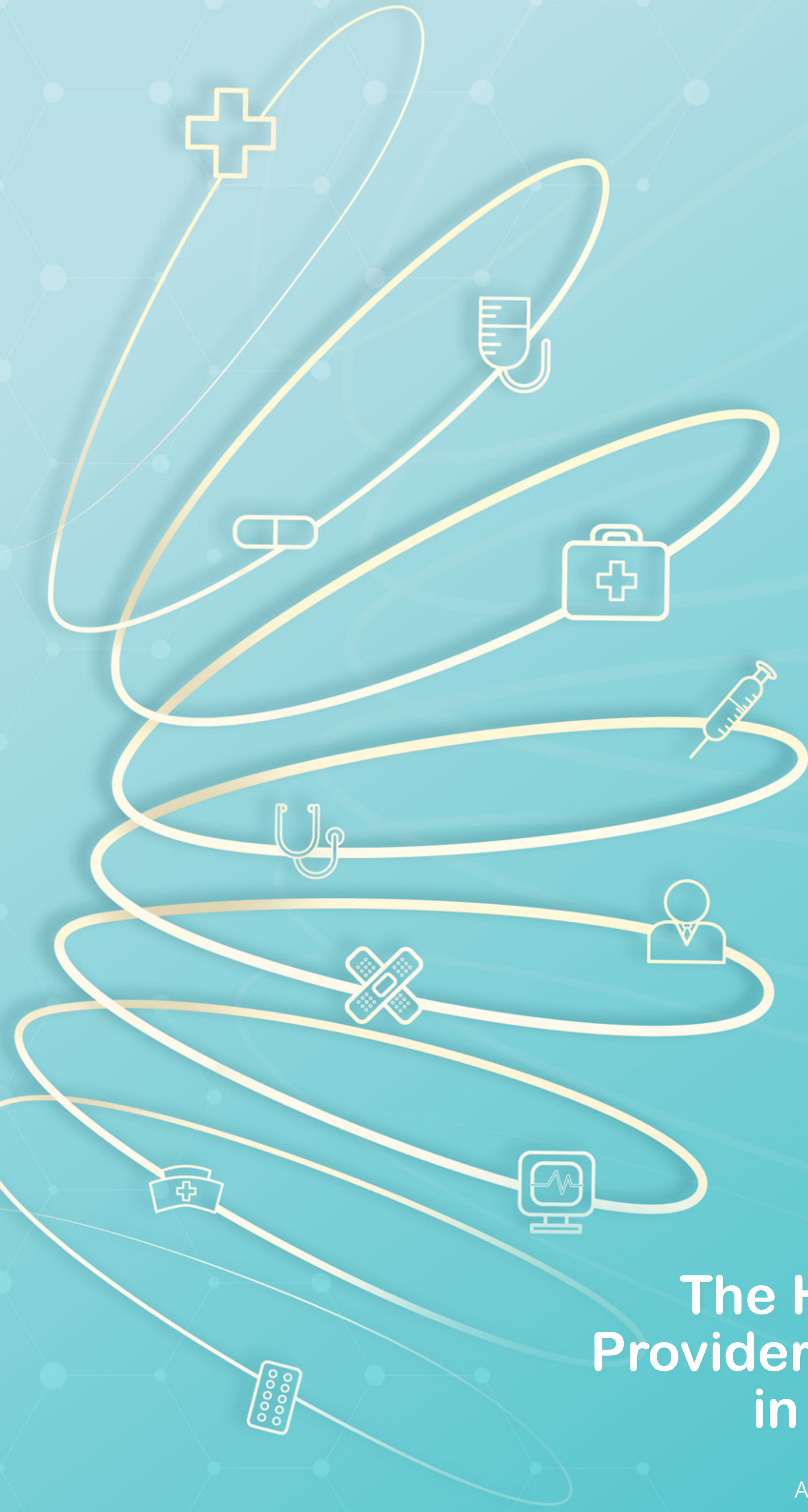
ASIAMEDIC LIMITED



The Healthcare Provider of Choice in Singapore

ANNUAL REPORT 2021

Corporate Culture

A team oriented organisation that is conducive to long term employment which is passionate, nurturing and upholds mutual respect that embraces family spirit

Vision & Mission

VISION
The choice healthcare provider in Singapore

MISSION
Providing holistic solutions through integrated application of the latest medical technologies to prevent and detect early illnesses to achieve positive experiences and clinical outcomes for our patients

Values & Brand Promise

COMPETENCE
Commitment to ensuring the highest professional standards of service and expertise

CONVENIENCE
Commitment to providing timely, appropriate and personalised healthcare information and continuity of care in an integrated one-stop wellness and diagnostic centre

CARE
Commitment to helping our clients navigate their health risks and needs through practical and personalised clinical solutions and strategies

CONFIDENCE
Commitment to ensuring patient confidence with a focus on safety, consistent processes and standards based on continuous service and clinical quality improvement and innovation

Contents

AsiaMedic Business Units

ASIAMEDIC WELLNESS ASSESSMENT CENTRE

AsiaMedic Wellness Assessment Centre is a one-stop Health Screening Centre that offers a comprehensive range of health screening packages. Our healthcare solutions are customised to identify the different risk factors based on the different age groups. Equipped with the best cutting-edge evidence- based medical knowledge and technology, AsiaMedic have stayed true to the philosophy of early diagnosis, pre-symptomatic disease detection and prevention successfully treating patients with desirable clinical outcomes and experiences. Conveniently located in the heart of Singapore's number one shopping belt - Orchard Road, our patients can enjoy the cosy and comfortable environment of our centre.

Our track record is testament to our competence as we have been duly appointed by Health Promotion Board to deliver myopia and school health screening to pre-school, primary and secondary school students in Singapore. AsiaMedic's presence in community health screening continues to grow and now spans across all spectrum of age groups, from pre-schoolers to elderly adults. The latest programs AsiaMedic is involved in include human papilloma virus vaccination for secondary school students, obesity screening in secondary schools and institutes of higher learning, community health screening and coaching as well as Project Silver Screen.

ASIAMEDIC DIAGNOSTIC IMAGING CENTRE

Diagnostic imaging involves the use of non-invasive procedures to generate images of the body's internal anatomy and functions that can be recorded on film or digitized for display on a video monitor. Diagnostic imaging procedures facilitate the early diagnosis and treatment of diseases and disorders and may reduce unnecessary invasive procedures, often minimizing the costs for patients. We offer the full suite of general and advanced imaging services which include MRI, CT, bone densitometry (DEXA), ultrasound, mammography, and X-ray. Our comprehensive range of radiological examinations includes cardiovascular radiology, musculoskeletal radiology, neuroradiology, ear nose & throat (ENT) radiology, breast and body radiology. These services are provided through our subsidiaries of The Orchard Imaging Centre Pte Ltd and AsiaMedic Heart & Vascular Centre Pte Ltd. Our integrated RIS PACS system enables physicians' easy and convenient access to the diagnostic scans and reports to cater to the growing demands of medical care in Singapore.

ASIAMEDIC POSITRON EMISSION TOMOGRAPHY/ COMPUTED TOMOGRAPHY (PET/CT) CENTRE

PET/CT imaging is used for diagnosis, staging, localisation and monitoring progress of cancer. The AsiaMedic Positron Emission Tomography/Computed Tomography (PET/CT) Centre is one of Singapore's first independent PET/CT centres that is not affiliated with any hospital. The Centre provides cardiac and cancer imaging with one of the industry's most reliable GE PET/CT scanner, which incorporates a PET scanner with a multi-slice Computed Tomography (CT) scanner.

AsiaMedic Business Units

ASIAMEDIC ASTIQUE THE AESTHETIC CLINIC

Being part of AsiaMedic, Astique upholds the Group's philosophy of providing our patients with the highest professional standards of service and expertise. As a boutique aesthetic clinic, Astique offers a wide range of premium medical aesthetic treatments efficiently within the shortest turnaround time. Effective medical aesthetics solutions are specially customised to meet the specific beauty needs of our patients who are at different phases of their lives. We are committed towards this journey with our patients to help them look and feel good, enhancing their confidence and realising their aspirations. Patients can enjoy minimally invasive treatments administered by our medical professionals amidst a tranquil setting. Some of these treatments include laser skin treatments, non-surgical facelifts, fillers, non-invasive body contouring and various skincare products.

The clinic continually upgrades its technology and services to provide our patients with the best in aesthetic healthcare. Our latest treatment solutions include injectables like Juvederm Volux HA Filler and the Fotona 4D facelifting laser.

COMPLETE HEALTHCARE INTERNATIONAL

Complete Healthcare International (CHI) is an integrated medical centre that is dedicated to providing comprehensive healthcare of the highest standard to international and local clientele in a caring, professional and attentive environment. CHI provides a holistic approach with various areas of interest such as general and travel medicine, women, men and children's health, as well as nutritional medicine. CHI also aims to create a distinctly privileged healthcare experience for its patients with its team of highly qualified doctors, nurses and staff, coming from Singapore and overseas and bringing with them diverse experiences. CHI offer a multidisciplinary approach of family medicine that brings together diagnosis, treatment, care, management and health promotion under one roof.

Board of Directors

MR CHARLES WANG CHONG GUANG

Non-Executive Chairman

Mr Wang has many years of experience in corporate finance, mergers and acquisitions, and financial management, of which more than 20 years have been spent with publicly-listed and private companies in the healthcare industry.

Mr Wang is the Group Chief Executive Officer of the Luye Medical Group. He joined Luye Medical Group as the Chief Financial Officer in February 2015 and subsequently became the Group Chief Executive Officer in April 2017. From February 2015 to December 2016, he was also concurrently holding the appointment of Group Vice President of Luye Pharma, where he had overall responsibility for Luye Pharma's merger & acquisitions and capital market activities, including equity and debt-related issuances outside of the PRC.

Mr Wang began his career with Kingston Smith Chartered Accountants in London, United Kingdom from 1988 to 1993, where his last held position was Assistant Audit Manager. He then joined Coopers & Lybrand (subsequently merged with Price Waterhouse to become PriceWaterhouse Coopers) in Hong Kong in October 1993 as a Corporate Finance Manager. In December 1995, Mr Wang joined Hanson Pacific Limited, the Asia Pacific headquarters of Hanson Plc, an industrial conglomerate previously listed in the United Kingdom, as Finance Director. In June 1999, he joined Asia Renal Care Limited, a healthcare services company which specialises in providing kidney dialysis services in the Asia Pacific region, as Chief Financial Officer. In December 2008, he joined Tongjitang Chinese Medicine Limited, a company that specialises in the manufacturing and distribution of modern Chinese medicine and which was previously listed on the New York Stock Exchange, as Chief Financial Officer.

From November 2010 to January 2012, he was appointed as the Chief Financial Officer of Trauson Holdings Company Limited, an orthopaedic device manufacturing company previously listed on the Hong Kong Stock Exchange. Subsequently from July 2012 to February 2015, he served as the Chief Financial Officer of China NT Pharma Group Company Limited, a company listed on the Hong Kong Stock Exchange which specializes in the manufacturing and distribution of pharmaceutical products.

As the Chief Financial Officer of the companies that Mr Wang served at, Mr Wang was responsible for, among others, finance, mergers & acquisitions, information technology, company secretarial and investor relations functions of these companies.

Mr Wang obtained a Bachelor's Degree in Economics (Honours) from the University of Leeds in 1988. He is also a member of the Institute of Chartered Accountants of England and Wales since 1991.

MS AONA LIU

Non-Executive Director

Ms Liu started her career in strategic consulting and has experience in mergers & acquisitions and healthcare management across Singapore, Japan, Australia, and China. She is currently the Executive Chairperson of Luye Medical Group group of companies, the hospital and healthcare services platform of Luye Life Sciences Group Ltd. Luye Medical Group group of companies provides medical services with a focus on specialties such as oncology, cardiology, mental health and rehabilitation. She is also the founding CEO of Philosojoy Singapore Pte. Ltd., a company established to invest in artistic areas and to preserve and promote Asian art, culture and heritage. She holds a Bachelor of Arts in Economics (Honours) and a Master of Arts in Economics (Honours) from the University of Edinburgh and a Master of Science in International Healthcare Management from Imperial College London.

Board of Directors

MS ALICE NG BEE YEE
Independent Director

Ms Ng has more than 20 years of experience in the corporate finance sector, where she was involved in initial public offerings and reverse takeover transactions, as well as other financial advisory transactions and continuing sponsorships. Since 2016, Ms Ng is a Director of Continuing Sponsorship at ZICO Capital Pte. Ltd., and advises Catalist-listed companies on compliance with the SGX-Catalist Rules. Prior to this, Ms Ng had held various posts as Director of Corporate Finance / Continuing Sponsorship in Canaccord Genuity Singapore Pte. Ltd. (formerly known as Collins Stewart Pte. Limited), Director of Corporate Finance in CIMB Bank Berhad, Assistant Vice President (Capital Market Group) in Philip Securities Pte Ltd, and Assistant Vice President (Corporate Finance Department) in Hong Leong Finance Limited. She was also involved in compliance and audit work from July 1998 to March 2001.

Ms Ng graduated from Nanyang Technological University with a Bachelor of Accountancy in 1998.

