ASIAMEDIC LIMITED

ASIAMEDIC LIMITED

(Incorporated in the Republic of Singapore)
(Registration No. 197401556E)

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2023

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A CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

GROUP	Note	6 months ended 31 December 2023 ("2H2023") (Unaudited) $	6 months ended 31 December 2022 ("2H2022") (Unaudited) $	Increase (Decrease) %	Financial year ended 31 December 2023 ("FY2023") (Unaudited) $	Financial year ended 31 December 2022 ("FY2022") (Audited) $	Increase (Decrease) %
Revenue	N4	**12,778,646**	**10,342,674**	**24**	**23,512,657**	**18,882,431**	25
Other income	N5.1	356,491	223,316	60	738,259	431,524	71
Items of expense							
Consumables used		(968,650)	(770,841)	26	(1,670,892)	(1,494,347)	12
Personnel expenses		(6,559,707)	(5,083,644)	29	(12,164,615)	(9,956,529)	22
Depreciation of non-current assets							
Plant and equipment		(459,004)	(161,743)	184	(880,355)	(265,195)	232
Right-of-use assets		(649,881)	(401,541)	62	(1,190,416)	(780,087)	53
Operating lease expenses		(48,263)	(59,481)	(19)	(107,090)	(142,495)	(25)
Maintenance expenses		(528,110)	(544,617)	(3)	(994,803)	(1,019,628)	(2)
Laboratory and consultancy fees		(2,151,506)	(1,342,617)	60	(3,571,856)	(2,308,497)	55
Finance costs	N5.1	(224,707)	(182,601)	23	(423,523)	(241,740)	75
Other operating expenses		(1,481,780)	(1,269,736)	17	(2,782,977)	(2,382,726)	17
Reversal of impairment loss on non-current assets, net	N5.1, N8.1	120,987	979,438	(88)	120,987	979,438	(88)
Share of results of associate		214,087	270,068	(21)	444,512	483,874	(8)
Profit before tax	N5	**398,603**	**1,998,675**	**(80)**	**1,029,888**	**2,186,023**	**(53)**
Income tax credit	N6	891,000	–	NM	891,000	–	NM
Profit for the period/year, representing total comprehensive income for the period/year, attributable to owners of the Company		**1,289,603**	**1,998,675**	**(35)**	**1,920,888**	**2,186,023**	**(12)**
Earnings per share for profit for the period/year attributable to the owners of the Company							
Basic (SGD in cent)	N7	0.113	0.179		0.170	0.195	
Diluted (SGD in cent)	N7	0.113	0.179		0.170	0.195	

NM: Not meaningful

B CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

	Note	Group		Company	
		31 December 2023 (Unaudited) $	31 December 2022 (Audited) $	31 December 2023 (Unaudited) $	31 December 2022 (Audited) $
Non-current assets					
Plant and equipment	N8	2,593,771	1,468,115	83,945	123,063
Investment in subsidiaries		-	-	8,309,804	7,703,247
Investment in associate		2,242,825	2,190,185	181,500	181,500
Right-of-use assets	N8	8,448,358	6,529,595	5,650,803	6,529,595
Prepayment	N10.2	240,226	-	-	-
Goodwill	N10.1	48,296	-	-	-
Deferred tax assets	N6	891,000	-	-	-
		14,464,476	**10,187,895**	**14,226,052**	**14,537,405**
Current assets					
Inventories		363,505	259,634	-	-
Trade receivables		2,809,370	3,013,657	-	37,613
Other receivables and deposits		519,367	448,613	652,274	690,320
Prepayments		656,641	288,266	45,779	59,433
Other financial assets		4,972,470	1,980,560	2,976,736	1,480,560
Cash pledged as security		563,220	911,520	-	-
Cash and cash equivalents		4,604,303	6,642,404	1,035,724	3,107,097
		14,488,876	**13,544,654**	**4,710,513**	**5,375,023**
Current liabilities					
Trade payables		1,995,678	1,475,332	-	-
Other payables and accruals		2,224,097	1,863,572	1,770,263	1,241,816
Contract liabilities		863,187	993,574	-	-
Borrowings	N11	1,724,051	941,377	1,061,503	941,377
		6,807,013	**5,273,855**	**2,831,766**	**2,183,193**
Net current assets		**7,681,863**	**8,270,799**	**1,878,747**	**3,191,830**
Non-current liabilities					
Provision for reinstatement		1,166,938	1,118,392	479,000	479,000
Borrowings	N11	7,700,301	6,376,562	5,315,059	6,376,562
Deferred tax liabilities		22,568	22,568	-	-
		8,889,807	**7,517,522**	**5,794,059**	**6,855,562**
Net assets		**13,256,532**	**10,941,172**	**10,310,740**	**10,873,673**
Equity attributable to owners of the Company					
Share capital	N12	33,599,437	33,284,437	33,599,437	33,284,437
Treasury shares	N13	(2,866)	(2,866)	(2,866)	(2,866)
Other reserves		(483,449)	(562,921)	177,284	97,812
Accumulated losses		(19,856,590)	(21,777,478)	(23,463,115)	(22,505,710)
		13,256,532	**10,941,172**	**10,310,740**	**10,873,673**

C CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

Group	Share capital $	Other reserves $	Treasury shares $	Accumulated losses $	Total $
Balance at 1 January 2023	33,284,437	(562,921)	(2,866)	(21,777,478)	**10,941,172**
Profit for the year, representing total comprehensive income for the year	–	–	–	1,920,888	**1,920,888**
Issue of ordinary shares pursuant to acquisition of business and certain assets (Note N10)	315,000	–	–	–	**315,000**
Issue of ordinary shares – fair value adjustment (Note N10)	–	70,000	–	–	**70,000**
Grant of equity-settled share options to employees	–	9,472	–	–	**9,472**
Balance at 31 December 2023	**33,599,437**	**(483,449)**	**(2,866)**	**(19,856,590)**	**13,256,532**
Balance at 1 January 2022	33,284,437	(562,921)	(2,866)	(23,963,501)	**8,755,149**
Profit for the year, representing total comprehensive income for the year	–	–	–	2,186,023	**2,186,023**
Balance at 31 December 2022	**33,284,437**	**(562,921)**	**(2,866)**	**(21,777,478)**	**10,941,172**

Company	Share capital $	Other reserves $	Treasury shares $	Accumulated losses $	Total $
Balance at 1 January 2023	33,284,437	97,812	(2,866)	(22,505,710)	**10,873,673**
Loss for the year, representing total comprehensive income for the year	–	–	–	(957,405)	**(957,405)**
Issue of ordinary shares pursuant to acquisition of business and certain assets (Note N10)	315,000	–	–	–	**315,000**
Issue of ordinary shares – fair value adjustment (Note N10)	–	70,000	–	–	**70,000**
Grant of equity-settled share options to employees	–	9,472	–	–	**9,472**
Balance at 31 December 2023	**33,599,437**	**177,284**	**(2,866)**	**(23,463,115)**	**10,310,740**
Balance at 1 January 2022	33,284,437	97,812	(2,866)	(28,979,116)	**4,400,267**
Profit for the year, representing total comprehensive income for the year	–	–	–	6,473,406	**6,473,406**
Balance at 31 December 2022	**33,284,437**	**97,812**	**(2,866)**	**(22,505,710)**	**10,873,673**

D CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	FY2023 (Unaudited) $	FY2022 (Audited) $
Cash flows from operating activities		
Profit before tax	**1,029,888**	**2,186,023**
Adjustments:		
Depreciation of plant and equipment	880,355	265,195
Depreciation of right-of-use assets	1,190,416	780,087
Reversal of impairment loss on plant and equipment	(12,061)	(200,958)
Reversal of impairment loss on right-of-use assets	(108,926)	(1,302,344)
Impairment loss on goodwill	-	523,864
Bad debt written off	-	19,013
Plant and equipment written off	-	29,750
Finance costs	423,523	241,740
Interest income	(168,215)	(40,471)
Grant of equity-settled share options to employees	9,472	-
Employment bond expense	23,774	-
Share of results of associate	(444,512)	(483,874)
Operating cash flows before changes in working capital	**2,823,714**	**2,018,025**
Changes in working capital		
Increase in inventories	(103,871)	(6,353)
Decrease/(increase) in trade receivables, other receivables and deposits, and prepayments	141,159	(856,981)
Increase in trade and other payables	682,490	264,555
Decrease in contract liabilities	(130,386)	(185,890)
Net cash flows from operating activities	**3,413,106**	**1,233,356**
Cash flows from investing activities		
Interest received	168,215	40,471
Dividend received from associate	391,872	285,684
Investment in financial assets	(2,991,910)	(1,980,560)
Purchase of plant and equipment	(3,933,992)	(999,276)
Net cash flows used in investing activities	**(6,365,815)**	**(2,653,681)**
Cash flows from financing activities		
Decrease/(increase) in cash pledged as security	348,300	(93,420)
Interest paid	(419,852)	(239,010)
Proceeds from hire-purchase and working capital loans	2,116,000	-
Payment of principal portion of working capital loan	(17,000)	-
Payment of principal portion of finance leases	(1,112,840)	(1,078,603)
Net cash flows from/(used in) financing activities	**914,608**	**(1,411,033)**
Net decrease in cash and cash equivalents	(2,038,101)	(2,831,358)
Cash and cash equivalents at beginning of year	6,642,404	9,473,762
Cash and cash equivalents at end of year	**4,604,303**	**6,642,404**

During the period, the group acquired plant and equipment with an aggregate cost of $2,900,000 of which $2,116,000 was acquired by means of bank borrowings. Cash payments of $784,000 were made to purchase plant and equipment.

E. NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2023

N1. Corporate information

AsiaMedic Limited (the "**Company**") is incorporated and domiciled in Singapore and whose shares are publicly traded on the Catalist board of the Singapore Exchange Securities Trading Limited. These condensed interim consolidated financial statements as at and for the six (6) months as well as the financial year ended 31 December 2023 comprise the Company and its subsidiaries (collectively, the "**Group**").

The principal activities of the Company are those relating to investment holding and the provision of management services.

The principal activities of the Group are:
(a) Provision of diagnostic imaging and radiology services.
(b) Provision of medical wellness and health screening services.
(c) Provision of primary healthcare services.
(d) Provision of medical aesthetic services and products.

N2. Basis of preparation

The condensed interim financial statements for the six (6) months and the financial year ended 31 December 2023 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last interim financial statements for the six months ended 30 June 2023.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note N2.1.

The condensed interim financial statements are presented in Singapore dollar which is the Company's functional currency.

The financial statements have been prepared on a going concern basis as the management is reasonably confident that the Group will be able to pay its debts as and when they fall due as the Group is expected to be able to generate sufficient operating cash flows and will have sufficient funds for its operations.

