



ASIAMEDIC LIMITED

ASIAMEDIC LIMITED

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

**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2023**

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

	Note	Group		Increase/(Decrease)	
		6 months ended 30 June 2023 (Unaudited) \$	6 months ended 30 June 2022 (Unaudited) \$	\$	%
Revenue	N4	10,734,011	8,539,757	2,194,254	26
Other income		381,768	208,208	173,560	83
Items of expense					
Consumables used		(702,242)	(723,506)	(21,264)	(3)
Personnel expenses		(5,604,908)	(4,872,885)	732,023	15
Depreciation of non-current assets					
- Plant and equipment		(421,351)	(103,452)	317,899	307
- Right-of-use assets		(540,535)	(378,546)	161,989	43
Operating lease expenses		(58,827)	(83,014)	(24,187)	(29)
Maintenance of equipment		(466,693)	(475,011)	(8,318)	(2)
Laboratory and consultancy fees		(1,420,350)	(965,880)	454,470	47
Finance costs		(198,816)	(59,139)	139,677	236
Other operating expenses		(1,301,197)	(1,112,990)	188,207	17
Share of results of associate		230,425	213,806	16,619	8
Profit before tax	N5	631,285	187,348	443,937	237
Income tax expense	N6	–	–	–	–
Profit for the period, representing total comprehensive income for the period, attributable to owners of the Company		631,285	187,348	443,937	237
Earnings per share for profit for the period attributable to the owners of the Company					
Basic (SGD in cent)	N7	0.056	0.017		
Diluted (SGD in cent)	N7	0.056	0.017		

B CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

	Note	Group		Company	
		30 June 2023 (Unaudited) \$	31 December 2022 (Audited) \$	30 June 2023 (Unaudited) \$	31 December 2022 (Audited) \$
Non-current assets					
Plant and equipment	N8	1,706,936	1,468,115	108,219	123,063
Investment in subsidiaries		–	–	7,703,247	7,703,247
Investment in associate		2,420,610	2,190,185	181,500	181,500
Right-of-use assets	N8	7,109,313	6,529,595	6,035,737	6,529,595
		11,236,859	10,187,895	14,028,703	14,537,405
Current assets					
Inventories		263,802	259,633	–	–
Trade receivables		2,886,709	3,013,657	–	37,613
Other receivables and deposits		571,036	448,614	1,443,677	690,320
Prepayments		881,301	288,267	58,447	59,433
Other financial assets		2,965,243	1,980,560	991,398	1,480,560
Cash pledged as security		563,220	911,520	–	–
Cash and cash equivalents		5,734,437	6,642,404	2,983,806	3,107,097
		13,865,748	13,544,655	5,477,328	5,375,023
Current liabilities					
Trade payables		1,815,210	1,475,332	–	–
Other payables and accruals		1,866,641	1,863,573	1,395,984	1,241,816
Deferred income		780,955	993,574	–	–
Lease liabilities	N9	1,113,639	941,377	962,216	941,377
		5,576,445	5,273,856	2,358,200	2,183,193
Net current assets		8,289,303	8,270,799	3,119,128	3,191,830
Non-current liabilities					
Provision for reinstatement		1,119,781	1,118,392	479,000	479,000
Lease liabilities	N9	6,811,356	6,376,562	5,885,034	6,376,562
Deferred tax liabilities		22,568	22,568	–	–
		7,953,705	7,517,522	6,364,034	6,855,562
Net assets		11,572,457	10,941,172	10,783,797	10,873,673
Equity attributable to owners of the Company					
Share capital	N10	33,284,437	33,284,437	33,284,437	33,284,437
Treasury shares	N11	(2,866)	(2,866)	(2,866)	(2,866)
Other reserves		(562,921)	(562,921)	97,812	97,812
Accumulated losses		(21,146,193)	(21,777,478)	(22,595,586)	(22,505,710)
		11,572,457	10,941,172	10,783,797	10,873,673

C CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

Group	Attributable to owners of the Company				Total
	Share capital	Other reserves	Treasury shares	Accumulated losses	
	\$	\$	\$	\$	\$
Balance at 1 January 2023	33,284,437	(562,921)	(2,866)	(21,777,478)	10,941,172
Profit for the period, representing total comprehensive income for the period	–	–	–	631,285	631,285
Balance at 30 June 2023	33,284,437	(562,921)	(2,866)	(21,146,193)	11,572,457
Balance at 1 January 2022	33,284,437	(562,921)	(2,866)	(23,963,501)	8,755,149
Profit for the period, representing total comprehensive income for the period	–	–	–	187,348	187,348
Balance at 30 June 2022	33,284,437	(562,921)	(2,866)	(23,776,153)	8,942,497
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 period, representing total comprehensive income for the period	–	–	–	(89,876)	(89,876)
Balance at 30 June 2023	33,284,437	97,812	(2,866)	(22,595,586)	10,783,797
Balance at 1 January 2022	33,284,437	97,812	(2,866)	(28,979,116)	4,400,267
Loss for the period, representing total comprehensive income for the period	–	–	–	(787,031)	(787,031)
Balance at 30 June 2022	33,284,437	97,812	(2,866)	(29,766,147)	3,613,236

D CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	6 months ended 30 June 2023 (Unaudited) \$	6 months ended 30 June 2022 (Unaudited) \$
Cash flows from operating activities		
Profit before tax	631,285	187,348
Adjustments:		
Depreciation of plant and equipment	421,351	103,452
Depreciation of right-of-use assets	540,535	378,546
Finance costs	198,816	59,139
Interest income	(71,590)	(8,035)
Share of results of associate	(230,425)	(213,806)
Operating cash flows before changes in working capital	1,489,972	506,644
Changes in working capital		
(Increase)/decrease in inventories	(4,168)	54,133
Increase in trade receivables, other receivables and deposits, and prepayments	(588,509)	(1,123,645)
Increase/(decrease) in trade and other payables	97,696	(280,859)
Decrease in deferred income	(212,619)	(260,688)
Net cash flows from/(used in) operating activities	782,372	(1,104,415)
Cash flows from investing activities		
Interest received	71,590	8,035
Investment in credit-linked notes	(984,683)	-
Purchase of plant and equipment	(414,922)	(395,109)
Net cash flows used in investing activities	(1,328,015)	(387,074)
Cash flows from financing activities		
Decrease/(increase) in cash pledged as security	348,300	(93,420)
Interest paid	(197,427)	(57,774)
Payment of principal portion of lease liabilities	(513,197)	(601,032)
Net cash flows used in financing activities	(362,324)	(752,226)
Net decrease in cash and cash equivalents	(907,967)	(2,243,715)
Cash and cash equivalents at beginning of period	6,642,404	9,473,762
Cash and cash equivalents at end of period	5,734,437	7,230,047

**E. NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2023**

N1. Corporate information

AsiaMedic Limited (the “**Company**”) is incorporated and domiciled in Singapore and whose shares are publicly traded on the Catalist of the Singapore Exchange Securities Trading Limited. These condensed interim consolidated financial statements as at and for the six months ended 30 June 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.

N2. Basis of preparation

The condensed interim financial statements for the six months ended 30 June 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 annual financial statements for the year ended 31 December 2022.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s.

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 standards 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.

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 year ended 31 December 2022.

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

Impairment of property, plant and equipment and right-of-use assets: key assumptions underlying recoverable amounts.

Impairment of amounts due from subsidiaries: key assumptions underlying recoverable amounts.