MR CHUA KENG WOON
Independent Director

Mr Chua has over 16 years of experience in the banking and finance industry. He served as an advisor to Secured Capital Singapore Pte Ltd, a company engaged in mezzanine financing services, from January to November 2018. From 2008 to 2016, Mr Chua was with Canaccord Genuity Singapore Pte Ltd (formerly known as Collins Stewart Pte. Limited). He last held the position of Senior Director, Equity Capital Market and was primarily involved in corporate advisory and fund raising activities for companies. Prior to that, Mr Chua had held various posts as Associate Director of Capital Market Group in Philip Securities Pte Ltd, Assistant Vice President, Corporate Finance in Hong Leong Finance Limited, Manager, Corporate Finance in UOB Asia Limited, Manager in Capital Equity Markets in DBS, Bank Limited, as well as Senior Officer - Inspectorate Department in the Stock Exchange of Singapore. He is also an independent director of Hai Leck Holdings Ltd.

Mr Chua graduated from Nanyang Technological University with a Bachelor of Business Degree majoring in Financial Analysis in 1996. He is a CFA charterholder and member of CFA Institute.

MR LEONG YEW MENG
Independent Director

Mr Leong brings with him more than 30 years of experience in the healthcare industry.

Mr Leong started his healthcare career in 1989 at Singapore General Hospital, before he went on to serve as Chief Operating Officer of National University Hospital from 1994 to 2000. He joined Thomson Medical Group as its Group Chief Executive Officer in 2000. In 2002, he was appointed Chief Executive Officer of Woodbridge Hospital/Institute of Mental Health, a role he held from 2002 to 2011. In 2009, he was appointed Chief Executive Officer of National Healthcare Group Polyclinics in concurrent to his appointment at Institute of Mental Health. He stayed on as Chief Executive Officer of National Healthcare Group Polyclinics till 2014.

In 2016, Mr Leong was appointed Chief Executive Officer (Greater China) provided leadership for Parkway Pantai Ltd's operations in China and Hong Kong including its primary care clinics in Shanghai, Beijing, Suzhou and Hong Kong and development of new hospital projects in Chengdu, Hong Kong, Nanjing and Shanghai. He left Parkway Pantai Ltd in 2017 to join Shanghai Fosun Hospital Investment (Group) Co. Ltd. as its Chief Executive Officer to spearhead the operations and management of its eight hospitals and several new hospital development projects in various cities in China. He also served as a board member of United Family Health, a leading high-end premier healthcare brand in China with seven hospitals and more than 20 clinics in Beijing, Shanghai, Tianjin, Guangzhou, Qingdao, and Hainan Island. He left Shanghai Fosun Hospital Investment (Group) Co. Ltd. in February 2019 to return to Singapore.

Mr Leong has a Bachelor of Mechanical Engineering degree and a Master of Business Administration degree (MBA) from National University of Singapore. He also attended the Advanced Management Program at Wharton School, University of Pennsylvania.

Senior Management & Clinician Leaders

DR WONG KAE THONG

MD, MRCPCh, MMed (Paed), GDPM
Chief Operating Officer

Dr Wong is a graduate of the University of Western Ontario, Canada. She is a clinician-administrator with special interests in preventive medicine, community and children's health. Dr Wong joined AsiaMedic Wellness Assessment Centre in year 2007 as an executive health screening physician. In year 2016, together with the team, under Dr Wong's leadership, AsiaMedic made a large stride by partnering Health Promotion Board (HPB) to deliver school and community health screening to Singaporeans and residents. Over the recent years, AsiaMedic's presence in community health screening continues to grow and now spans across all spectrum of age groups, from pre-schoolers to elderly adults. Dr Wong's involvement in administrative work increases with AsiaMedic's growing involvement in community health. She was subsequently appointed to oversee Complete Healthcare International (CHI), a clinic delivering premium family medical care to clients. Dr Wong was appointed Acting COO in April 2019 and the COO in January 2020. She stepped down as COO in April 2022.

MR STANLEY WOO

B. Com.
Group Financial Controller

Mr Woo oversees the Group's finance, accounting and taxation functions. He joined the Group in 2009. Before joining the Group, he worked as a financial controller in listed companies. He also has auditing experience. He holds a Bachelor of Commerce degree from the University of Melbourne and is a member of the Institute of Singapore Chartered Accountants.

DR LIM PUAY JOO

MBBS, FRCR (UK)
Consultant Radiologist & Medical Director
Advanced Imaging Centre

Dr Lim graduated from the National University of Singapore in 2005 before obtaining his fellowship from the Royal College of Radiologists, London in 2012. Subsequently, he qualified as a Specialist in Diagnostic Radiology in 2015 and commenced specialist practice as a Consultant in the Department of Radiology, Ng Teng Fong General Hospital. Since 2018, he has been in private practice. Dr Lim is conversant and highly experienced in reading Computed Tomography (CT) and Magnetic Resonance Imaging (MRI) studies. He has a special interest in musculoskeletal radiology.

DR JULIAN HONG

BSc (Hons), MBBS (London)
Head of Department & Medical Director
AsiaMedic Wellness Assessment Centre

Dr Hong graduated from Imperial College London in 2014. He has practiced in the Singapore restructured hospitals, gaining extensive experience across General Medicine, General Surgery, Obstetrics & Gynaecology and Paediatric Medicine. Dr Hong believes in keeping abreast of the latest medical advances and has contributed to medical research; winning research grants, prizes and awards along the way. Entering private practice in 2017, Dr Hong subscribes to holistic family care and has built his practice around the GP+ model, addressing patients' pain points by bridging primary and secondary healthcare. Dr Hong is often invited to share health knowledge on print and broadcast media. In his free time, he enjoys running, rock climbing and spending time with his family. As a Healthcare Administrator and a Family Physician, Dr Hong synergises across his roles in business development, strategy, healthcare management, data protection and clinical practice, to develop initiatives that bring commercial value and deliver clinical outcomes.

Senior Management & Clinician Leaders

DR FIONA CHANG

MD (Taiwan), MRCP (Glasgow)
Asst. Medical Director
Complete Healthcare International Pte Ltd

Dr Chang obtained her medical degree from Chang Gung University, Taiwan 2011 and subsequently completed her post-graduate training in Internal Medicine, Singapore. In 2015, Dr Chang attained the Membership of the Royal College of Physician (MRCP), Glasgow, United Kingdom and had since been practicing medicine in the Singapore restructured hospitals drawing experience in renal medicine, respiratory medicine, cardiology and dermatology. Her areas of interest are preventive medicine, chronic disease management and minor surgical procedures.

DR YONG ZHI YONG

MBBS (Singapore), Graduate Diploma in Family Medicine (Singapore)
Head of Department & Medical Director
AsiaMedic Astique The Aesthetic Clinic

Dr Yong obtained his medical degree from the National University of Singapore. He subsequently obtained a Graduate Diploma in Family Medicine (GDFM) and completed all the certificates of competency (COC) in administering botulinum toxin injection, chemical peels, dermal fillers, facial threads, laser for treating skin pigmentation and intense pulsed light, among others. He keeps abreast of the latest medical technologies through conferences and private trainings. Through this, Dr Yong ensures that the highest standards of clinical quality and patient safety are met, and only recommends technologies that have sound clinical evidence to his patients. Dr Yong believes in using minimally invasive approach in treating various skin conditions to enhance a person's natural beauty and delaying the signs of ageing.

Chairman's Statement

CHARLES WANG
Non-Executive Chairman

DEAR SHAREHOLDERS

2021 has been another testing year for all of us. The year started on a promising note with signs of returning to some normality. The Group made good progress in the first four months as a result of higher patient load in this period. However, the world saw new waves of infections as a result of new variants from May 2021. The Group again had to grapple with disruptions to our business operations. Yet through it all, we remained focused on our purpose of delivering quality care and outstanding healthcare service to our patients and clients despite the many challenges it presented. Overall, the Group was able to turn in an encouraging set of results. The Group's revenue increased by 19% to $18.3 million and the Group recorded a profit for the year of $0.7 million in FY2021 after asset impairment of $0.9 million, as compared to a loss of $4.3 million in FY2020. Excluding the impact of the impairment, the Group's profit for FY2021 would have been $1.6 million.

IMAGING BUSINESS

The volume of MRI scanning services to various restructured hospitals increased in 2021. However, a significant proportion of our diagnostic imaging business is from referrals by specialist clinics. As medical tourism in Singapore has not recovered despite the reopening of borders, this has an impact on these clinics. In addition, the imaging business will continue to face intense competition on pricing and market share from other providers. In view of the challenging environment, we are taking a prudent approach and recorded additional impairment for imaging right-of-use assets (relating to leases of premises) and imaging equipment of $0.9 million in FY2021.

WELLNESS BUSINESS

Our executive health screening business delivered a good performance in FY2021. The centre has been serving patients for over 20 years since 1998 at its flagship centre on Orchard Road. Over the years, we have earned the trust of our many patients.

The implementation of tightened pandemic restrictions in May 2021 had a negative impact on our onsite health screening business. Due to safe management measures, various school-based health screening and HPV vaccinations were suspended, as was also the case for the community health services. When the heightened alert restrictions were relaxed in August 2021, the Group's onsite teams, with the support of the Health Promotion Board, worked tirelessly to complete the screening and vaccination of students before the

Chairman's Statement

year-end school holidays. Our accomplishment in the screening and vaccination services was nevertheless offset by the termination of the visual screening project for children in pre-schools due to pre-schools' restrictions on visitor entry in the second half of 2021.

AESTHETIC AND INTERNATIONAL CLINIC BUSINESSES

The level of demand for our aesthetic services has not fully recovered due to cautious consumer sentiments. The clinic will refine its operational and marketing approaches to effectively respond to the changing market requirements. The international clinic has been attracting new patients since the second-half of 2020 through its commitment of providing high quality and personalised services to care for the whole family. Its Pre-Departure Testing service was also well received by patients.

MANPOWER

At this juncture, I would like to address the topic of manpower. As a healthcare service provider, we will not be able to do what we are doing without our people. The healthcare sector in Singapore is facing the issue of manpower crunch as a result of the prolonged pandemic and the Group has not been immune to this. Our people have demonstrated resilience and determination to continue to deliver our services throughout the year despite the many challenges it presented. For this, I would like to take this opportunity thank our people for their commitment and efforts over this challenging period. It is our view that the issue of manpower crunch will continue to be a concern for the sector in the short to medium term thereby affecting our ability to hire skilled staff as well impacting our manpower costs.

OUTLOOK

The Group has secured the renewal of a two-year contract for the provision of school-based health screening and vaccination services in January 2022. The Company understands that the Health Promotion Board as a policy has also awarded a contract for similar services to another service provider. Given that the Group is no longer the sole provider of these services with effect from January 2022, the revenue and earnings from the provision of such services will be lower going forward as compared to the past.

Business conditions of the Group will continue to be challenging amid the COVID-19 pandemic uncertainties. The lack of medical tourism in Singapore due to travel restrictions arising from the COVID-19 pandemic will likely to continue to have an impact on all our businesses, in particular, the imaging business. While our health screening business has maintained an encouraging return of customers and patients since second-half 2020, growth may be constrained by the shortage of healthcare professionals in Singapore. As Pre-Departure Testing protocols are progressively streamlined, it will have an impact on the international clinic's revenue. The level of demand for our aesthetic services has not fully recovered due to cautious consumer sentiments. In addition, the Group also faces challenges of rising manpower costs and lack of available manpower due the current manpower crunch in the healthcare sector. To mitigate these challenges, the Group will focus on its core strengths and internal capabilities to drive greater productivity and sharpen our competitive edge.

I am pleased to inform that after an extensive search, we have appointed Mr Arifin Kwek Zhi Bin as our new Chief Executive Officer with effect from 20 June 2022.

IN APPRECIATION

Our businesses only exist owing to the support of our many patients and clients. This support in turn results from the quality services provided by staff of all levels as mentioned above. The Board expresses its gratitude to former Non-Executive Director, Ms Joelle Lee, and former Chief Operating Officer, Dr Wong Kae Thong, for their contributions. I would also like to thank the Board of Directors for providing sound guidance. I hereby extend a warm welcome to our new Non-Executive Director, Ms Aona Liu, as she brings along her substantial healthcare experience. Last, but most certainly not least, I thank all shareholders for their continuing support.

CHARLES WANG
Non-Executive Chairman

Financial Review

The Group's revenue increased by $3.0 million or 19% to $18.3 million for FY2021 from $15.3 million for FY2020 as a result of higher patient volumes following the gradual reopening of the economy since the first half of FY2021.

Other income decreased to $0.9 million in FY2021 from $2.1 million in FY2020 due mainly to decrease in the grants received from the Job Support Scheme and Rental Relief Scheme which were put in place by the Singapore Government to help Singapore enterprises during the COVID-19 pandemic.