N2.1 New and amended *s*tandards adopted by the Group

No new or amendment to the Singapore Financial Reporting Standards (International) has become applicable to the Group for the current reporting period/year.

N2.2 Use of judgements and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the financial year ended 31 December 2022.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period/year in which the estimates are revised and in any future periods/years affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period are included in the following notes:

Note N8 – Impairment of plant and equipment and right-of-use assets: key assumptions underlying recoverable amounts.
Note N9 – Impairment of investment in subsidiaries and amounts due from subsidiaries: key assumptions underlying recoverable amounts.
Note N10 – Impairment test of goodwill: key assumptions underlying recoverable amounts.

N3. Segment and revenue information

For management purposes, the Group regards the provision of medical wellness and health screening services, diagnostic imaging and radiology services, primary healthcare services and medical aesthetic services and products as a single segment. Management has not identified any business or operating units separately for purpose of making decisions about resource allocation and performance assessment.

The Group's revenue is derived from operations located in Singapore.

N4. Disaggregation of revenue

	Group			
	2H2023	**2H2022**	**FY2023**	**FY2022**
	$	$	$	$
Major service lines:				
Medical wellness and health screening services	4,877,325	5,570,795	9,442,386	10,172,315
Diagnostic imaging and radiology services	6,480,349	3,896,926	11,592,139	6,837,908
Primary healthcare services	976,561	843,406	1,960,883	1,752,411
Medical aesthetic services	1,214,997	749,708	1,910,623	1,330,843
	13,549,232	11,060,835	24,906,031	20,093,477
Less: Elimination of intercompany transactions	(770,586)	(718,161)	(1,393,374)	(1,211,046)
	12,778,646	10,342,674	23,512,657	18,882,431
Timing of transfer of goods or services:				
At a point in time	12,778,646	10,342,674	23,512,657	18,882,431

N5. Profit before tax

N5.1 Significant items

	Group			
	2H2023	**2H2022**	**FY2023**	**FY2022**
	$	$	$	$
Income:				
Other grant income	6,457	51,028	151,336	162,243
Sub-lease income	165,299	139,852	330,598	228,810
Interest income	96,625	32,436	168,215	40,471
Other income	88,110	-	88,110	-
Expenses:				
Plant and equipment written off	-	29,750	-	29,750
Interest on borrowings:				
Finance leases	219,450	181,236	416,877	239,010
Working capital loan	2,975	-	2,975	-
Interest on reinstatement asset	2,282	1,365	3,671	2,730
Reversal of impairment loss of right-of-use assets	(108,926)	(1,302,344)	(108,926)	(1,302,344)
Reversal of impairment loss of plant and equipment	(12,061)	(200,958)	(12,061)	(200,958)

	Group			
	2H2023	2H2022	FY2023	FY2022
	$	$	$	$
Impairment loss on goodwill	-	523,864	-	523,864

N5.2 Related party transactions

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place on terms agreed between the parties during the financial period:

	Group			
	2H2023	2H2022	FY2023	FY2022
	$	$	$	$
Purchase of consumables from an associate	212,420	210,900	423,320	421,800
Medical services rendered to companies controlled by the Group's controlling shareholder	81,096	46,551	185,699	104,241

N6. Income tax credit

Income tax credit for FY2023 was in respect of the recognition of deferred tax assets on unabsorbed tax loss items.

N7. Earnings per share

Basic earnings per share amounts are calculated by dividing earnings for the period/year, net of tax, attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial period/year.

There were no potential dilutive ordinary shares. Share options are not included in the calculation of the diluted earnings per share because they are anti-dilutive.

The following table reflects the share data used in the computation of earnings per share:

	Group	
	FY2023	FY2022
	Number of ordinary shares	Number of ordinary shares
Weighted average number of ordinary shares for basic and diluted earnings per share computation	1,132,179,804	1,119,522,270

N8. Plant and equipment and right-of-use assets

N8.1 Impairment testing

The recoverable amount of the plant and equipment and right-of-use assets is based on the value in use of a cash generating unit ("CGU"). Value in use was determined by discounting the future cash flows to be generated from the continuing use of the CGU. Value in use as at 31 December 2023 was determined similarly to the 31 December 2022 impairment test, and was based on the following key assumptions:

- Projections for an initial 5-year period based on management budgets. Any projections beyond the 5-year period were extrapolated using a zero annual growth rate.
- Pre-tax discount rate of 12.18% (2022: 10.6%).

Following management's impairment assessment, impairment loss (net) was written back as follows:

	Group	
	FY2023	FY2022
	$	$
Plant and equipment	12,061	200,958
Right-of-use assets	108,926	1,302,344

N8.2 Purchase of plant and equipment

Payments by cash for plant and equipment acquired in prior years amounted to $10,000. As at 31 December 2023, the amount owing to vendors for acquisition of plant and equipment amounted to $202,584.