N3. Segment and revenue information

For management purposes, the Group regards the rendering of medical wellness and health screening services, diagnostic imaging and radiology services, primary healthcare services and medical aesthetic services 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	
	6 months ended 30 June 2023	6 months ended 30 June 2022
	\$	\$
Major service lines:		
Medical wellness and health screening services	4,565,061	4,601,520
Diagnostic imaging and radiology services	5,111,790	2,940,982
Primary healthcare services	984,322	909,005
Medical aesthetic services	695,626	581,135
	<u>11,356,799</u>	<u>9,032,642</u>
Less: Elimination of intercompany transactions	(622,788)	(492,885)
	<u>10,734,011</u>	<u>8,539,757</u>
Timing of transfer of goods or services:		
At a point in time	<u>10,734,011</u>	<u>8,539,757</u>

N5. Profit before tax

N5.1 Significant items

	Group	
	6 months ended 30 June 2023	6 months ended 30 June 2022
	\$	\$
Income:		
Grant income	144,879	111,215
Sub-lease income	165,299	88,958
Interest income	71,590	8,035
Expenses:		
Interest on lease liabilities	197,427	57,774

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 at terms agreed between the parties during the financial period:

	Group	
	6 months ended 30 June 2023	6 months ended 30 June 2022
	\$	\$
Sale and purchase of goods and services:		
Purchase of consumables from associate	210,900	210,900
Medical services rendered to companies controlled by the Group's corporate shareholder	104,603	51,376

N6. Income tax expense

There is no income tax expense for the six months ended 30 June 2023 due to the availability of tax losses to offset the current period's taxable profit.

N7. Earnings per share

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

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

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

	Group	
	6 months ended 30 June 2023	6 months ended 30 June 2022
	Number of shares	Number of shares
Weighted average number of ordinary shares for basic and diluted loss per share computation	1,119,522,270	1,119,522,270

N8. Plant and equipment and right-of-use assets**N8.1 Purchase of plant and equipment**

For the six months ended 30 June 2023, acquisitions of plant and equipment with a total cost of \$414,922 were made by cash. During the period, payments by cash for plant and equipment acquired in prior years amounted to \$5,000. As at 30 June 2023, the amount owing to vendors for acquisitions of plant and equipment amounted to \$292,750.

N8.2 Right-of-use assets

	Office and clinic premises	
	2023	2022
	\$	\$
Cost:		
As at 1 January	12,590,013	10,241,949
Additions	1,120,253	2,348,064
Cost as at 30 June / 31 December	13,710,266	12,590,013
Accumulated depreciation and impairment loss:		
As at 1 January	6,060,418	6,582,675
Depreciation charge	540,535	780,087
Reversal of impairment	—	(1,302,344)
As at 30 June / 31 December	6,600,953	6,060,418
Net book value:		
As at 30 June / 31 December	7,109,313	6,529,595

N9. Lease liabilities

	2023	2022
	\$	\$
As at 1 January	7,317,939	6,048,478
Addition	1,120,253	2,348,064
Accretion of interest recognised during the financial period/year	197,427	239,010
Payments during the financial period/year	(710,624)	(1,317,613)
As at 30 June / 31 December	7,924,995	7,317,939
Analysed into:		
Current portion (repayable within a year)	1,113,639	941,377
Non-current portion (repayable after one year)	6,811,356	6,376,562
	7,924,995	7,317,939

Details of any collateral:

Nil.

N10. Share capital

	Group and Company			
	2023		2022	
	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 financial period/year	–	–	–	–
As at 30 June / 31 December	<u>1,119,622,270</u>	<u>33,284,437</u>	<u>1,119,622,270</u>	<u>33,284,437</u>

As at 30 June 2023, the number of ordinary shares in issue was 1,119,522,270 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 30 June 2023 and 31 December 2022.

N11. Treasury shares

	Group and Company			
	2023		2022	
	No. of shares	\$	No. of shares	\$
As at 1 January	100,000	2,866	100,000	2,866
Movement during financial period/year	–	–	–	–
As at 30 June / 31 December	<u>100,000</u>	<u>2,866</u>	<u>100,000</u>	<u>2,866</u>

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.**

Apart from the lease liabilities accounted in accordance with SFRS(I) 16, the Group did not have any external loans and borrowings and debt securities. Please refer to Note N9.

- (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.**

As at 30 June 2023, the number of ordinary shares in issue was 1,119,522,270 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 30 June 2023 was \$33,284,437 (31 December 2022: \$33,284,437).

The 100,000 treasury shares represent 0.009% of the total number of ordinary shares in issue as at 30 June 2023 and 30 June 2022.