Personnel expenses increased by $0.8 million or 9% to $9.9 million in FY2021 due mainly to the increase in wages as a result of the manpower crunch in the healthcare sector and a higher clinical headcount to support the Group's health screening business, in particular, for the second half of FY2021 ("2H2021"). The increase in laboratory and consultancy fees of $0.5 million or 33% to $2.0 million in FY2021 was attributable to the increase in revenue. Other operating expenses increased by $0.4 million or 21% to $2.3 million in FY2021 due to the increase in business activities and a provision for reinstatement expenses (in connection with future deinstallation of equipment) of $0.2 million in FY2021. Depreciation and amortisation expense decreased by $1.6 million or 60% to $1.1 million in FY2021 following the impairment made in FY2020 for the right-of-use assets ("ROUA") and property, plant and equipment relating to the imaging business in FY2020. The decrease in finance costs of $49,000 or 25% to $146,000 in FY2021 was due mainly to the decrease in interest accredited upon the renewal of leases. Additional impairment on ROUA (as a result of the Renewal of Leases) and property, plant and equipment relating to the imaging business amounting to $0.9 million was recognised in FY2021 (FY2020: $4.2 million) due to challenging business environment in this industry. The Group recognised additional ROUA in 2H2021 as a result of the renewal of its leases at Shaw House up to October 2026 (the "Renewal of Leases").

As a result, the Group recorded a profit for the year of $0.7 million in FY2021, as compared to a loss of $4.3 million in FY2020. Excluding the impact of the impairment, the Group's profit for FY2021 would have been $1.6 million (FY2020: loss of $0.1 million).

BALANCE SHEETS

Non-Current Assets

Non-current assets increased to $6.7 million as at 31 December 2021 from $4.9 million as at 31 December 2020 due mainly to the Renewal of Leases in FY2021.

Current Assets

Current assets increased to $13.5 million as at 31 December 2021 from $12.0 million as at 31 December 2020 due mainly to the increase in cash and short-term deposits, partially offset by the decrease in trade receivables. Trade receivables decreased to $2.1 million as at 31 December 2021 from $2.4 million as at 31 December 2020 due to improved collection of trade receivables.

Current Liabilities

Current liabilities remained relatively stable at $5.5 million as at 31 December 2021 and 31 December 2020, mainly due to the increase in other payables and accruals, offset by the decrease in deferred income, lease liabilities and provision for reinstatement.

Other payables and accruals increased to $2.0 million as at 31 December 2021 from $1.4 million as at 31 December 2020 due mainly to the higher accrual for personnel expenses in FY2021. Deferred income decreased to $1.2 million as at 31 December 2021 from $1.4 million as at 31 December 2020 due mainly to the utilisation of the Job Support Scheme grant income accrued in FY2020. Lease liabilities (current portion) decreased to $1.2 million as at 31 December 2021 from $1.4 million as at 31 December 2020 due to the Renewal of Leases in FY2021. The provision for reinstatement (current portion) of $0.3 million as at 31 December 2020 was reclassified to non-current liabilities as at 31 December 2021 upon the Renewal of Leases.

Net Current Assets

As a result of the increase in current assets while current liabilities remained relatively unchanged, net current assets increased to $8.0 million as at 31 December 2021 from $6.5 million as at 31 December 2020.

Non-Current Liabilities

Non-Current liabilities increased to $6.0 million as at 31 December 2021 from $3.3 million as at 31 December 2020, due to the increase in the provision for reinstatement and lease liabilities.

Provision for reinstatement (non-current portion) increased to $1.1 million as at 31 December 2021 from $0.6 million as at 31 December 2020 due to the reclassification from current liabilities as a result of the Renewal of Leases and an additional provision for reinstatement made following a review of the prevailing costs. Lease liabilities (non-current portion) increased to $4.8 million as at 31 December 2021 from $2.7 million as at 31 December 2020 due to the Renewal of Leases in FY2021. The rental and the incremental borrowing rates are lower under the renewed leases.

CONSOLIDATED STATEMENT OF CASH FLOWS

The Group has a net cash inflow from operations of $3.4 million in FY2021, as compared to a net cash inflow of $2.3 million in FY2020 due mainly to the higher earnings in FY2021. There was a net cash outflow from financing activities of $1.6 million in FY2021 as compared to a net cash inflow of $2.3 million in FY2020 due mainly to the proceeds from the Rights Issue in FY2020.

Financial Highlights

	2017	2018	2019	2020	2021
	S$	S$	S$	S$	S$
Revenue	19,015,381	18,828,662	18,989,960	15,279,133	18,255,133
Profit/(Loss) before taxation	(4,228,107)	(4,043,913)	(588,233)	(4,295,166)	715,031
Net profit/(loss) after tax attributable to owners of the Company	(4,226,687)	(4,774,824)	(588,233)	(4,295,166)	715,031
Share capital and reserves	9,138,913	4,376,695	3,813,674*	8,040,118	8,750,132

	Cents	Cents	Cents	Cents	Cents
Earnings/(loss) per share - Basic	(1.08)	(1.22)	(0.15)	(0.39)	0.06
- Diluted	(1.08)	(1.22)	(0.15)	(0.39)	0.06
Net asset value per share	2.34	1.12	0.98	0.72	0.78

* On 14 January 2020, the Company raised net proceeds of $8,523,000 in connection with its Rights Issue.

Group Structure

SUBSIDIARIES (100%)

The Orchard Imaging Centre Pte Ltd
AsiaMedic Heart & Vascular Centre Pte Ltd
AsiaMedic PET/CT Centre Pte Ltd
AsiaMedic Wellness Assessment Centre Pte Ltd
Complete Healthcare International Pte Ltd
AsiaMedic Astique The Aesthetic Clinic Pte Ltd
AMC Healthcare Pte Ltd*
AsiaMedic Eye Centre Pte Ltd*

* Inactive

ASSOCIATE (33%)

Positron Tracers Pte Ltd

Corporate Information

BOARD OF DIRECTORS
Mr Charles Wang Chong Guang
(Non-Executive Chairman)

Ms Aona Liu
(Non-Executive Director)

Ms Alice Ng Bee Yee
(Independent Director)

Mr Chua Keng Woon
(Independent Director)

Mr Leong Yew Meng
(Independent Director)

AUDIT AND RISK MANAGEMENT COMMITTEE
Ms Alice Ng Bee Yee (Chairperson)
Mr Chua Keng Woon
Mr Charles Wang Chong Guang

REMUNERATION COMMITTEE
Mr Leong Yew Meng (Chairman)
Ms Alice Ng Bee Yee
Mr Charles Wang Chong Guang

NOMINATING COMMITTEE
Mr Chua Keng Woon (Chairman)
Mr Leong Yew Meng
Ms Aona Liu

EXECUTIVE COMMITTEE
Mr Charles Wang Chong Guang
Mr Stanley Woo

REGISTRAR AND SHARE TRANSFER OFFICE
KCK CorpServe Pte Ltd
24 Raffles Place
#07-07 Clifford Centre
Singapore 048621

COMPANY SECRETARY
Ms Foo Soon Soo

AUDITORS
Ernst & Young LLP
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North Tower, Level 18
Singapore 048583
Partner-in-charge: Mr Ng Boon Heng
(Date of appointment: since financial year ended
31 December 2018)

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DBS Bank Ltd

CATALIST SPONSOR
Xandar Capital Pte Ltd
3 Shenton Way
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Singapore 068805

Corporate Governance Report

The Board of Directors of AsiaMedic Limited (the "Company", and together with its subsidiaries, the "Group") is committed to ensuring that high standards of corporate governance and transparency are practised for the interest of all shareholders. This report describes the Group's governance practices that were in place during FY2021, with specific reference to the principles and the provisions of the Code of Corporate Governance 2018 (the "Code") issued on 6 August 2018 and accompanying Practice Guidance (updated on 29 June 2021) which forms part of the continuing obligations of the Catalist Rules. The Board is pleased to report that, for FY2021, the Company has complied in all material aspects with the principles and provisions set out in the Code. Where there are deviations from the provisions of the Code, appropriate explanations have been provided and how the practices the Company had adopted are consistent with the intent of the relevant principle of the Code. The Company will continue to assess its needs and implement appropriate measures accordingly.

BOARD MATTERS

THE BOARD'S CONDUCT OF 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.

The Board of Directors (the "Board") comprises five Directors, has the appropriate mix of core competencies and diversity of experience to direct and lead the Company. As at the date of this report, the Board comprises the following members:

		Date of appointment as Director
Mr Charles Wang Chong Guang	Non-Executive Chairman	22 March 2019
Ms Aona Liu	Non-Executive Director	11 February 2022
Ms Alice Ng Bee Yee	Independent Director	29 April 2021
Mr Chua Keng Woon	Independent Director	15 August 2018
Mr Leong Yew Meng	Independent Director	16 July 2020

Provision 1.1
Board's role

The primary role of the Board is to lead and control the Group. It provides entrepreneurial leadership and sets the strategies of the Group (comprising the Company and its subsidiaries). The Board sets directions and goals for the Management (comprising the key executive officers of the Group) which include appropriate focus on value creation, innovation and sustainability. The Board believes that focus on sustainability will place the Group in a better position to create value for shareholders while looking after the broader stakeholder community.

The Board also reviews to ensure that the Group has the necessary financial and human resources in place to meet the goals and objectives. The Board is responsible for establishing and maintaining a sound risk management framework to effectively monitor and manage risks, and to achieve an appropriate balance between risks and company performance. The Board supervises the Management and monitors its performance.

The Board is responsible for the overall corporate governance of the Group including instilling an ethical corporate culture and ensuring that the Company's values, standards, policies and practices are consistent with the culture. The Board has put in place a code of conduct and ethics which require the Directors facing conflicts of interest to recuse themselves from discussion and decisions involving the issues of conflict. The Board also adopted internal guidelines governing matters that require the Board's approval.

Corporate Governance Report

Provision 1.2
Scope of director's duties

The Board is accountable to the shareholders and the Directors are aware of their duties at law which require them to act in good faith and the best interests of the Company and to comply with the Catalist Rules. The Directors have each signed the respective undertaking in the form set out in Appendix 7H of the Catalist Rules to undertake to use their best endeavours to comply with the Catalist Rules and to procure that the Company shall so comply. The Directors have also procured a similar undertaking by the Chief Operating Officer ("COO") and the Group Financial Controller ("GFC") in their capacity as Executive Officers for FY2021.

Induction, training and development of new and existing directors

The Company has in place an orientation process. A new incoming Director is issued a formal letter of appointment setting out his/her duties and obligations.

The new Director will also be briefed by the other Directors and the Management on the Group's strategic direction, corporate governance practices, business and organisation structure, and industry-specific knowledge. The new Director will also be introduced to the senior management to facilitate independent communication channels between the new Director and the senior management.

Ms Joelle Lee Siew Hong, who was appointed to the Board in FY2021, attended the relevant Listed Entity Director Programme modules conducted by the Singapore Institute of Directors.

The Nominating Committee reviews and makes recommendations on the training and professional development programs to the Board as and when applicable.

On at least a half yearly basis, and as and when appropriate, the Board is briefed:

(1) By the Company Secretary and/or the external auditors on the financial, legal and regulatory requirements which include the following:

    (a) directors' duties in respect of the Group's financial statements;

    (b) provisions under the Catalist Rules;

    (c) provisions of the Singapore Companies Act 1967;

    (d) Code of Corporate Governance; and

    (e) financial reporting standards relevant to the Group.

(2) By the Management on the business environment and outlook for the Group's operations.

Provision 1.3
Internal guidelines on matters requiring Board's approval

Besides matters which are specifically required to be approved by the Board by statutes, the Company's Constitution, and the Catalist Rules, material transactions that require the Board's approval, amongst others, are:

(a) corporate strategies and initiatives;

(b) acquisitions, disposals, investments, and divestments of assets (which include equity, debt, business undertakings, and options to acquire/dispose of assets);

(c) internal controls, audit, risk management, and corporate governance practices;

(d) financial plans and budgets;

(e) capital structure and funding decisions;

Corporate Governance Report

(f) financial reports (including financial statements announcements and Annual Reports);

(g) accounting, financial, and remuneration policies and practices;

(h) material contracts, guarantees and commitments;

(i) conflicts of interest (where permitted by the Company's Constitution), related party transactions, and interested person transactions; and

(j) resolutions and corresponding documentation to be put forward to shareholders at general meetings.

The Board has delegated to the EXCO (as defined herein and its role further elaborated in the ensuing section) the authority to approve such expenditures up to a certain threshold.

All Directors are obliged to exercise due diligence and independent judgment, and make decisions objectively in the interests of the Group.

Provision 1.4
Delegation of authority to board committees

As at the date of this report, the Board comprises five members, of whom two are Non-Executive Directors and three are Independent Directors.

Name of Director	Board		Board Committees		
	Non-Executive Directors	Independent Directors	ARMC	RC	NC
Mr Charles Wang Chong Guang	Chairman	–	Member	Member	–
Ms Aona Liu	Member	–	–	–	Member
Ms Alice Ng Bee Yee	–	Member	Chairman	Member	–
Mr Chua Keng Woon	–	Member	Member	–	Chairman
Mr Leong Yew Meng	–	Member	–	Chairman	Member

The Board has formed the Audit and Risk Management Committee ("ARMC"), the Nominating Committee ("NC"), the Remuneration Committee ("RC") and the Executive Committee ("EXCO") (collectively, the "Board Committees" or individually, a "Board Committee") to assist in carrying out and discharging its duties and responsibilities efficiently and effectively.