N8.3 Right-of-use assets

Group	Premises	Medical Equipment	Total
	$	$	$
Cost:			
As at 1 January 2022	10,241,949	–	10,241,949
Additions	2,348,064	–	2,348,064
As at 31 December 2022 and 1 January 2023	12,590,013	–	12,590,013
Additions	1,120,253	1,880,000	3,000,253
As at 31 December 2023	13,710,266	1,880,000	15,590,266
Accumulated depreciation and impairment loss:			
As at 1 January 2022	6,582,675	–	6,582,675
Depreciation charge	780,087	–	780,087
Reversal of impairment loss	(1,302,344)	–	(1,302,344)
As at 31 December 2022 and 1 January 2023	6,060,418	–	6,060,418
Depreciation charge	1,127,749	62,667	1,190,416
Reversal of impairment loss	(108,926)	–	(108,926)
As at 31 December 2023	7,079,241	62,667	7,141,908
Net book value:			
As at 31 December 2022	6,529,595	–	6,529,595
As at 31 December 2023	6,631,025	1,817,333	8,448,358

Company	Premises
	$
Cost:	
As at 1 January 2022	10,241,949
Additions	2,348,064
As at 31 December 2022, 1 January 2023 and 31 December 2023	12,590,013
Accumulated depreciation and impairment loss:	
As at 1 January 2022	6,582,675
Depreciation charge	780,087
Reversal of impairment loss	(1,302,344)
As at 31 December 2022 and 1 January 2023	6,060,418
Depreciation charge	987,718
Reversal of impairment loss	(108,926)
As at 31 December 2023	6,939,210
Net book value:	
As at 31 December 2022	6,529,595
As at 31 December 2023	5,650,803

N9. Investment in subsidiaries and amounts due from subsidiaries

The recoverable amount of the investment in subsidiaries was based on their value in use. Value in use was determined by discounting the future cash flows to be generated from the subsidiaries. Value in use as at 31 December 2023 was determined similarly to the 31 December 2022 impairment test, and was based on the following key assumptions:

- Projections for an initial 5-year period based on management budgets. Any projections beyond the 5-year period were extrapolated using a zero annual growth rate.
- Pre-tax discount rate of 12.18% (2022: 10.6%).

The recoverable amount of the amounts due from subsidiaries was based on the expected credit loss model. The provision rates are based on factors that affect the collectability of the amounts including the subsidiaries' current financial position as well as the projected cash flows of the subsidiaries.

Following management's impairment assessment, impairment loss was written back/(recognised) as follows:

	Company	
	FY2023	**FY2022**
	$	$
Investment in subsidiary	606,557	1,238,017
Amounts due from subsidiaries	(1,923,632)	(890,137)

N10. Business combination

On 10 July 2023, AsiaMedic Astique The Aesthetic Clinic Pte. Ltd. (the "**AATAC**"), entered into a business purchase agreement (the "**BPA**") with LE Private Clinic Pte. Ltd. (the "**Vendor**") to acquire the business and certain assets of medical aesthetic services carried on by the Vendor (the "**Business**") as a going concern (the "**LEPC Acquisition**"). On 22 August 2023, the LEPC Acquisition was completed. The aggregate consideration for the LEPC Acquisition was S$315,000 (the "**Consideration**"), which was fully satisfied by the allotment and issuance of 35,000,000 new shares of the Company to the Vendor upon completion (collectively, the "**Consideration Shares**").

N10.1 Goodwill

	Group	
	FY2023	**FY2022**
	$	$
Cost:		
As at 1 January	–	523,864
Acquired through business combination	48,296	–
As at 31 December	48,296	523,864
Accumulated impairment:		
As at 1 January	–	–
Impairment loss	–	523,864
As at 31 December	–	523,864
Net book value:		
As at 31 December	48,296	–

<u>Goodwill acquired through business combination</u>

The goodwill acquired through business combination in FY2023 arose from the LEPC Acquisition with AATAC as the cash-generating unit ("**CGU**").

<u>Impairment test of goodwill</u>

The recoverable amount of the CGU was based on its value in use. Value in use was determined by discounting the future cash flows to be generated from the continuing use of the CGU. Value in use as at 31 December 2023 was determined similarly to the 31 December 2022 impairment test, and was based on the following key assumptions:

- Projections for an initial 5-year period based on management budgets. Any projections beyond the 5-year period were extrapolated using a zero annual growth rate.
- Pre-tax discount rate of 12.18% (2022: 10.6%)

Following management's impairment assessment, no impairment was recognised in FY2023 (FY2022: impairment loss of $523,864).

N10.2 Prepayment

Pursuant to the terms of the BPA, the medical director of the Business entered into a 5-year service agreement with AATAC (the "**Employment Bond**") commencing from 22 August 2023. 30,000,000 Consideration Shares is attributable to the Employment Bond. If Employment Bond is terminated before the end of the Employment Bond period (being 21 August 2028), a certain number of the Consideration Shares shall be returned by the Vendor to the Company depending on the number of years remaining on the Employment Bond period.

The value of the initial number of Consideration Shares of 30,000,000 is first capitalised as a prepayment and subsequently amortised on a straight-line basis over the Employment Bond period.

Group	**Employment Bond**
	$
Upon initial recognition on 22 August 2023	330,000
Amortisation during the year	(23,774)
Carrying amount at 31 December 2023	306,226
Analysed into:	
Current portion (within a year)	66,000
Non-current portion (after one year)	240,226
	306,226

N10.3 Fair values of the business combination

Fair value of the identifiable assets

	$
Inventories	6,704
Goodwill arising from acquisition	48,296
Purchase consideration	55,000
Consideration transferred	
Equity instruments recognised	55,000
Total consideration	55,000
Effect of the acquisition on cash flows	
Total consideration	55,000
Less: Non-cash consideration	(55,000)
Cash flow on acquisition	–

The consideration transferred on business combination is based on 5,000,000 Consideration Shares.