As at 30 June 2023, there were outstanding options for conversion into 819,677 (30 June 2022: 819,677) ordinary shares. The options were granted on 15 June 2016 and are subject to a vesting schedule and are exercisable in tranches from 15 June 2018.

On 11 July 2023, 55 million new share options were granted 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.

(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 30 June 2023, the number of ordinary shares in issue was 1,119,522,270 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 30 June 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 the current financial period report on.

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.

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	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
Net asset value per ordinary share	1.03	0.98	0.96	0.97

The total number of shares used for the computation of net asset value per share as at 30 June 2023 is 1,119,522,270 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.**

Revenue increased by \$2.2 million (or 26%) to \$10.7 million for the six months ended 30 June 2023 ("1H2023"), from \$8.5 million for the six months ended 30 June 2022 ("1H2022"). This was due mainly to the increase in revenue from the provision of diagnostic imaging and radiology services. This was largely attributable to an increase in referrals from specialist clinics and hospitals as Singapore and the regional countries gradually exit the Covid-19 pandemic since end FY2022.

Other income increased to \$382,000 in 1H2023 from \$208,000 in 1H2022, due mainly to an increase in sub-lease income and interest income.

In line with the increase in revenue, (i) personnel expenses increased by \$0.7 million (or 15%) to \$5.6 million, (ii) laboratory and consultancy fees increased by \$0.5 million (or 47%) to \$1.4 million, and (iii) other operating expenses increased by \$0.2 million (or 17%) to \$1.3 million. Depreciation of plant and equipment ("PE") increased by \$0.3 million to \$0.4 million, due to PE purchased in the financial year ended 31 December 2022 and 1H2023, as well as depreciation charge with the reversal of impairment for PE in the six months ended 31 December 2022 ("2H2022"). Depreciation of right-of-use assets ("ROUA") increased due to (i) depreciation charge with the reversal of impairment of ROUA in 2H2022, and (ii) the lease of new clinic space at Orchard Building in 1H2023 as the Group's aesthetic clinic relocated from Shaw House to Orchard Building in March 2023. The increase in finance costs of \$140,000 to \$199,000 in 1H2023 was due mainly to a higher interest rate applied for the lease modification recognised in 2H2022. Share of results of associate increased by \$17,000 (or 8%) as a result of improvement in sales of the associate in 1H2023 as compared to 1H2022.

As a result of the above, the Group recorded a profit of \$631,000 in 1H2023 as compared to a profit of \$187,000 in 1H2022.

Non-Current Assets

Non-current assets increased by \$1.0 million (or 10%) to \$11.2 million as at 30 June 2023 from \$10.2 million as at 31 December 2022. The increase was due to the increase in PE, investment in associate, and right-of-use assets in 1H2023.

PE increased to \$1.7 million as at 30 June 2023 (from \$1.5 million as at 31 December 2022) mainly due to acquisitions of PE in 1H2023. Investment in associate increased to \$2.4 million as at 30 June 2023 (from \$2.2 million as at 31 December 2022) due to share of profits of associate in 1H2023. Right-of-use assets increased to \$7.1 million as at 30 June 2023 (from \$6.5 million as at 31 December 2022) due mainly to the lease of new clinic space for the aesthetic clinic at Orchard Building.

Current Assets

Current assets increased slightly to \$13.9 million as at 30 June 2023 from \$13.5 million as at 31 December 2022. The increase in prepayments to \$0.9 million as at 30 June 2023 (from \$0.3 million as at 31 December 2022) was due mainly to the downpayment made for purchase of a new MRI machine in 1H2023. Other financial assets, which are investments in credit linked notes issued by DBS Bank Ltd (referencing the SGD Monetary Authority of Singapore bills) and Singapore government Treasury Bills, increased to \$3.0 million as at 30 June 2023 (from \$2.0 million as at 31 December 2022) as part of the Group's financial management. Cash pledged as security decreased to \$0.6 million as at 30 June 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. The decrease in cash and cash equivalents was due mainly to net cash flows used in investing and financing activities mainly in 1H2023 (please refer to cash flow analysis below).