These Board Committees function within clearly defined terms of reference and operating procedures including procedures for dealing with conflicts of interest. A Board Committee member is required to disclose his interest and recuse himself from discussions and decisions involving a conflict of interest. The effectiveness of each Board Committee is constantly reviewed by the Board.

The EXCO was constituted on 26 November 2020. The objectives of the EXCO, amongst others, are to assist the Board in the following:

(a) Consider the Group's business plan and annual budget;

(b) Consider the overall performance of the Group and provide recommendations to enhance performance;

(c) Providing direction and guidance to the Management and overseeing the Management's performance; and

(d) Facilitating decision making by the Board relating to important strategic and major operational issues faced by the Group, by making recommendation and proposal to the Board.

Corporate Governance Report

The EXCO in FY2021 was made up of Mr Charles Wang Chong Guang (Non-Executive Chairman), Ms Joelle Lee Siew Hong (Non-Executive Director), Dr Wong Kae Thong (Chief Operating Officer) and Mr Stanley Woo (Group Financial Controller).

The information on the ARMC, RC and NC are disclosed in this report below.

Provision 1.5
Meetings of Board and board committees

The following table discloses the number of meetings held for Board and Board Committees and the attendance of the Directors in FY2021:

	Types of meetings			
	Board	**ARMC**	**RC**	**NC**
Mr Charles Wang Chong Guang	4/4	–	1/1	–
Ms Joelle Lee Siew Hong (1)	3/3	1/1	–	–
Ms Alice Ng Bee Yee (2)	3/3	1/1	–	–
Mr Chua Keng Woon	4/4	2/2	–	1/1
Mr Leong Yew Meng	4/4	–	1/1	1/1
Mr Goh Kian Chee (3)	1/1	1/1	1/1	–
Mr Tan Soo Kiat (3)	1/1	1/1	–	1/1

(1) Appointed on 29 April 2021. Resigned on 31 December 2021.
(2) Appointed on 29 April 2021.
(3) Retired on 29 April 2021.

In addition to the above formal meetings, the Directors also had discussions in the financial year.

The NC takes into consideration other listed board representations held by the Directors and ensures that Directors give sufficient time and attention to the affairs of the Group. While the Board considers Directors' attendance at Board meetings as important, it should not be the only criterion to measure their contributions. The Board also takes into account the contributions by Board members in other forms including periodical reviews, provision of guidance and advice on various matters relating to the Group.

The Constitution of the Company provides for Directors to conduct meetings by teleconferencing or videoconferencing. When a physical meeting is not possible, timely communication with members of the Board can be achieved through electronic means. The Board and Board Committees may also make decisions through circular resolutions.

Provision 1.6
Board's access to information

All Directors have access to complete and adequate information on timely basis. All Directors are from time to time furnished with information concerning the Group to enable them to be fully cognizant of the decisions and actions of the Management. The Board has unrestricted access to the Group's records and information. As a general rule, Board and Board Committee papers are circulated at least three business days prior to the meeting. The Board receives monthly financial reports by the Management which includes explanations on material variances between projections and actual results.

The Management are available to provide explanatory information in the form of briefings or formal presentations to the Directors in attendance at Board meetings.

Corporate Governance Report

Provision 1.7
Board's access to Management, Company Secretary and external advisers

The Board has separate and independent access to the Company Secretary and the Management at all times in carrying out their duties. The Company Secretary attends all meetings of the Board and the Board Committees of the Company, and ensures that relevant Board and Board Committee procedures are followed and that applicable rules and regulations are complied with. The minutes of all Board and Board Committee meetings are circulated to the Board. The appointment and removal of the Company Secretary is subject to the approval of the Board.

Each Director also has separate and independent access to external advisers engaged by the Group and has the right to seek independent legal and other professional advice, at the Company's expense, concerning any aspect of the Group's operations or undertakings in order to fulfil their duties and responsibilities as Directors.

BOARD COMPOSITION AND BALANCE

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
Independence of directors

The criterion for independence is based on the definition given in the Code. The Code has defined an "independent" director as one who has no 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 judgment with a view to the best interests of the Group. The independence of each Director (including Independent Director) is reviewed annually by the NC, based on the definition of independence as stated in the Code.

Our Independent Directors, Mr Chua Keng Woon, Mr Leong Yew Meng and Ms Alice Ng Bee Yee have also confirmed their independence and that they do not have 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 their independent judgement with a view to the best interests of the Company. The NC has determined that the Independent Directors constructively challenge and help develop proposals on strategy and review the performance of the Management in meeting agreed goals and objectives and monitor the reporting of performance. The NC considers them to be independent. They have abstained from the NC's deliberations of their respective independence. None of the independent Directors have served on Board for more than nine years from the date of their respective appointments.

Provisions 2.2 and 2.3
Independent element of the Board

The Board consists of five Directors, two of whom are Non-Executive Non-Independent Directors and three are Independent Directors.

The Company satisfies the requirements of Rule 406(3)(c) of the Catalist Rules and the Code as the Board comprises wholly Non-Executive Directors and a majority of the Board is made up of Independent Directors.

Provision 2.4
Composition and diversity of the Board

The Company has in place a Board Diversity Policy, which endorses the principle that the Board should have a balance of skill, knowledge, experience and diversity of perspectives appropriate to its business to promote the inclusion of different perspectives and ideas to ensure effective decision making and governance of the Company and its businesses.

Corporate Governance Report

The NC annually reviews and assesses the Board composition and recommends the appointment of new directors, where applicable. For new and continuing appointments, the NC will consider factors such as skills, experience, age, gender, educational and professional background, tenure of service and other relevant attributes. Core competencies, which are taken into account in the selection and appointment of Directors, include but are not limited to business and management experience, industry knowledge, familiarity with regulatory requirements, knowledge of risk management, finance and accounting, audit and internal controls. The NC will ensure that its search for new directors include female candidates with suitable core competencies with the aim to promote gender diversity on the Board.

All Board appointments will be made on merit. The Company aims to build and maintain a Board with a diversity of directors, in terms of the skills, knowledge, experience, independence, age and gender.

The NC has reviewed the current composition of the Board and is of the view that the current Board members comprise persons whose diverse skills, experience and attributes provide for effective direction for the Group. The current Board includes gender diversity with two (2) female Board members and three (3) male Board members.

Provision 2.5
Role of non-executive directors

During the financial year, the Non-Executive Directors (which include the Independent Directors) constructively challenge and help develop both the Group's short-term and long-term business strategies. The Management's progress and performance in implementing such agreed business strategies are monitored by the Non-Executive Directors.

During the financial year, the Non-Executive Directors (which include the Independent Directors) communicated among themselves without the presence of the Management as and when a need arose. The Company also benefited from the Management's ready access to the Directors for guidance and exchange of views both within and outside the formal environment of the Board and Board Committee meetings.

The Non-Executive Directors meet without the presence of the Management at least once a year.

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
Separate roles of Chairman and Chief Executive Officer

The Group does not have a Chief Executive Officer ("CEO") in FY2021. The Company had a COO, Dr Wong Kae Thong, for the period between 8 April 2019 and 2 April 2022. The roles of Chairman and COO are separate.

While Mr Charles Wang (the Non-Executive Chairman of the Board) is a member of the EXCO, Mr Charles Wang does not take on the role of a CEO.

Provision 3.2
Roles and Responsibilities of the Chairman

The roles of the Chairman and CEO/COO are separate and distinct, each having his own areas of responsibilities.

The Chairman chairs the meetings of the Board and ensures effectiveness of the Board including setting agenda for Board meetings with input from the Management, and ensures that there is sufficient allocation of time for thorough discussion of each agenda item, promoting open environment for debate, and ensuring that all the Directors are able to speak freely and contribute effectively.

The Company's COO headed the Management and was responsible for the day-to-day management and business affairs of the Group in FY2021. The Company's COO reported to the Board and is responsible for ensuring that policies and strategies adopted by the Board were implemented.

Corporate Governance Report

Provision 3.3
Lead independent director

The Board has considered the Group's current business scale and operations and noted that three out of its five board members are Independent Directors. The Independent Directors and the Non-Executive Directors individually and collectively are available to shareholders as a channel of communication between shareholders and the Board or the Management. Given the size of the Board and that the majority of the Board members are independent, there is no need for a Lead Independent Director ("LID"). The Board will review the need for the appointment of a LID periodically.

BOARD MEMBERSHIP

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

Provisions 4.1 and 4.2
Nominating Committee

The NC comprises three members, a majority of whom are independent. The members of the NC are:

Mr Chua Keng Woon	Chairman	Independent Director
Mr Leong Yew Meng	Member	Independent Director
Ms Joelle Lee Siew Hong (29 April 2021 to 31 December 2021)	Member	Non-Executive Director
Ms Aona Liu (from 18 February 2022)	Member	Non-Executive Director

The NC has written terms of reference, under which the key functions of the NC are as follows:

(a) review of succession plans for directors and key management personnel, in particular, the Chairman and the CEO;

(b) develop a process for evaluation of the performance of the Board, its Board Committees and Directors, and undertake assessment of the effectiveness of the Board, Board Committees and Directors, including reviewing multiple board representations of directors where applicable;

(c) review the training and professional development programs for the Board;

(d) recommend to the Board the appointment and re-appointment of Directors; and

(e) assess the independence of Independent Directors.

The NC will review Board succession plans for Directors and will seek to refresh the Board membership in an orderly manner where it deems applicable.

Provision 4.3
Process for the selection and appointment and re-appointment of directors

The NC will conduct an annual review of the composition of the Board in terms of the size and mix of skills and qualifications of Board members. It may, if it deems appropriate, recommend the appointment of additional directors to strengthen the composition of the Board or as part of ongoing Board renewal process. The NC will review and identify the desired competencies for a new appointment.

Corporate Governance Report

Where there is a resignation or retirement of an existing director, the NC will re-evaluate the Board composition to assess the competencies for the replacement. Once the NC has determined the desired competencies for an additional or replacement director to complement the skills and competencies of the existing Directors, it will submit its recommendations to the Board for approval. Candidates are first sourced through a network of contacts and identified based on the established criteria. Recommendations from the Directors and the Management are the usual source for potential candidates. Where applicable, search through external search consultants can be considered.

The NC will shortlist candidates and conduct formal interviews with each of them to assess their suitability and to verify that the candidates are aware of the expectations and the level of commitment required. The sponsor will also interview the candidates for their suitability as directors. Finally, the NC will make recommendations on the appointment(s) to the Board for approval.

The Constitution of the Company requires a Director appointed by the Board to hold office only until the next Annual General Meeting and shall be eligible for re-election. Accordingly, Ms Alice Ng Bee Yee and Ms Aona Liu, who were appointed by the Board on 29 April 2021 and 11 February 2022 respectively, will retire at the forthcoming annual general meeting ("AGM") pursuant to Regulation 88 of the Constitution of the Company and will be seeking re-election.

The Constitution of the Company requires one-third of the Board to retire from office at each AGM. Accordingly, the Directors will submit themselves for re-nomination and re-election at regular intervals of at least once every three years. Mr Charles Wang will retire by rotation at the forthcoming AGM pursuant to Regulation 89 of the Constitution of the Company and will be seeking re-election.

In accordance with Catalist Rule 720(5), the information as set out in Appendix 7F on these Directors are provided together with the resolutions on their proposed re-election.

Provision 4.4
Determining directors' independence

Each Director completes a checklist to confirm his independence on an annual basis. The NC has reviewed the independence of the Directors as mentioned under Provision 2.1.

Provision 4.5
Multiple board representations

The NC considers and it is of the view that it would not be appropriate to set a limit on the number of directorships that a Director may hold because Directors have different capabilities, and the nature of the organisations in which they hold appointments and the kind of committees on which they serve are of different complexities, and for each Director to personally determine the demands of his or her competing directorships and obligations and assess the number of directorships they could hold and serve effectively.

The NC has considered other listed board representations held by the Directors to satisfy itself that the Directors give sufficient time and attention to the affairs of the Group.

<u>Key information on Directors</u>

Particulars of interests of Directors, who held office at the end of the financial year, in shares in the Company and in related corporations (other than wholly-owned subsidiaries) are set out in the Directors' Statement of the Annual Report.

Other key information of each member of the Board including directorships and chairmanships in other listed companies, other major appointments, and academic/professional qualifications can be found in the Board of Directors' profile section of the Annual Report.

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 and 5.2
Conduct of Board performance

The NC examines the Board's size to satisfy that it is appropriate for effective decision making, taking into account the nature and scope of the Group's operations.

The NC has reviewed and evaluated the performance of the Board as a whole, taking into consideration the attendance record at the meetings of the Board and Board Committees and also the contribution of each Director to the effectiveness of the Board. Notwithstanding that some of the Directors have multiple board representations, the NC is satisfied that sufficient time and attention are being given by the Directors to the affairs of the Group.

This process includes having the Directors complete a performance evaluation form seeking their evaluation on various aspects of board performance, such as the Board's level of governance, effective delegation to the Board Committees, leadership and accountability, which are the same performance criteria used in previous evaluation. The individual Directors also complete a self and peer assessment form. The Company Secretary compiles the Board and individual Directors' evaluation into a consolidated report. The report is discussed at the NC meeting and also shared with the entire Board.