Fair value of the Consideration Shares

The fair values of the entire 35,000,000 Consideration Shares as the date of the signing of the BPA on 10 July 2023 and the date of completion of the acquisition on 22 August 2023 were $315,000 (based on the agreed issue price of S$0.009 for each new share) and $385,000 (based on the closing price of the Company's shares on the date of allotment and issue of the Consideration) respectively. The amount of $315,000 was taken to the share capital account with $70,000 to other reserves.

N11. Borrowings

Group	Lease of Premises	Hire-Purchase of Equipment	Term Loan	Total
	$	$	$	$
Carrying amount at 1 January 2022	6,048,478	-	-	6,048,478
Additions	2,348,064	-	-	2,348,064
Accretion of interest recognised during the year	239,010	-	-	239,010
Payments during the year	(1,317,613)	-	-	(1,317,613)
At 31 December 2022 and 1 January 2023	7,317,939	-	-	7,317,939
Additions	1,120,253	1,504,000	612,000	3,236,253
Accretion of interest recognised during the year	404,163	12,714	2,975	419,852
Payments during the year	(1,473,066)	(56,651)	(19,975)	(1,549,692)
Carrying amount at 31 December 2023	7,369,289	1,460,063	595,000	9,424,352
Analysed into:				
Current portion (repayable within a year)	1,247,449	272,602	204,000	1,724,051
Non-current portion (repayable after one year)	6,121,840	1,187,461	391,000	7,700,301
	7,369,289	1,460,063	595,000	9,424,352

Company	Lease of Premises
	$
Carrying amount at 1 January 2022	6,048,478
Additions	2,348,064
Accretion of interest recognised during the year	239,010
Payments during the year	(1,317,613)
At 31 December 2022 and 1 January 2023	7,317,939
Accretion of interest recognised during the year	376,236
Payments during the year	(1,317,613)
Carrying amount at 31 December 2023	6,376,562
Analysed into:	
Current portion (repayable within a year)	1,061,503
Non-current portion (repayable after one year)	5,315,059
	6,376,562

Details of any collateral:

(a) The hire-purchase is secured by the asset financed and a corporate guarantee from the Company.
(b) The term loan is secured by a corporate guarantee from the Company.

N12. Share capital

	Group and Company			
	FY2023		FY2022	
	No. of shares	$	No. of shares	$
As at 1 January	1,119,622,270	33,284,437	1,119,622,270	33,284,437
Movement during the year (Note 10)	35,000,000	315,000	–	–
As at 31 December	1,154,622,270	33,599,437	1,119,622,270	33,284,437

As at 31 December 2023, the number of ordinary shares in issue was 1,154,522,270 excluding 100,000 treasury shares (31 December 2022: 1,119,522,270 ordinary shares, excluding 100,000 treasury shares).

The Company's subsidiaries do not hold any shares in the Company as at 31 December 2023 and 31 December 2022.

N13. Treasury shares

	Group and Company			
	FY2023		FY2022	
	No. of shares	$	No. of shares	$
As at 1 January and 31 December	100,000	2,866	100,000	2,866

F INFORMATION REQUIRED UNDER APPENDIX 7C OF THE CATALIST RULES

The following disclosures are in accordance with Appendix 7C Financial Statements and Dividend Announcement of the Listing Manual Section B: Rules of Catalist (the "Catalist Rules") of the Singapore Exchange Securities Trading Limited (the "SGX-ST") and do not form part of the condensed interim financial statements set out on pages 1 to 10 of this announcement.

1. (a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Please refer to paragraph A.

(a)(ii) Significant items

Please refer to Note N5.1.

(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

Please refer to paragraph B.

(b)(ii) Aggregate amount of group's borrowings and debt securities.

Please refer to Note N11.

(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

Please refer to paragraph D.

(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Please refer to paragraph C.

(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

On 22 August 2023, the Company issued 35,000,000 new ordinary shares in the capital of the Company pursuant to the LEPC Acquisition (see Note N10). The issued share capital of the Company increased from S$33,284,437 to S$33,599,437.

On 11 July 2023, the Company granted 55,000,000 new share options under the AsiaMedic Employees Share Option Scheme 2016. The options are subject to a vesting schedule and are exercisable in tranches from 11 July 2024.

As at 31 December 2023, there were outstanding options for conversion into 55,819,677 (31 December 2022: 819,677) ordinary shares. Save for the above, the Company does not have any outstanding convertibles as at 31 December 2023 and 31 December 2022.

As at 31 December 2023, the number of ordinary shares in issue was 1,154,522,270 excluding 100,000 treasury shares (31 December 2022: 1,119,522,270 ordinary shares, excluding 100,000 treasury shares). The issued share capital as at 31 December 2023 was S$33,599,437 (31 December 2022: S$33,284,437).

The 100,000 treasury shares represent 0.009% of the total number of ordinary shares in issue as at 31 December 2023 and 31 December 2022.

(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

As at 31 December 2023, the number of ordinary shares in issue was 1,154,522,270 excluding 100,000 treasury shares (31 December 2022: 1,119,522,270 ordinary shares, excluding 100,000 treasury shares).

(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

	As at 1 January 2023	Share buyback	Sales	Transfers	Disposal	Cancellation or use	As at 31 December 2023
Number of treasury shares	100,000	–	–	–	–	–	100,000

(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable. The Company does not have subsidiary holdings during and as at the end of FY2023.

2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures have not been audited nor reviewed by the Company’s auditor.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

Please refer to Note N2.

