapore)
(Company Registration No. 200900689W)

IMPORTANT

1. The Annual General Meeting ("**AGM**") is being convened, and will be held, by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. The Annual Report and Notice of AGM dated 6 July 2021 may be accessed at the Company's website http://www.medinex.com.sg/investor-relations-2-2/ and on SGXNET at the URL: https://www.sgx.com/securities/company-announcements.
2. Alternative arrangements relating to attendance at the AGM via electronic means (including arrangements by which the AGM can be electronically accessed via live audio-visual webcast or live audio-only feed), submission of questions to the Chairman of the AGM in advance of the AGM, addressing of substantial and relevant questions at the AGM and voting by appointing the Chairman of the AGM as proxy at the AGM, are set out in the Notice of AGM.
3. **A member will not be able to attend the AGM in person. A member of the Company (whether individual or corporate) must appoint the Chairman of the AGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the AGM if such member wishes to exercise his/her/its voting rights at the AGM. In appointing the Chairman of the AGM as proxy to vote on his/her/its behalf. A member of the Company (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment will be treated as invalid.**
4. For investors who have used their Central Provident Fund ("**CPF**")/Supplementary Retirement Scheme ("**SRS**") monies to buy shares in the capital of Medinex Limited, this proxy form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF/SRS Investors are requested to contact their respective Agent Banks to specify their voting instructions and to submit their votes by 5.00 p.m. on 15 July 2021.
5. By submitting this proxy form, the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM.
6. **Please read the notes overleaf which contain instructions on, *inter alia*, the appointment of the Chairman of the AGM as a member's proxy to attend, speak and vote on his/her/its behalf at the AGM.**

PROXY FORM
ANNUAL GENERAL MEETING

This proxy form has been made available on SGXNET and the Company's website and may be accessed at the URLs: https://www.sgx.com/securities/company-announcements and http://www.medinex.com.sg/investor-relations-2-2/.

*I/We ______________________ (Name) ____________________ (NRIC/Passport Number)

of ____ (Address)

being a *member/members of **Medinex Limited** (the "**Company**"), hereby appoint the **Chairman of the AGM** as *my/our proxy to attend and to vote for *me/us on *my/our behalf at the AGM of the Company to be held by way of electronic means (via live audi-visual webcast or live audio-only feed) on Wednesday, 28 July 2021 at 2.00 p.m. and at any adjournment thereof. *I/We direct the Chairman of the AGM as *my/our proxy to vote for or against or abstain from voting on the resolutions proposed at the AGM as indicated hereunder.

All resolutions put to the vote at the AGM shall be conducted by poll.

No.	Ordinary Resolutions	For*	Against*	Abstain*
1.	Declaration of final dividend (tax exempt one-tier) of S$0.0084 per ordinary share for the financial year ended 31 March 2021			
2.	Directors' Fees of S$84,677 for the financial year ended 31 March 2021			
3.	Re-election of Mr. Tan Lee Meng as director			
4.	Election of Mr. Ye Binlin as director			
5.	Re-appointment of Messrs. BDO LLP as auditors of the Company			
6.	Authority to allot and issue ordinary shares			
7.	Authority to issue shares under the Medinex Performance Share Plan			
8.	Authority to issue shares under the Medinex Employee Share Option Scheme			

*If you wish to exercise all your votes "For" or "Against" or "Abstain", please tick (✓) within the box provided. Alternatively, please indicate the number of votes in the box appropriately. **In the absence of specific directions in respect of a resolution, the appointment of the Chairman of the AGM as your proxy for that resolution will be treated as invalid.**

Dated this __________ day of ______________ 2021

Total number of Shares held:	No. of Shares
CDP Register	
Register of Members	

____
Signature/Common Seal of Member(s)

IMPORTANT: PLEASE READ NOTES OVERLEAF

NOTES:

1. A member will not be able to attend the AGM in person. A member (whether individual or corporate) must submit his/her/its proxy form appointing the Chairman of the AGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the AGM if such member wishes to exercise his/her/its voting rights at the AGM.