The NC has reviewed the evaluations of the Board and individual Directors and is satisfied that the Board and each of the Board Committees have been effective in the conduct of its duties and the Directors have each contributed to the effectiveness of the Board and the Board Committees.

The individual Director is assessed on his knowledge of the Group's business and operations, business acumen, knowledge of corporate governance, contribution and engagement, communication and integrity. The Chairman will act on the results of the performance evaluation, and, in consultation with the NC, propose, where appropriate, new members to be appointed to the Board or seek the resignation of directors.

Where a Director has multiple board representations, the NC will evaluate whether or not the Director is able to carry out and has been adequately carrying out his duties as a Director of the Company. For the current year, the Board is satisfied that each Director has allocated sufficient time and resources to the affairs of the Company.

The Company does not use any external professional facilitator for the assessments of the Board, Board Committees and individual Directors, and will consider the use of such facilitator as and when appropriate.

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.

Provisions 6.1 and 6.2
Remuneration Committee

The RC comprises three members, all of whom are Non-Executive and a majority of whom are Independent Directors, including the Chairman of the RC. The members of the RC are:

Mr Goh Kian Chee (to 29 April 2021)	Chairman	Independent Director
Mr Leong Yew Meng (from 29 April 2021)	Chairman	Independent Director
Ms Alice Ng Bee Yee (from 29 April 2021)	Member	Independent Director
Mr Charles Wang Chong Guang	Member	Non-Executive Chairman

Corporate Governance Report

The RC carried out their duties in accordance with the terms of reference which include the following among other things:

(a) review and recommend to the Board a framework for remuneration for the Directors, CEO, COO and key management personnel of the Group;

(b) review and recommend Directors' fees for Non-Executive Directors (including Independent Directors) for approval at the AGM;

(c) determine specific remuneration packages for each executive director (if applicable), CEO, COO as well as key management personnel;

(d) review the Group's obligations arising in the event of termination of the executive directors', CEO's, COO's and key management personnel's contracts of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous; and

(e) review the remuneration of employees who are immediate family members of Directors, CEO or COO to ensure that the remuneration of each of such employee commensurates with his or her duties and responsibilities, and no preferential treatment is given to him or her.

Provision 6.3
Review of remuneration

There were no Executive Directors and CEO in FY2021. There are no termination and retirement benefits that may be granted to the COO or any key management personnel.

All aspects of remuneration, including but not limited to directors' fees, salaries, allowances, bonuses and benefits in-kind, will be covered by the RC. Each RC member will abstain from voting on any resolution in respect of his remuneration package. The recommendations of the RC will be submitted to the Board for endorsement.

Provision 6.4
Engagement of remuneration consultants

The RC will be provided with access to expert professional advice on remuneration matters as and when necessary. The expenses of such services shall be borne by the Company. No such consultant was engaged in FY2021.

The RC may seek expert advice on Directors' remuneration matters when necessary.

LEVEL, MIX AND DISCLOSURE 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
Remuneration of executive directors and key management personnel

In setting remuneration packages, the RC will take into consideration the pay and employment conditions within the industry and in comparable companies.

There were no Executive Directors and CEO in FY2021. The COO was paid a basic salary, responsibility allowances and performance-related variable bonus pursuant to her service agreement. The GFC was paid a basic salary and performance-related variable bonus pursuant to his respective service agreement. The factors for paying the variable bonus are the Group's performance and the performance of the personnel which contributed to the Group's performance.

Corporate Governance Report

The Company does not have any contractual provisions in the employment contracts for the Company to reclaim incentive components of remuneration from the CEO, COO or key management personnel. The Board is of the view that as the Group pays bonuses based on the actual performance (and not on forward-looking results or targets) of the operating unit as well as the individual, "claw-back" provisions are not relevant or appropriate.

The RC has reviewed the remuneration framework of the key management personnel to ensure that their compensation aligns with the long term interest of the Group.

Provision 7.2
Remuneration of non-executive directors

Non-Executive Directors and Independent Directors do not have service contracts. Their fee comprises a basic retainer fee and additional fees for appointment to Board Committees in accordance with their level of responsibilities as chairman or member of the Board Committees or other additional duties.

The RC has reviewed the fee structure for the Non-Executive Directors and Independent Directors as being reflective of their responsibilities and work commitments and recommends the Directors' fee for FY2021 for shareholders' approval at the AGM.

Provision 7.3
Appropriate remuneration to attract, retain and motivate key management personnel and directors

The Company has in place a share option scheme, namely the AsiaMedic Employee Share Option Scheme 2016. Non-Executive Independent Directors and Non-Executive Non-Independent Directors are also eligible for participation in the above scheme. The scheme is meant to attract, retain and motivate key management personnel and where applicable, such Directors.

DISCLOSURE OF 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.

Provision 8.1
Remuneration report

The performance of all staff (including key management personnel) are evaluated annually. Key performance indicators of key management personnel include their departmental performance, operational efficiencies and cost controls. The overall assessment of the key management personnel as well as their remuneration package are submitted to the RC for review.

The Company does not have any Executive Directors. Non-Executive Directors are paid fees comprising a basic retainer fee and additional fees for appointment to Board Committees in accordance with their level of responsibilities as chairman or member of the Board Committees or other additional duties.

<u>Directors</u>

The remuneration of Directors in FY2021 represent Directors' fee only. The aggregate Directors' fee was S$173,000 for FY2021. Given that all the Directors are non-executive and the aggregate Directors' fees was only S$173,000 for FY2021, it is not meaningful to disclose the exact fee of each Non-Executive Director. There was no CEO in FY2021.

Corporate Governance Report

Top five key management personnel (who are not Directors or CEO)

The Group has only two key management personnel in FY2021 based on the Group's organisational structure.

Name of key management personnel	Salary	Allowances	Bonus	Central Provident Fund Contribution	Total
	%	%	%	%	%
$250,000 to S$500,000					
Dr Wong Kae Thong	71	19	6	4	100%
Below $250,000					
Mr Stanley Woo	87	–	7	6	100%

The aggregate remuneration of such key management personnel amounted to S$567,000 for FY2021.

Provision 8.2
Employee related to Directors, CEO or COO

The Group does not have any employee who is an immediate family member of a Director, CEO or COO in FY2021.

Provision 8.3
Employee share award and share option schemes

The Company has in place an employee share option scheme to allow the Company to have the flexibility and effectiveness in its continuing efforts to reward, retain and motivate employees. No share options were issued in FY2021.

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.

Provision 9.1
Risk management and internal controls system

The Board is responsible for the governance of risk and sets the tone and direction for the Group in the way risks are managed in businesses. The Board has ultimate responsibility for approving the strategy of the Group in a manner which addresses stakeholders' expectations and does not expose the Group to an unacceptable level of operational, financial and compliance risks. The Board approves the key management policies and ensures a sound system of risk management and internal controls and monitors performance against them. In addition to determining the approach to risk governance, the Board sets and instils the right risk focused culture throughout the Group for effective risk governance.

The Board has approved a Group Risk Management Framework for the identification of key risks within the business. This Framework defines 10 categories of risks pertaining to operational, financial, and compliance risks. Major incidents and violations, if any, are reported to the Board to facilitate the Board's oversight of the effectiveness of crisis management and the adequacy of mitigating measures taken by the Management to address the underlying risks.

The ARMC assists the Board in its risk oversight to ensure that a review of the effectiveness of the Group's material internal controls, including financial, operational and compliance controls and risk management systems, is conducted annually.

Management's responsibilities in risk management

The Management reports to the ARMC on the Group's risk profile, the status of risk mitigation action plans and updates on the following areas:

- Assessment of the Group's key risks by major business units and risk categories.
- Identification of specific risk owners who are responsible for the risks identified.
- Description of the processes and systems in place to identify and assess risks.
- Status and changes in action plan undertaken to manage key risks.
- Description of the risk monitoring and escalation processes and also the control systems in place.

Annual review of risk management and internal control systems

The Board with the assistance of the ARMC has undertaken an annual assessment on the adequacy and effectiveness of the Group's risk management and internal control systems. The assessment considered issues dealt with in reports reviewed by the ARMC and the Board during the year together with any additional information necessary to ensure that the Board has taken into account all significant aspects of risks and internal controls for FY2021.

In order to obtain assurance that the risks are managed adequately and effectively, the Board had reviewed an overview of the risks which the Group is exposed to, as well as an understanding of what counter-measures and internal controls are in place to manage them.

The Management is responsible for designing, implementing and monitoring the risk management and internal control systems in accordance with the policies on risk management and internal controls.

Provision 9.2
Assurances from COO and GFC

The Board has obtained a written confirmation from the COO and the GFC that:

(a) the financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances; and

(b) the risk management and internal control systems are adequate and effective in addressing the operational, financial, compliance, and information technology risks faced by the Group.

Board's comment on adequacy and effectiveness of internal controls and risk management systems

Based on the internal controls and risk management established and maintained by the Group, work performed by the internal and external auditors, whistleblowing policy and reviews performed by the Management, the Board and relevant Board Committees, the Board is of the opinion that the Group's risk management and internal control systems (comprising financial, operational, compliance and information technology controls) for FY2021 are adequate and effective. The ARMC concurs with the Board's opinion based on their reviews of audit findings on internal controls and risks with the internal and external auditors, and the whistle blowing policy and procedures which are in place.

The Board notes that the system of internal controls and risk management established by the Group provides reasonable, but not absolute, assurance that the Group will not be adversely affected by any event that can be reasonably foreseen as it strives to achieve its business objectives. However, the Board also notes that no system of internal controls and risk management can provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgment in decision-making, human error, losses, fraud or other irregularities.

Corporate Governance Report

AUDIT COMMITTEE

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

Provisions 10.1 and 10.2
Audit and Risk Management Committee

The ARMC comprises three members, all of whom are Non-Executive and the majority of whom are Independent Directors. The ARMC comprises the following members:

Mr Goh Kian Chee (to 29 April 2021)	Chairman	Independent Director
Ms Alice Ng Bee Yee (from 29 April 2021)	Chairperson	Independent Director
Mr Chua Keng Woon	Member	Independent Director
Mr Tan Soo Kiat (to 29 April 2021)	Member	Non-Executive Director
Ms Joelle Lee Siew Hong (29 April 2021 to 31 December 2021)	Member	Non-Executive Director
Mr Charles Wang Chong Guang (from 18 February 2022)	Member	Non-Executive Director

The members of the ARMC have accumulatively extensive experience healthcare, accounting, corporate finance, business management and strategic planning. In addition to the activities undertaken to fulfil its responsibilities, the ARMC is kept up to date by the Management, external and internal auditors on changes to financial reporting and accounting standards, the SGX-ST rules and other codes and regulations which can have an impact on the Group's business and financial statements.

The Board is satisfied that the members of the ARMC have recent and relevant accounting or related financial management expertise or experience to discharge the ARMC's functions.

Roles, responsibilities and authorities of ARMC

The ARMC functions under the terms of reference which set out the following among other things:

(a) to review the audit plans of both the internal and external auditors;

(b) to review the auditors' reports and their evaluation of the Group's system of internal controls;

(c) to review the co-operation given by the Group's officers to the internal and external auditors;

(d) to review the effectiveness, adequacy, independence, scope and results of the external audit and the internal audit;

(e) to review the financial statements of the Group with external auditors and to receive assurance from the CEO (or the COO) and the CFO (or equivalent) before submission to the Board;

(f) to review the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the company and any announcements relating to the company's financial performance;

(g) to nominate and review the appointment of the internal and external auditors;

(h) to review interested person transactions and potential conflicts of interest; and

(i) to review arrangements by which the staff of the Group may, in confidence, raise concerns about possible improprieties in matters of financial reporting.

The ARMC has the power to conduct or authorise investigations into any matter within the ARMC's scope of responsibility. The ARMC is authorised to obtain independent professional advice if it deems necessary in the discharge of its responsibilities. Such expenses are to be borne by the Company.

Each member of the ARMC shall abstain from voting on any resolutions in respect of matters he is interested in.

Corporate Governance Report

The ARMC has full access to and co-operation of the Management and has full discretion to invite any Director, employee or consultant to attend its meetings, and has been given reasonable resources to enable it to discharge its functions.

Independence and quality of external auditors

The external auditors of the Group were Ernst & Young LLP for FY2021. They are registered with the Accounting and Corporate Regulatory Authority and a suitable audit firm in accordance with Rule 712 of the Catalist Rules. A different auditor has been appointed for the Group's associated company. The name of the auditor is disclosed in the financial statements. The Board and the ARMC are satisfied that the appointment of different auditor for the Company's associated company would not compromise the standard and effectiveness of the audit of the Group, and accordingly, Rule 716 of the Catalist Rules has been complied with.

The ARMC considers the external auditors' findings and where necessary sought further confirmation or explanation from the Management. On the key audit matters mentioned by the external auditors, the ARMC discussed with the external auditors and the Management and deemed that the list of key audit matters has been appropriately addressed and disclosed in the financial statements.

The ARMC is also satisfied with the adequacy of the scope and quality of the audit reviews performed by the external auditors, taking into consideration the audit quality indicators of the external auditors.

The ARMC has recommended that Baker Tilly TFW LLP be nominated for appointment as auditors at the forthcoming AGM, subject to the approval of shareholders at the AGM. Further information has been duly set out in the Appendix C to the Annual Report.