5. **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

Please refer to Note N2.1.

6. **Earnings per ordinary share of the Group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

Please refer to consolidated statement of profit or loss and Note N7.

	31 December 2023 SGD cent	**31 December 2022** SGD cent
(a) Based on weighted average number of ordinary shares on issue	0.170	0.195
(b) On a fully diluted basis	0.170	0.195

Notes:

(a) The basic earnings per share for the year ended 31 December 2023 is computed based on weighted average share capital of 1,132,179,804 (31 December 2022: 1,119,522,270) ordinary shares.

(b) There were no dilutive potential ordinary shares.

7. **Net asset value (for the issuer and Group) per ordinary share based on issued share capital excluding treasury shares of the issuer at the end of the:**
(a) current financial period reported on; and
(b) immediately preceding financial year

	Group		**Company**	
	31 December 2023 SGD cents	**31 December 2022** SGD cent	**31 December 2023** SGD cent	**31 December 2022** SGD cent
Net asset value per ordinary share	1.15	0.98	0.89	0.97

The total number of ordinary shares used for the computation of net asset value per share is 1,154,522,270, excluding 100,000 treasury shares (31 December 2022: 1,119,522,270 ordinary shares, excluding 100,000 treasury shares).

8. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. It must include a discussion of the following:

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

2H2023 vs 2H2022

The Group's revenue increased by $2.4 million or 24% to $12.8 million for 2H2023, from $10.3 million for 2H2022. This was due mainly to the increase in revenue from the imaging and aesthetic businesses, partially offset by the decrease in revenue from the wellness business. The increase in revenue from the imaging business was due mainly to an increase in referrals from specialist clinics and hospitals as well as the increase in imaging capacity subsequent to the Group's installation of a new MRI scanner in September 2023. The increase in revenue from the aesthetic business was due to the engagement of a locum doctor from July 2023 and the acquisition of the medical aesthetic business of LE Private Clinic in August 2023 (the "**LEPC Acquisition**"). The decrease in revenue from the wellness business was due to the lower level of activity from the Health Promotion Board's schools and community screening projects in 2H2023.

Other income increased by $0.2 million to $0.4 million due mainly to higher interest income from short-term investments and sub-lease income.

With the increase in revenue, (i) consumables expenses increased by $0.2 million (or 26%) to $1.0 million, (ii) personnel expenses increased by $1.5 million (or 29%) to $6.6 million, (iii) laboratory and consultancy fees increased by $0.9 million (or 60%) to $2.2 million, and (iv) other operating expenses increased by $0.2 million (or 17%) to $1.5 million. Depreciation of plant and equipment ("**PE**") increased by $0.3 million (or 184%) to $0.5 million, due to PE purchased in FY2022 and FY2023, as well as depreciation charge with the reversal of impairment for PE in 2H2022. Depreciation of right-of-use assets ("**ROUA**") increased due to (i) the depreciation charge with the reversal of impairment of ROUA in 2H2022, and (ii) the lease of new clinic space at Orchard Building for the Group's aesthetic clinic which relocated from Shaw House to Orchard Building in March 2023. The increase in finance costs of $42,000 to $225,000 was due mainly to (i) the leasing of new clinic space at Orchard Building, and (ii) the bank financing obtained for the purchase of a new MRI scanner in September 2023. A non-cash gain on reversal of impairment loss on the ROUA of the imaging business of $0.1 million was recognised taking into consideration the improvement in its business. In 2H2022, the net non-cash gain on reversal of impairment loss was $1.0 million. Share of results of associate decreased by $56,000 to $0.2 million as a result of lower sales and higher operating costs. The Group's income tax credit of $0.9 million is due to the recognition of deferred tax assets on the unabsorbed tax loss items.

As a result of the above, the Group recorded a net profit after tax of $1.3 million in 2H2023 as compared to a profit of $2.0 million in 2H2022.

FY2023 vs FY2022

The Group's revenue increased by $4.6 million or 25% to $23.5 million for FY2023, from $18.9 million for FY2022, largely due to the reasons as set out above.

Other income increased by $0.3 million to $0.7 million due mainly to higher interest income from short-term investments and sub-lease income.

With the increase in revenue, (i) consumables expenses by increased $0.2 million (or 12%) to $1.7 million, (ii) personnel expenses increased by $2.2 million (or 22%) to $12.2 million, (iii) laboratory and consultancy fees increased by $1.2 million (or 55%) to $3.6 million, and (iv) other operating expenses increased $0.4 million (or 17%) to $2.8 million. Depreciation of PE increased by $0.6 million (or 232%) to $0.9 million, due to PE purchased in the FY2022 and FY2023, as well as depreciation charge with the reversal of impairment for PE in 2H2022. Depreciation of ROUA increased due to (i) the depreciation charge with the reversal of impairment of ROUA in 2H2022, and (ii) the leasing of new clinic space at Orchard Building. The increase in finance costs of $0.2 million (or 75%) to $0.4 million was due mainly to (i) a higher interest rate being applied for the lease modification recognised in 2H2022, (ii) the leasing of new clinic space at Orchard Building, and (iii) the bank financing obtained for the purchase of a new MRI scanner in September 2023. A non-cash gain on reversal of impairment loss on the ROUA of the imaging business of $0.1 million was recognised taking into consideration the improvement in its business. In the previous year, the net non-cash gain on reversal of impairment loss was $1.0 million. The Group's income tax credit of $0.9 million is due to the recognition of deferred tax assets on the unabsorbed tax loss items.