2. The duly executed Proxy Form can be submitted to the Company in the following manner:

   a) if submitted in hard copy by post, be lodged at the office of the Company's Share Registrar office at 80 Robinson Road, #02-00, Singapore 068898; or

   b) if submitted electronically, by sending a scanned pdf copy by email to sg.is.proxy@sg.tricorglobal.com

   in either case, by **2.00 p.m.** on **25 July 2021** (being at least 72 hours before the time appointed for holding the AGM) (the "**Proxy Deadlines**").

   A member who wishes to submit a Proxy Form must download, complete and sign the Proxy Form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

   In view of the current COVID-19 situation which may make it difficult for members to submit completed Proxy Forms by post, members are strongly encouraged to submit completed Proxy Forms electronically via email to sg.is.proxy@sg.tricorglobal.com.

3. The instrument appointing the Chairman of the AGM as proxy must be under the hand of the appointor or his attorney duly authorised in writing. Where the instrument appointing the Chairman of the AGM as proxy is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or duly authorised officer.

4. A member should insert the total number of shares held. If the member has shares entered against his/her/its name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act (Chapter 289) Singapore), he/she/it should insert that number of shares. If the member has shares registered in his name in the Register of Members of the Company, he/she/it should insert the number of shares. If the member has shares entered against his/her/its name in the Depository Register and shares registered in his/her/its name in the Register of Members of the Company, he/she/it should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the member of the Company.

5. The Company shall be entitled to reject the instrument appointing the Chairman of the AGM as proxy if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the Chairman of the AGM as proxy. In addition, in the case of a member of the Company whose shares are entered against his/her name in the Depository Register, the Company may reject any instrument appointing the Chairman of the AGM as proxy lodged if such member is not shown to have shares entered against his/her/its name in the Depository Register at least 72 hours before the time appointed for holding the AGM as certified by The Central Depository (Pte) Limited to the Company.

6. Investors who hold their Shares through relevant intermediaries as defined in Section 181 of the Companies Act, Chapter 50 (including CPF investors, SRS investors and holders under depository agents) and who wish to exercise their votes by appointing the Chairman of the AGM as proxy should approach their respective relevant intermediaries (including their respective CPF agent banks, SRS approved banks or depository agents) to submit their voting instructions by **5.00 p.m.** on **15 July 2021** in order to allow sufficient time for their respective relevant intermediaries to in turn submit a proxy form to appoint the Chairman of the AGM to vote on their behalf **no later than the Proxy Deadlines**.

PERSONAL DATA PRIVACY:

By attending the AGM and/or any adjournment thereof by way of electronic means or submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 6 July 2021.

CORPORATE *DATA*

BOARD OF DIRECTORS

Mr. Tan Lee Meng
(Non-executive Chairman)

Ms. Jessie Low Mui Choo
(Executive Director and Chief Executive Officer)

Mr. Lim Tai Toon
(Lead Independent Non-executive Director)

Mr. Wee Yiap Fook San
(Independent Non-executive Director)

Mr. Ye Binlin
(Independent Non-executive Director)

AUDIT COMMITTEE

Mr. Lim Tai Toon
(Chairman)

Mr. Tan Lee Meng

Mr. Wee Yiap Fook San

Mr. Ye Binlin

REMUNERATION COMMITTEE

Mr. Wee Yiap Fook San
(Chairman)

Mr. Tan Lee Meng

Mr. Lim Tai Toon

Mr. Ye Binlin

NOMINATING COMMITTEE

Mr. Ye Binlin
(Chairman)

Mr. Wee Yiap Fook San

Mr. Tan Lee Meng

Mr. Lim Tai Toon

JOINT COMPANY SECRETARIES

Mr. Chai Yee Hoi
(a member of the ISCA)

Ms. Lin Moi Heyang
(ACIS)

REGISTERED OFFICE

111 North Bridge Road
#23-04 Peninsula Plaza
Singapore 179098
Tel: +65 6604 6330
Fax: +65 6604 6334

SHARE REGISTRAR

Tricor Barbinder Share
Registration Services
80 Robinson Road #02-00
Singapore 068898

AUDITORS

BDO LLP
600 North Bridge Road
#23-01 Parkview Square
Singapore 188778

Partner-in-charge:
Mr. Tan Boon Kai
(Appointed since the financial year ended
31 March 2021)

CONTINUING SPONSOR

Novus Corporate Finance Pte. Ltd.
7 Temasek Boulevard
#18-03B Suntec Tower 1
Singapore 038987

MEDINEX LIMITED

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