Whistleblowing

The Company has in place a whistleblowing policy which is published in the employee handbook of the human resources department. The handbook clearly defines the scope of the whistleblowing and sets out the procedures for raising concern or making a complaint and the process of investigation and dealing with the outcome of the investigation.

The ARMC is responsible for the oversight and monitoring of any whistle-blowing matters.

Staff are free to bring complaints to the attention of their supervisors and department heads, the human resources manager, or any of the senior management. The recipient of such complaints shall forward them promptly to the ARMC Chairperson. Staff also can choose to send the complaint directly to the ARMC Chairperson. The ARMC Chairperson will treat all information received confidentially and protect the identity of all whistle-blowers. Upon receipt of the whistle-blowing concern, the ARMC will carry out an initial assessment to determine if an investigation is required and the scope of the investigation followed by nominating an independent investigation team to conduct the investigation impartially. Following investigation and evaluation of a complaint, the ARMC Chairperson shall report to the ARMC on recommended disciplinary or remedial action, if any. The action determined by the ARMC to be appropriated shall then be brought to the Board or to appropriate members of the senior management for authorization and implementation respectively.

The identity of the whistle-blower will be kept confidential, with disclosure on a need-to-know basis to the ARMC, the investigating team, the Board and any party to whom the identity of the whistle-blower is required to be disclosed by law.

The Company will not tolerate the harassment or victimisation of anyone reporting a genuine concern. The Company shall take disciplinary action against anyone (i) who attempts to prevent or obstruct a whistle-blowing concern from being made or an investigation from being carried out, and (ii) harass or victimise the whistle-blower or subject the whistle-blower to detrimental or unfair treatment.

The policy is communicated to all staff of the Group as part of the Company's efforts to foster a culture of accountability and integrity.

Corporate Governance Report

ARMC's comments on key audit matters

The ARMC also reviewed the key audit matters ("KAMs") set out in the external auditor's report for FY2021. The external auditor has identified the KAMs as (i) impairment assessment on goodwill, (ii) impairment assessment on property, plant and equipment, and right-of-use assets, and (iii) impairment assessment on investment in subsidiaries and amounts due from subsidiaries.

The ARMC has reviewed the appropriateness and reasonableness of the methodologies and key assumptions applied by the Management in determining the recoverable amounts of the cash-generating units and subsidiaries for the above impairment assessments. Additionally, the ARMC considered and evaluated the methodology and key assumptions applied in the Management's expected credit loss ("ECL") model to determine the ECL allowance to be recognised on the amounts due from subsidiaries. The ARMC concurred with the Management's impairment assessments on (i) goodwill, (ii) property, plant and equipment, and right-of-use assets, and (iii) investment in subsidiaries and amounts due from subsidiaries, and accordingly concurred with the overall impairments recognised for FY2021.

Provision 10.3
Partners or directors of the company's auditing firm

No former partner or director of the Company's existing auditing firm or auditing corporation is a member of the ARMC.

Provision 10.4
Internal audit function

The Company outsources its internal audit function to Yang Lee & Associates. The internal auditors report directly to the ARMC and internal control weaknesses identified during the internal audit reviews and the recommended corrective actions are reported to the ARMC periodically.

The ARMC reviews and approves the internal audit scope and plan to ensure that there is sufficient coverage of the Group's activities. It also oversees the implementation of the internal audit plan and ensures that the Management provides the necessary co-operation to enable the internal auditors to perform its function.

The internal auditors are guided by the International Standards for the Professional Practice of Internal Auditing (IIA Standards) issued by the Institute of Internal Auditors.

The ARMC reviews the independence and adequacy of the internal audit function annually to ensure that the internal audits are performed effectively. The ARMC is satisfied that the internal auditors are staffed by qualified and experienced personnel.

The internal auditors completed a review during FY2021 in accordance with the internal audit plan approved by the ARMC with reference to the Group risk management framework. During the review, the internal auditors have unfettered access to the relevant documents, records, properties and personnel of the Group. The findings and recommendations of the internal auditors, the Management's responses, and the Management's implementation of the recommendations have been reviewed and approved by the ARMC. The ARMC is of the view that the internal audit function is independent, effective and adequately resourced.

Provision 10.5
Meeting with external and internal auditors without presence of the Management

The ARMC meets with both the internal and external auditors without the presence of the Management at least once a year

Corporate Governance Report

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
Shareholders participation and voting at general meetings

To facilitate participation by Shareholders, all general meetings of the Company are held in Singapore. Shareholders have the opportunity to participate effectively in and to vote at general meetings of Shareholders.

Shareholders are encouraged to attend the general meetings and to ensure a high level of accountability and to stay apprised of the Group's strategy and goals. Notices of the meetings are advertised in the newspapers and announced on the SGXNet.

At the AGM, shareholders are given the opportunity to engage the Board and the Management on the Group's business activities, financial performance and other business-related matters.

All resolutions at the forthcoming AGM would be put to vote by poll which allow greater transparency and more equitable participation by shareholders. Voting and vote tabulation procedures are disclosed at the general meetings. The poll results will be read out to shareholders immediately after vote tabulations. The result of the resolutions will be announced after the general meetings via SGXNet.

In FY2021, due to the COVID-19 pandemic, the Company held AGM by electronic means as members of the Company were not allowed to attend AGM in person. The Company despatched the annual report for FY2020 three weeks ahead of the AGM and invited shareholders to submit their questions ahead of the AGM. Questions raised by the shareholders were addressed ahead of the AGM and published on the Company's corporate website and on SGXNet. The minutes of the AGM were announced on the SGXNet. The Company will conduct the forthcoming AGM in similar manner.

Provision 11.2
Separate resolutions at general meetings

The Company has and will continue to have separate resolutions at general meetings on each distinct issue.

Provision 11.3
Attendance of directors and auditors at general meetings

The Directors, including the chairpersons of each of the Board Committees as well as the auditors have attended the AGM and will continue to attend the AGM.

Provision 11.4
Absentia voting

The Company's constitution allows the appointment of proxies for a shareholder who is absent from a general meeting to exercise his vote in absence through his proxy or proxies.

The Company's Constitution allows a member (other than a relevant intermediary as defined in Section 181 of the Companies Act) to appoint one or two proxies to attend and vote at its general meetings.

For shareholders who hold their shares through relevant intermediary, the Companies Act allows relevant intermediaries which include CPF agent bank nominees to appoint multiple proxies and empower CPF investors to attend and vote at general meetings of the Company as their CPF agent banks' proxies.

Corporate Governance Report

Provision 11.5
Minutes of general meetings

Minutes of general meetings have been taken and will continue to be taken and published on the SGXNet as well as the Company's corporate website at www.asiamedic.com.sg, within one month from the date of the general meetings.

Provision 11.6
Dividend

The details of dividend payment to shareholders will be disclosed via the release of the announcements through SGXNet. No dividend is declared or recommended due to the performance of the Group for FY2021. The Group's cash balance will be reserved for business operational purposes. The Company does not have a policy on payment of dividend. The Board will consider the Group's level of cash and retained earnings and projected working capital requirements, capital expenditure and investments in proposing a dividend.

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
Avenues for communication between the Board and shareholders

In line with the continuous obligations of the Company pursuant to the Catalist Rules, the Board's policy is that all shareholders be informed of all major developments that impact the Group.

The AGM is the principal forums for dialogue and interaction and exchange of views among the Directors, Management and shareholders. The Group also maintains a website at asiamedic.com.sg at which shareholders can access information on the Group. The website provides, inter alia, corporate announcements, press releases and profiles of the Group.

Information is disseminated to shareholders on a timely basis through:

(a) SGXNet announcements and news releases;

(b) Annual Reports issued to all shareholders;

(c) press releases on major developments of the Group;

(d) notices of and explanatory notes for the AGMs and extraordinary general meetings ("EGMs"); and

(e) the Company's website at www.asiamedic.com.sg, where shareholders can access information on the Group.

In accordance with the Catalist Rules of the SGX-ST, the Company does not practise selective disclosure and price sensitive information is publicly released on an immediate basis where required under the Listing Rules.

Provisions 12.2 and 12.3
Investor relations

The Company strives to reach out to shareholders and investors via its online investor relations site within its corporate website at www.asiamedic.com.sg where it updates shareholders and investors on the latest news and business developments of the Group.

Corporate Governance Report

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.

Provisions 13.1 and 13.2
Engage with its material stakeholder groups

The Group's material stakeholders are its shareholders, customers, employees, regulator and suppliers. The engagement with them is set out in its Sustainability Report for FY2020 published on 27 May 2021 on SGXNet.

The Company will publish its Sustainability Report for FY2021 in May 2022.

Provision 13.3
Corporate website to communicate and engage with stakeholders.

The Group maintains a corporate website at www.asiamedic.com.sg at which stakeholders can access information on the Group. The website provides, inter alia, corporate announcements, press releases and profiles of the Group. The Company has an online investor relations site within its corporate website as an outreach to shareholders and all other stakeholders.

DEALINGS IN SECURITIES

In line with Rule 1204(19) of the Catalist Rules, the Company does not deal in its own shares one month before the announcement of the Group's half-year and year-end financial statements. The Company issues circulars to its Directors and staff to remind them that (i) they should not deal in shares of the Company on short-term considerations or if they are in possession of unpublished material price-sensitive information; and (ii) they are required to report on their dealings in shares of the Company. The Directors and staff are also reminded of the prohibition in dealing in shares of the Company one month before the announcement of the Group's half-year and year-end financial statements. The restriction in dealings in securities is also extended to directors, employees and staff of the subsidiary companies.

INTERESTED PERSON TRANSACTIONS

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than $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 $100,000)
OncoCare Medical Pte. Ltd. (fka Brookline Medical Pte. Ltd.)	Associate of controlling shareholder	– (1)	– (1) (Provision of imaging services under the general mandate)

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

Corporate Governance Report

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	Net proceeds S$'000	Amount utilised to date S$'000	Balance S$'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	–	3,523
Total	8,523	5,000	3,523

Note:

(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.

MATERIAL CONTRACTS

There were no material contracts entered into by the Company or any of its subsidiary companies involving the interest of the Directors or a controlling shareholder.

NON-SPONSOR FEE

No non-sponsor fee was paid for FY2021.

AUDIT FEE

The audit fee for FY2021 is $115,000. There is no non-audit fee.

Directors' Statement

The directors hereby present their statement to the members together with the audited consolidated financial statements of AsiaMedic Limited (the "Company") and its subsidiaries (collectively, the "Group") for the financial year ended 31 December 2021.

1. Opinion of the directors

In the opinion of the directors,

(i) the consolidated financial statements of the Group 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 December 2021 and the financial performance, changes in equity and cash flows of the Group and of the company for the year then ended; and

(ii) 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:

Charles Wang Chong Guang	Non-Executive Chairman	
Liu Aona	Non-Executive Director	(Appointed on 11 February 2022)
Chua Keng Woon	Independent Director	
Leong Yew Meng	Independent Director	
Alice Ng Bee Yee	Independent Director	(Appointed on 29 April 2021)

3. Arrangements to enable directors to acquire shares and 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 objects 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 and debentures

According to the register of directors' shareholdings kept by the Company under section 164 of the Singapore Companies Act 1967 (the Act), the directors of the Company who held office at the end of the financial year had no interests in the shares or debentures of the Company and its related corporations. There was no change in interests between the end of the financial year and 21 January 2022.

5. AsiaMedic Employee Share Option Scheme

At an extraordinary general meeting held on 19 January 2016, shareholders approved the "AsiaMedic Employee Share Option Scheme 2016" for the granting of non-transferable options that are settled by physical delivery of the ordinary shares of the Company, to eligible employees, directors and consultant radiologists.

The scheme is administered by the Remuneration Committee.

The options that are granted under the scheme may have exercise prices that are set at the market price or at a discount to the market price (subject to a maximum discount of 20%). Options which are fixed at the market price may be exercised after the first anniversary of the date of grant while options exercisable at a discount to the market price may only be exercised after the second anniversary from the date of grant. Options granted under the scheme will have a life span of up to 10 years. Options are forfeited if the grantee leaves the Group.

Directors' Statement

5. **AsiaMedic Employee Share Option Scheme (cont'd)**

No share options under the scheme were granted during the financial year.

Date of grant	Balance at 1 Jan 2021	Aggregate options lapsed/ forfeited during the financial year	Balance at 31 Dec 2021	Exercise price	Discount to prevailing market price
15 Jun 2016	1,720,645	548,710	1,171,935	$0.050 (1)	11.1%

Note (1): The exercise price at the date of grant was $0.056. The adjusted exercise price as a result of the Rights Issue in 2020 is $0.050.

The exercisable period for the share options is 16 June 2018 to 14 June 2026. Particulars of employee share options scheme granted in 2016 were set out in the Directors' statement for the financial year ended 31 December 2016.

No director of the Company participated in the scheme as of 31 December 2021.

Since the commencement of the scheme till the end of the financial year:

- No options have been granted to the controlling shareholders of the Company and their associates (as defined in the Listing Manual (Section B: Rules of Catalist) of the Singapore Exchange Securities Trading Limited).
- No grantee has received 5% or more of the total options available under the scheme.
- No options that entitle the holder to participate, by virtue of the options, in any share issue of any other corporations have been granted.