As a result of the above, the Group recorded a net profit of $1.9 million in FY2023 as compared to a profit of $2.2 million in FY2022.

Condensed Interim Statements of Financial Position

Non-Current Assets

Non-current assets increased to $14.5 million as at 31 December 2023 from $10.2 million as at 31 December 2022. Plant and equipment ("**PE**") increased to $2.6 million as at 31 December 2023 from $1.5 million as at 31 December 2022 due mainly to the renovations undertaken for our new MRI suite and new aesthetic clinic at Orchard Building, and purchases of medical and other equipment. Right-of-use assets increased to $8.4 million as at 31 December 2023 from $6.5 million as at 31 December 2022 due mainly to the purchase of the new MRI scanner and the leasing of new clinic space at Orchard Building. Goodwill of $48,000 as at 31 December 2023 arose from the LEPC Acquisition. Prepayment of $0.2 million as at 31 December 2023 is in respect the LEPC Acquisition. Pursuant to the terms of the LEPC Acquisition, the medical director of the vendor entered into a 5 years' service agreement with AsiaMedic Astique The Aesthetic Clinic Pte Ltd (the "**Employment Bond**"). If Employment Bond is terminated before the end of the Employment Bond period, an applicable number of the consideration shares shall be transferred back by the vendor to the Company. The value of the applicable consideration shares is first capitalised as a prepayment and subsequently amortised over the Employment Bond period. Please refer to Note N10 of the financial statements section above. Deferred tax assets of $0.9 million as at 31 December 2023 are in respect of unabsorbed tax loss items.

Current Assets

Current assets increased to $14.5 million as at 31 December 2023 from $13.5 million as at 31 December 2022. Inventories increased to $0.4 million as at 31 December 2023 from $0.3 million as at 31 December 2022 due to the increase in sales of the aesthetic business. The increase in other receivables and deposits to $0.5 million as at 31 December 2023 from $0.4 million as at 31 December 2022 was due mainly to the rental deposit for the new clinic at Orchard Building. Cash pledged as security decreased to $0.6 million as at 31 December 2023 from $0.9 million as at 31 December 2022 due to the reduction in the required bond amount as a result of the decrease in contract size of the schools and community health screening projects. Trade receivables decreased to $2.8 million as at 31 December 2023 from $3.0 million as at 31 December 2022 due mainly to the decrease in the amount owing under the schools and community health screening projects. Prepayments increased to $0.6 million as at 31 December 2023 from $0.3 million as at 31 December 2022 due mainly to the down payment for the purchase of a new CT scanner to be delivered in February 2024 and the Employment Bond (current portion). Other financial assets as at 31 December 2023 and 31 December 2022 relate to short-term investments in Singapore Government Treasury Bills and/or credit linked notes issued by DBS Bank Ltd (referencing SGD Monetary Authority of Singapore bills). Cash and cash equivalents decreased to $4.6 million as at 31 December 2023 from $6.6 million as at 31 December 2022. Please refer to the section below on review of "Condensed Interim Consolidated Statement of Cash Flows" for the reasons for decrease in cash and cash equivalents.

Current Liabilities
Current liabilities increased to $6.8 million as at 31 December 2023 from $5.3 million as at 31 December 2022. Trade payables increased to $2.0 million as at 31 December 2023 from $1.5 million as at 31 December 2022, and other payables and accruals increased to $2.2 million as at 31 December 2023 from $1.9 million as at 31 December 2022, in line with the higher level of activity. Contract liabilities decreased to $0.9 million as at 31 December 2023 from $1.0 million as at 31 December due mainly in the decrease in level of pre-paid aesthetic packages. Borrowings increased to $1.7 million as at 31 December 2023 from $0.9 million as at 31 December 2022 due mainly to the financing obtained for the purchase of the new MRI scanner in FY2023 and the leasing of new clinic space at Orchard Building.

Net Current Assets
As a result of the above, net current assets decreased to $7.7 million as at 31 December 2023 from $8.3 million as at 31 December 2022.

Non-Current Liabilities
Non-current liabilities increased to $8.9 million as at 31 December 2023 from $7.5 million as at 31 December 2022. Borrowings (non-current portion) increased to $7.7 million as at 31 December 2023 from $6.4 million as at 31 December 2022 due mainly to the financing obtained for the purchase of the new MRI scanner and the leasing of new clinic space at Orchard Building.

Condensed Interim Consolidated Statement of Cash Flows

The Group has a net cash inflow from operating activities of $3.4 million in FY2023 as compared to a net cash inflow of $1.2 million in FY2022, due to the improved performance of the imaging business and a lower working capital requirement in FY2023. Net cash outflow used in investing activities was $6.4 million in FY2023 as compared to $2.7 million in FY2022 due mainly to increase in short-term investments in credit linked notes and Treasury Bills for financial management purposes, and the higher purchase of PE in FY2023. The Group has a net cash inflow from financing activities of $0.9 million as compared to an outflow of $1.4 million due mainly to the financing obtained for the new MRI scanner in FY2023.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

No forecast or prospect statement has been previously disclosed to shareholders.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months.