Current Liabilities

Current liabilities increased to \$5.6 million as at 30 June 2023 from \$5.3 million as at 31 December 2022. Trade payables increased to \$1.8 million as at 30 June 2023 (from \$1.5 million as at 31 December 2022) due mainly to the increase in amounts outstanding for the purchase of PE. Lease liabilities increased to \$1.1 million as at 30 June 2023 (from \$0.9 million as at 31 December 2022) due mainly to the lease of new clinic space for the aesthetics clinic at Orchard Building in March 2023. Deferred income decreased to \$0.8 million as at 30 June 2023 (from \$1.0 million as at 31 December 2022) due to the decrease in level of prepaid aesthetics and health screening packages.

Net Current Assets

Net current assets remained relatively stable at \$8.3 million as at 30 June 2023 and 31 December 2022.

Non-Current Liabilities

Non-current liabilities increased to \$8.0 million as at 30 June 2023 (from \$7.5 million as at 31 December 2022) due mainly due to the increase in non-current portion of lease liabilities to \$6.8 million as at 30 June 2023 (from \$6.4 million as at 31 December 2022), due to the lease of new clinic space for the aesthetic clinic at Orchard Building in March 2023.

Cash Flow

Net cash inflows from operating activities amounted to \$0.8 million in 1H2023, as compared to net cash outflows of \$1.1 million in 1H2022. This was due mainly to a higher profit before tax in 1H2023, coupled with a lower cash utilised for working capital. Net cash outflow used in investing activities was \$1.3 million in 1H2023, as compared to \$0.4 million in 1H2022, due mainly to higher short-term investment in credit linked notes for financial management purposes in 1H2023. Net cash flows used in financing activities amounted to \$0.4 million in 1H2023, as compared to \$0.7 million in 1H2022, due mainly to the increase in interest expenses in 1H2023, partially offset by the refund of cash pledged as security. As a result of the above, there was a net cash outflow of \$0.9 million in 1H2023, as compared to \$2.2 million in 1H2022.

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.

The Company announced on 10 July 2023 that the Group has entered into a business purchase agreement to acquire the business and assets of LE Private Clinic, an aesthetics clinic in Singapore. Parties to the agreement expect to complete the proposed acquisition by end-August 2023, barring unforeseen circumstances. Upon completion, the Group's aesthetic clinic (which has relocated to a bigger premise in Orchard Building in March 2023) will be able to offer more aesthetic services to increase its revenue stream.

In July 2023, the Group took delivery of the latest state-of-the-art 3-Telsa MRI scanner. The MRI scanner is currently undergoing installation and commissioning. Upon commencement of operation of this new MRI scanner expected in September 2023, the Group will have a total of three MRI scanners which will allow the Group to conduct more scans with faster turnaround time.

The above strategic initiatives are expected to provide a strong foundation for the Group's businesses to grow and scale upon.

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 period 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 (excluding transactions less than S\$100,000)
OncoCare Medical Pte. Ltd.	Associate of controlling shareholder	– ⁽¹⁾	– ⁽¹⁾ (Provision of imaging services under a general mandate)

Note:

(1) All transactions were less than S\$100,000.

14. 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 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	1,852	133 ⁽²⁾	1,538
Total	8,523	6,852	133	1,538

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 announcements dated 21 February 2020, 31 May 2022, 29 July 2022, 12 August 2022, 18 November 2022, 1 March 2023, 23 May 2023 and 20 July 2023 (the "Announcements").

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 Catalyst Rules of the SGX-ST.

16. Disclosure of acquisition (including incorporations) and sale of shares under Catalyst Rule 706A.

There is no acquisition and/or sale of shares in any subsidiaries or associated companies of the Group announced during the six-month period ended 30 June 2023 which is required to be reported under Rule 706(A) of the Catalyst Rules.

17. Confirmation pursuant to Rule 705(5).

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the six-month period ended 30 June 2023 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Charles Wang Chong Guang

Aona Liu

BY ORDER OF THE BOARD

Foo Soon Soo (Ms)
Company Secretary

Singapore
14 August 2023

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 (the "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.