6. **AsiaMedic Share Award Scheme**

The Company has a remuneration scheme known as the "AsiaMedic Share Award Scheme" pursuant to approval obtained from its shareholders at an extraordinary general meeting held on 30 April 2011. The scheme is administered by the Remuneration Committee. No award has been granted since the adoption of the scheme. The Scheme expired on 29 April 2021.

7. **Audit and Risk Management Committee**

The Audit Committee of the Company was re-designated the Audit and Risk Management Committee (ARMC) on 28 February 2014 to better reflect its risk oversight responsibilities. The ARMC carried out its functions in accordance with section 201B (5) of the Singapore Companies Act 1967, including the following:

- Reviewed the audit plans of the internal and external auditors of the Group and the Company and reviewed the internal auditor's evaluation of the adequacy of the Company's system of internal accounting controls and the assistance given by the Group and the Company's management to the external and internal auditors.
- Reviewed the half yearly and annual results announcement and the independent auditor's report on the annual financial statements of the Group and the Company and to receive assurance from the Chief Operating Officer, and the Group Financial Controller before their submission to the Board of Directors.
- Reviewed effectiveness of the Group and the Company's material internal controls, including financial, operational and compliance controls and risk management via reviews carried out by the internal auditor.

Directors' Statement

7. Audit and Risk Management Committee (cont'd)

- Met with the external auditor, other committees, and management in separate executive sessions to discuss any matters that these groups believe should be discussed privately with the ARMC.

- Reviewed legal and regulatory matters that may have a material impact on the financial statements, related compliance policies and programmes and any reports received from regulators.

- Reviewed the cost effectiveness and the independence and objectivity of the external auditor.

- Reviewed the nature and extent of non-audit services provided by the external auditor.

- Recommended to the Board of Directors the external auditor to be nominated, approved the compensation of the external auditor, and reviewed the scope and results of the audit.

- Reported actions and minutes of the ARMC to the Board of Directors with such recommendations as the ARMC considered appropriate.

- Reviewed interested person transactions in accordance with the requirements of the Listing Manual (Section B: Rules of Catalist) of the Singapore Exchange Securities Trading Limited.

The ARMC, having reviewed all non-audit services provided by the external auditor to the Group, is satisfied that the nature and extent of such services would not affect the independence of the external auditor.

The ARMC convened two meetings during the year with full attendance from all members.

The ARMC has also met with internal and external auditors, without the presence of the Company's management, at least once a year.

Further details regarding the ARMC are disclosed in the Corporate Governance Report.

8. Auditor

The independent auditor, Ernst & Young LLP, will not be seeking re-appointment at the forthcoming Annual General Meeting. Baker Tilly TFW LLP has expressed its willingness to accept appointment as auditors.

On behalf of the board of Directors:

Charles Wang Chong Guang
Director

Alice Ng Bee Yee
Director

Singapore
31 March 2022

Independent Auditor’s Report
To the Members of Asiamedic Limited

For the financial year ended 31 December 2021

Report on the audit of the financial statements

Opinion

We have audited the financial statements of AsiaMedic Limited (the “Company”) and its subsidiaries (collectively, the “Group”), which comprise the statement of financial position as at 31 December 2021, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the 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 financial position of the Company are properly drawn up in accordance with the provisions of the Singapore Companies Act 1967 (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 December 2021 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and changes in equity of the Company for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). 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 period. 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled our responsibilities described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our procedures, including the procedures performed to address the matters below, provide the basis for our opinion on the accompanying financial statements.

Impairment assessment on goodwill

The Group recorded goodwill of $0.5 million arising from the acquisition of AsiaMedic Astique The Aesthetic Clinic Pte Ltd (“AATAC”) in 2013. During the financial year, management performed impairment assessment for goodwill. Following management’s impairment assessment, no impairment charge was recorded for AATAC for the year ended 31 December 2021.

In determining the recoverable amount of the cash-generating unit (“CGU”), management used a value in use calculation that was based on budgets and forecasted cash flows. The estimation of the recoverable amount was dependent on certain estimates such as expected revenue annual growth rate, terminal growth rates and discount rates. Accordingly, we have identified this as a key audit matter.

Independent Auditor's Report
To the Members of Asiamedic Limited

For the financial year ended 31 December 2021

Key audit matters (cont'd)

In response to this area of focus, we performed the following procedures, amongst others:

- obtained an understanding of management's process in their determination of recoverable amount of the CGU;

- tested the reasonableness of the inputs, data and methodology used by management to derive the recoverable amounts of the CGU by comparing to historical data, financial budgets approved by the board and external data such as growth rate taking into consideration the current economic situation affected by COVID-19 outbreak. We discussed with management to obtain an understanding of the business environment to corroborate our testing of the reasonableness of the data used by management;

- involved our internal valuation specialist to assist us in the evaluation of the reasonableness of discount rate applied in the value in use model;

- reviewed the results of the impairment assessment performed by management by comparing the carrying value of the CGU to its recoverable amount, and assessed if the carrying amount exceed the recoverable amount; and

- assessed the adequacy of the disclosures in Note 13 to the financial statements.

Impairment assessment on property, plant and equipment and Right-of-Use assets

The carrying value of the Group's property, plant and equipment ("PPE"), which consist principally of medical equipment, and right-of-use assets ("ROUA"), as of 31 December 2021 amounted to $0.6 million and $3.7 million respectively. PPE and ROUAs are tested for impairment whenever there are indications of impairment. Following management's impairment assessment, impairment charge of $0.1 million and $0.8 million was recorded to write down the carrying amount of PPE and ROUA respectively for the year ended 31 December 2021.

The carrying values of the Group's PPE and ROUA were significant to our audit due to its magnitude and the significant management judgment involved in the impairment assessment. The estimation of the recoverable amount was dependent on certain estimates such as expected cash flows, growth rates and discount rates. Accordingly, we have identified this as a key audit matter.

In responding to this area of focus, we performed the following procedures, amongst others:

- obtained an understanding of management's process and their determination of recoverable amounts;

- obtained an understanding and tested management's calculations in the allocation of the corporate ROUA asset to various CGUs;

- tested the reasonableness of the inputs and data used by management to derive the recoverable amounts by comparing to historical data, financial budgets approved by the board and external data such as growth rate taking into consideration the current economic situation affected by COVID-19 outbreak. We also discussed with management to obtain an understanding of the business environment to corroborate our testing of the reasonableness of the data used by management;

- involved our internal valuation specialist to assist us in the evaluation of the reasonableness of discount rate applied in the value in use model;

- reviewed the results of the impairment assessment performed by management by comparing the carrying values of the CGUs to their respective recoverable amounts, and checked management's computation in recognizing impairment losses for those assets whose carrying amounts exceeded the recoverable amounts; and

- assessed the adequacy of the disclosures in Notes 10 and 28 to the financial statements.

Independent Auditor's Report
To the Members of Asiamedic Limited

For the financial year ended 31 December 2021

Key audit matters (cont'd)

Impairment assessment on investment in subsidiaries and amounts due from subsidiaries

The carrying amounts of the Company's investment in subsidiaries and amounts due from subsidiaries, net of impairment were $2.2 million and $0.1 million respectively as at 31 December 2021. The impairment assessments on investment in subsidiaries and amounts due from subsidiaries were significant to our audit due to the magnitude and significant management judgment involved in the impairment assessment process. Accordingly, we have identified this as a key audit matter.

Management performed an assessment on the investment in subsidiaries as there were indicators of reversal of impairment. Based on management's assessment, a reversal of impairment charge amounting to $1.2 million was recorded to write back the impairment loss allowance on cost of investment in subsidiaries during the year.

In response to this area of focus, we performed the following procedures, amongst others:

- obtained an understanding of management's process in their determination of recoverable amounts of the investment in subsidiaries;

- tested the reasonableness of the inputs, data and methodology used by management to derive the recoverable amounts by comparing to historical data of the subsidiaries, financial budgets approved by the board and external data such as growth rate taking into consideration the current economic and market conditions. We discussed with management to obtain an understanding of the business environment to corroborate our testing of the reasonableness of the data used by management;

- involved our internal valuation specialist to assist us in the evaluation of the reasonableness of discount rate applied in the value in use model; and

- reviewed the results of the impairment assessment performed by management by comparing the carrying values of the investments in subsidiaries to their respective recoverable amounts and checked management's computation in recognizing impairment losses when their carrying amounts exceeded the recoverable amounts.

The Company also provided for expected credit loss ("ECL") on the amounts due from subsidiaries based on the general approach. Based on management's assessment, an ECL allowance of $1.3 million was recognised on the amounts due from its subsidiaries during the year.

For impairment assessment on amounts due from subsidiaries, we performed the following procedures, amongst others:

- obtained an understanding and reviewed the key data sources used in the ECL model;

- checked the appropriateness of the Company's assumptions in the determination of significant increase in credit risk and the resultant basis of classification of exposures into various stages under the ECL general approach;

- discussed with management and corroborated the assumptions using historical data and publicly available information where available, in relation to the estimation of default rate and loss exposure at default used by the Company, and consideration of forward-looking adjustments including the current economic and market conditions; and

- checked arithmetic computation of the loss allowance used in the ECL model

We assessed the adequacy of the disclosures investment in subsidiaries and amounts due from subsidiaries in Note 11 and 17 to the financial statements.

Independent Auditor's Report
To the Members of Asiamedic Limited

For the financial year ended 31 December 2021

Other information

Management is responsible for 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), 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.

Independent Auditor's Report
To the Members of Asiamedic Limited

For the financial year ended 31 December 2021

Auditor's responsibilities for the audit of the financial statements (cont'd)

- 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.

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 period 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 incorporated 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 Ng Boon Heng.

Ernst & Young LLP
Public Accountants and
Chartered Accountants
Singapore

31 March 2022

Consolidated Statement of Comprehensive Income

For the financial year ended 31 December 2021

	Note	2021 $	2020 $
Revenue	4	18,255,133	15,279,133
Other income	5	869,030	2,054,718
Items of expense			
Consumables used		(1,322,823)	(1,273,521)
Personnel expenses	27	(9,925,778)	(9,142,002)
Depreciation and amortisation of non-current assets		(1,070,920)	(2,664,454)
Operating lease expenses		(137,917)	(159,650)
Maintenance of equipment		(954,684)	(930,229)
Laboratory and consultancy fees		(2,045,110)	(1,535,440)
Finance costs	6	(145,874)	(195,328)
Other operating expenses		(2,306,083)	(1,908,826)
Impairment of non-current assets		(857,048)	(4,192,276)
Share of results of associate	12	357,105	372,709
Profit/(loss) before tax	7	715,031	(4,295,166)
Income tax expense	8	–	–
Profit/(loss) for the year, representing total comprehensive income for the year, attributable to owners of the Company		715,031	(4,295,166)
Earnings/(loss) per share (cent per share)			
Basic	9	0.06	(0.39)
Diluted	9	0.06	(0.39)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Balance Sheets

As at 31 December 2021

	Note	Group 2021 $	Group 2020 $	Company 2021 $	Company 2020 $
Non-current assets					
Property, plant and equipment	10	557,098	514,674	19,996	26,761
Investment in subsidiaries	11	–	–	2,203,247	965,230
Investment in associate	12	1,991,995	1,933,056	181,500	181,500
Right-of-use assets	28	3,659,274	1,878,785	3,659,274	1,878,785
Goodwill	13	523,864	523,864	–	–
		6,732,231	4,850,379	6,064,017	3,052,276
Current assets					
Inventories	15	253,281	269,411	–	–
Trade receivables	16	2,100,354	2,448,711	–	–
Other receivables and deposits	17	617,473	590,402	708,882	1,599,598
Prepayments		194,741	167,831	38,423	22,767
Cash pledged as security	18	818,100	818,100	–	–
Cash and cash equivalents	19	9,473,762	7,657,029	5,832,792	5,315,998
		13,457,711	11,951,484	6,580,097	6,938,363
Current liabilities					
Trade payables	20	1,106,954	1,052,147	–	–
Other payables and accruals	21	1,961,667	1,378,999	1,716,369	849,154
Deferred income	23	1,179,464	1,357,081	–	–
Lease liabilities	28	1,202,070	1,370,835	1,202,070	1,370,835
Provision for reinstatement	22	–	330,000	–	170,000
		5,450,155	5,489,062	2,918,439	2,389,989
Net current assets		8,007,556	6,462,422	3,661,658	4,548,374
Non-current liabilities					
Provision for reinstatement	22	1,115,662	585,980	479,000	277,000
Lease liabilities	28	4,846,408	2,664,135	4,846,408	2,664,135
Deferred tax liabilities	14	22,568	22,568	–	–
		5,984,638	3,272,683	5,325,408	2,941,135
Net assets		8,755,149	8,040,118	4,400,267	4,659,515
Equity attributable to owners of the Company					
Share capital	24	33,284,437	33,284,437	33,284,437	33,284,437
Treasury shares	25	(2,866)	(2,866)	(2,866)	(2,866)
Other reserves	26	(562,921)	(562,921)	97,812	97,812
Accumulated losses		(23,963,501)	(24,678,532)	(28,979,116)	(28,719,868)
Total equity		8,755,149	8,040,118	4,400,267	4,659,515