While the broader long-term outlook for the healthcare and wellness industry is positive, the operating environment over the next 12 months continues to face intense competition, a shortage of skilled manpower and rising manpower costs. The Group has intensified its efforts to mitigate the impact of these challenges, adopting new technology to enhance patients' experience, improve workflows, efficiency, and patient care. In our mission to provide holistic solutions through integrated application of the latest medical technologies, the Group has acquired the latest state-of-the-art 3-Tesla MRI scanner which commenced operations in September 2023. In February 2024, the Group replaced its CT scanner with a new cutting-edge platform with best-in-class technology. The new equipment enables the Group to offer its patients more positive experiences and clinical outcomes with shorter scanning time and higher quality images. In August 2023, the Group acquired the medical aesthetics business of LE Private Clinic to offer more aesthetic services and increase its revenue stream. The Group is confident in the long-term potential of the medical aesthetics market and will focus on ensuring the smooth integration of the newly acquired business. The rising awareness of preventive healthcare and the adoption of employee wellness programmes contributes positively to the long-term demand for the Group's established custom wellness services. The Group intends to intensify its collaboration with insurance companies to provide comprehensive wellness packages to their high-net-worth clients. The Group also continues to focus on strengthening the operations of its primary care clinic.

11. Dividend information.

a) Whether an interim (final) ordinary dividend has been declared (recommended).

Nil

b) (1) Amount per share: Nil cents

(2) Previous corresponding period: Nil cents

c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

N/A

d) The date the dividend is payable: N/A

e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.

N/A

12. If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.

No dividend has been declared to conserve cash for operational purposes.

13. If the group has obtained general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920 (1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

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)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 during the financial year under review (excluding transactions less than S$100,000)
OncoCare Medical Pte. Ltd. ("**OMPL**") (2)	Associate of controlling shareholder	– (1)	S$120,321 (Provision of imaging services under a general mandate)

Notes:
1) Transactions were less than S$100,000.
2) The controlling shareholder of the Company disposed of its entire 51% interest in the capital of OMPL to an unrelated third party on 14 December 2023. Accordingly, OMPL is no longer an interested person of the Group with effect from 15 December 2023.

14. Negative confirmation pursuant to Rule 705(5).

This section is not applicable for announcement of full year results.

15. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720.

The Company has received undertaking from all its Directors and executive officers in the format as set out in Appendix 7H under Rule 720(1) of the Catalist Rules.

16. Segmented revenue and results for operating segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

Not applicable as the Group operates in only one segment.

17. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.

Noted. Please refer to Section 8 for the review of performance.

18. A breakdown of sales.

		Group		
		FY2023 $	FY2022 $	Increase/ (Decrease) %
(a)	Sales reported for first half year	10,734,011	8,539,757	26
(b)	Operating profit after tax for the year before deducting non-controlling interests reported for first half year	631,285	187,348	237
(c)	Sales reported for second half year	12,778,646	10,342,674	24
(d)	Operating profit after tax for the year before deducting non-controlling interests reported for second half year	1,289,603	1,998,675	(35)

19. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows.

		FY2023	FY2022
(a)	Ordinary	–	–
(b)	Preference	–	–
(c)	Total	–	–

20. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

The Company confirms that no person occupying managerial positions in the Company or any of its principal subsidiaries is a relative of a director, chief executive officer or substantial shareholder of the Company.

21. Use of proceeds from Rights Issue.

The Company issued 729,034,145 new ordinary shares on 14 January 2020 in connection with its Rights Issue. The net proceeds have been utilised as follows:

Use of Net Proceeds	Allocation of Net Proceeds $'000	Amount utilised as at the date of the Announcements [3] $'000	Amount utilised since the date of the Announcements up to the date of this announcement $'000	Balance $'000
Reducing indebtedness of the Group [1]	5,000	5,000	–	–
For general corporate and working capital purposes including but not limited to operating costs, capital expenditure and making strategic investments and/or acquisitions if opportunities arise	3,523	2,594	123 [2]	806
Total	8,523	7,594	123	806

Notes:

(1) Reducing indebtedness of the Group in relation to the Offsetting Arrangement (as defined in the Company's circular to shareholders dated 14 November 2019). Under the Offsetting Arrangement, the Company and Luye Medical Group Pte Ltd (the "Undertaking Shareholder") have mutually agreed that the subscription monies due from the Undertaking Shareholder to the Company for the subscription by the Undertaking Shareholder of 381,725,584 rights shares and 34,941,082 excess rights shares will be offset entirely against the aggregate outstanding loan amount owing by the Company to the Undertaking Shareholder of S$5 million.

(2) Relates to capital expenditure including, but not limited to, purchase of new and upgrading of existing medical equipment and facilities.

(3) The Company's updates on the use of proceeds from the Rights Issue dated 21 February 2020, 31 May 2022, 29 July 2022, 12 August 2022, 18 November 2022, 1 March 2023, 23 May 2023, 14 August 2023, 4 October 2023 and 8 January 2024.

22. Disclosure of acquisition (including incorporations) and sale of shares under Catalist Rule 706A.

There was no acquisition and/or sale of shares in any subsidiaries or associated companies of the Group announced during FY2023 which is required to be reported under Rule 706(A) of the Catalist Rules.

BY ORDER OF THE BOARD

Foo Soon Soo (Ms)
Company Secretary

Singapore
27 February 2024

This announcement has been reviewed by the Company's Sponsor, Xandar Capital Pte Ltd. It has not been examined or approved by the Singapore Exchange Securities Trading Limited ("SGX-ST") and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement. The contact person for the Sponsor is Ms Pauline Sim (Registered Professional) at 3 Shenton Way, #24-02 Shenton House, Singapore 068805. Telephone number: (65) 6319 4954.