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Statements of Changes in Equity

For the financial year ended 31 December 2021

	Attributable to owners of the Company				
Group	**Share capital** $	**Other reserves** $	**Treasury shares** $	**Accumulated losses** $	**Total share capital and reserves** $
Balance at 1 January 2020	24,761,027	(561,121)	(2,866)	(20,383,366)	3,813,674
Loss for the year, representing total comprehensive income for the year	–	–	–	(4,295,166)	(4,295,166)
Net proceeds from Rights Issue	8,523,410	–	–	–	8,523,410
Grant of equity-settled share options to employees	–	(1,800)	–	–	(1,800)
Balance at 31 December 2020	33,284,437	(562,921)	(2,866)	(24,678,532)	8,040,118
Profit for the year, representing total comprehensive income for the year	–	–	–	715,031	715,031
Balance at 31 December 2021	33,284,437	(562,921)	(2,866)	(23,963,501)	8,755,149

Company	**Share capital** $	**Other reserves** $	**Treasury shares** $	**Accumulated losses** $	**Total** $
Balance at 1 January 2020	24,761,027	99,612	(2,866)	(25,331,192)	(473,419)
Loss for the year, representing total comprehensive income for the year	–	–	–	(3,388,676)	(3,388,676)
Grant of equity-settled share options to employees	–	(1,800)	–	–	(1,800)
Net proceeds from Rights Issue	8,523,410	–	–	–	8,523,410
Balance at 31 December 2020	33,284,437	97,812	(2,866)	(28,719,868)	4,659,515
Loss for the year, representing total comprehensive income for the year	–	–	–	(259,248)	(259,248)
Balance at 31 December 2021	33,284,437	97,812	(2,866)	(28,979,116)	4,400,267

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Consolidated Statement of Cash Flows

For the financial year ended 31 December 2021

	Note	2021 $	2020 $
Cash flows from operating activities			
Profit/(loss) before tax		715,031	(4,295,166)
Adjustments:			
Depreciation and amortisation of property, plant and equipment	10	375,769	1,200,238
Depreciation of right-of-use assets	28	892,151	1,464,216
Impairment loss on property, plant and equipment	7	97,783	2,189,449
Impairment of right-of-use assets	7	759,265	2,002,827
Property, plant and equipment written off	10	4,168	753
Finance costs	6	145,874	195,328
Rental Relief Scheme grant income	5	–	(430,420)
Interest income	5	(22,234)	(46,066)
Grant of equity-settled share options to employees		–	(1,800)
Share of results of associate		(357,105)	(372,709)
Operating cash flows before changes in working capital		2,610,702	1,906,650
Changes in working capital:			
Decrease in inventories		16,130	316
Decrease in trade receivables, other receivables and deposits, and prepayments		294,376	491,926
Increase/(decrease) in trade and other payables		692,901	(153,176)
(Decrease)/increase in deferred income		(177,617)	85,964
Net cash flows from operating activities		3,436,492	2,331,680
Cash flows from investing activities			
Interest received		22,234	46,066
Dividend received from associate		298,166	447,122
Purchase of property, plant and equipment	10	(378,570)	(349,530)
Net cash flows (used in)/from investing activities		(58,170)	143,658
Cash flows from financing activities			
Decrease in cash pledged as security		–	37,582
Interest paid	28	(143,192)	(192,694)
Payment of principal portion of lease liabilities and finance lease rental payments	28	(1,418,397)	(984,818)
Repayment of loans and borrowings		–	(91,316)
Net proceeds from Rights Issue		–	3,523,410
Net cash flows (used in)/from financing activities		(1,561,589)	2,292,164
Net increase in cash and cash equivalents		1,816,733	4,767,502
Cash and cash equivalents at 1 January		7,657,029	2,889,527
Cash and cash equivalents at 31 December	19	9,473,762	7,657,029

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Notes to the Financial Statements

For the financial year ended 31 December 2021

1. Corporate information

AsiaMedic Limited (the "Company") is a limited liability company incorporated and domiciled in Singapore and is listed on the Catalist of the Singapore Exchange Securities Trading Limited.

The registered office and principal place of business of the Company is located at 350 Orchard Road, #08-00 Shaw House, Singapore 238868.

The principal activities of the Company are those relating to investment holding and the provision of management services. The principal activities of the subsidiaries and associate are set out in Note 11 and 12 to the financial statements.

2. Summary of significant accounting policies

2.1 *Basis of preparation*

The consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company have been prepared in accordance with Singapore Financial Reporting Standards (International) (SFRS(I)).

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollars (SGD or $).

The COVID-19 outbreak and the measures taken to contain the spread of the pandemic have created a high level of uncertainty to global economic prospects and this has negatively impacted the Group's operations and its financial performance in the previois financial year. The Group has taken measures to enable to Group to operate as a going concern through Rights Issue as disclosed in Note 24 and certain cost containment measures. With improved performance of its operations and the measures as described above, the Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

2.2 *Adoption of new and amended standards and interpretations*

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Group has adopted all the new and revised standards which are effective on or after 1 January 2021. The adoption of these standards did not have any material effect on the financial performance or position of the Group.

Notes to the Financial Statements

For the financial year ended 31 December 2021

2. Summary of significant accounting policies (cont'd)

2.3 *Standards issued but not yet effective*

The Group has not adopted the following standards applicable to the Group that have been issued but not yet effective:

Description	***Effective for annual periods beginning on or after***
Amendment to FRS 116 *Leases*: Covid-19-Related Rent Concessions beyond 30 June 2021	1 April 2021
Amendments to FRS 16 *Property, Plant and Equipment*: Proceeds before Intended Use	1 January 2022
Amendments to FRS 37 *Provisions, Contingent Liabilities and Contingent Assets*: Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to FRSs 2018-2020	1 January 2022
Amendments to FRS 1 *Presentation of Financial Statements*: Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to FRS 1 *Presentation of Financial Statements* and FRS Practice Statement 2: Disclosure of Accounting Polices	1 January 2023
Amendments to FRS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*: Definition of Accounting Estimates	1 January 2023
Amendments to FRS 12 *Income Taxes*: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to FRS 110 *Consolidated Financial Statements* and FRS 28 *Investments in Associates and Joint Ventures*: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Date to be determined

The Directors expect that the adoption of the standard above will have no material impact on the financial statements in the period of initial application.

2.4 *Basis of consolidation and business combinations*

(a) *Basis of consolidation*

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

2. Summary of significant accounting policies (cont'd)

2.4 ***Basis of consolidation and business combinations(cont'd)***

(b) *Business combinations and goodwill*

Business combinations are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred, and the services are received.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognised in profit or loss.

Non-controlling interest in the acquiree, that are present ownership interests and entitle their holders to a proportionate share of net assets of the acquire are recognised on the acquisition date at either fair value, or the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in profit or loss on the acquisition date.

Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to the Group's cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

The cash-generating units to which goodwill have been allocated is tested for impairment annually and whenever there is an indication that the cash-generating unit may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates.

2.5 ***Foreign currency***

The financial statements are presented in Singapore Dollars, which is also the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

(a) Transactions and balances

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

Notes to the Financial Statements

For the financial year ended 31 December 2021

2. Summary of significant accounting policies (cont'd)

2.5 ***Foreign currency (cont'd)***

(b) Consolidated financial statements

For consolidation purposes, the assets and liabilities of foreign operations are translated into SGD at the rate of exchange ruling at the end of the reporting period and their profit or loss are translated at the exchange rates prevailing at the date of the transactions. The exchange differences arising on translation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

2.6 ***Property, plant and equipment***

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Leasehold improvements	–	6 years
Furniture, fittings, fixtures and office equipment	–	3 to 6 years
Medical equipment	–	3 to 10 years

Assets under construction included in property, plant and equipment are not depreciated as these assets are not yet available for use.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in profit or loss in the year the asset is de-recognised.

2.7 ***Intangible assets***

Intangible assets acquired separately are measured initially at cost. Following initial acquisition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in profit or loss in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed as finite.

Intangible assets with finite useful lives are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least 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.

Gains or losses arising from de-recognition of an intangible asset are measured as 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 de-recognised.

Notes to the Financial Statements

For the financial year ended 31 December 2021

2. Summary of significant accounting policies (cont'd)

2.7 ***Intangible assets (cont'd)***

Customer relationship

Customer related intangible assets are acquired through business combinations and measured at fair value as at the date of acquisition. Subsequently, customer related intangible assets are amortised on a straight-line basis over their estimated useful lives of 5 years. Customer related intangible assets were fully amortised in the previous financial year.

2.8 ***Impairment of non-financial assets***

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when an annual impairment assessment for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses of continuing operations are recognised in profit or loss.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's 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. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

2.9 ***Subsidiaries***

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the Company's balance sheet, investments in subsidiaries are accounted for at cost less any impairment losses.

2.10 ***Associates***

An associate is an entity over which the Group has the power to participate in the financial and operating policy decisions of the investee but does not have control or joint control of these policies.

The Group accounts for its investments in associates using the equity method from the date on which it becomes an associate.

On acquisition of the investment, any excess of the cost of the investment over the Group's share of the net fair value of the investee's identifiable assets and liabilities represents goodwill and is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the investee's identifiable asset and liabilities over the cost of the investment is included as income in the determination of the entity's share of the associate's profit or loss in the period in which the investment is acquired.

Notes to the Financial Statements

For the financial year ended 31 December 2021

2. Summary of significant accounting policies (cont'd)

2.10 ***Associates (cont'd)***

Under the equity method, the investment in associates is carried in the balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the associates. The profit or loss reflects the share of the results of operations of the associates. Distributions received from associates reduce the carrying amount of the investment. Where there has been a change recognised in other comprehensive income by the associates, the Group recognises its share of such changes in other comprehensive income. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associates.

When the Group's share of losses in an associate equal or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in its associates. The Group determines at the end of each reporting period whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount in profit or loss.

The financial statements of the associates are prepared as of the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

Upon loss of significant influence over the associate, the Group measures the retained interest at its fair value. Any difference between the fair value of the aggregate of the retained interest and proceeds from disposal and the carrying amount of the investment at the date of the equity method was discontinued is recognised in profit or loss.

In the Company's separate financial statements, investments in associates are accounted for at cost less impairment losses.

2.11 ***Financial instruments***

(a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

Notes to the Financial Statements

For the financial year ended 31 December 2021

2. Summary of significant accounting policies (cont'd)

2.11 ***Financial instruments (cont'd)***

(a) Financial assets (cont'd)

Subsequent measurement

Investments in debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are:

(i) Amortised cost

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are de-recognised or impaired, and through amortisation process.

(ii) Fair value through other comprehensive income (FVOCI)

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Financial assets measured at FVOCI are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except for impairment losses, foreign exchange gains and losses and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is de-recognised.

(iii) Fair value through profit or loss

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt instruments that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss in the period in which it arises.

Investments in equity instruments

On initial recognition of an investment in equity instrument that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in OCI. Dividends from such investments are to be recognised in profit or loss when the Group's right to receive payments is established. For investments in equity instruments which the Group has not elected to present subsequent changes in fair value in OCI, changes in fair value are recognised in profit or loss.

Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. Changes in fair value of derivatives are recognised in profit or loss.

Notes to the Financial Statements

For the financial year ended 31 December 2021

2. Summary of significant accounting policies (cont'd)

2.11 ***Financial instruments (cont'd)***

(a) Financial assets (cont'd)

De-recognition

A financial asset is de-recognised where the contractual right to receive cash flows from the asset has expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are de-recognised, and through the amortisation process.

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. On de-recognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

(c) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheets, when and only when, there is a currently enforceable legal right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

2.12 ***Impairment of financial assets***

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

Notes to the Financial Statements

For the financial year ended 31 December 2021

2. Summary of significant accounting policies (cont'd)

2.12 ***Impairment of financial assets (cont'd)***

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 180 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.13 ***Cash and cash equivalents***

Cash and cash equivalents comprise cash on hand and at bank that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

2.14 ***Inventories***

Inventories, comprising medical supplies, are stated at the lower of cost and net realisable value. Costs incurred in bringing the inventories to their present location and condition are accounted for on a first-in, first-out basis.

Where necessary, allowance is provided for damaged, obsolete and slow moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.15 ***Provisions***

Provisions are recognised when the Group has a present obligation (legal or constructive) 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 the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. 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.

2.16 ***Government grants***

Government grant shall be recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate. Grants related to income are presented as a credit in profit or loss as "Other income".

2.17 ***Borrowing costs***

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that the Group incurred in connection with the borrowing of funds.

Notes to the Financial Statements

For the financial year ended 31 December 2021

2. Summary of significant accounting policies (cont'd)

2.18 ***Employee benefits***

Defined contribution plans

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. In particular, the Singapore companies in the Group make contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

Employee share option scheme

Employees of the Group receive remuneration in the form of share options as consideration for services rendered. The cost of these equity-settled share based payment transactions with employee is measured by reference to the fair value of the options at the date on which the options are granted which takes into account market conditions and non-vesting conditions. This cost is recognised in profit or loss, with a corresponding increase in the employee share option reserve, over the vesting period. The cumulative expense recognised at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of options that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

The employee share option reserve is transferred to retained earnings upon expiry of the share option.

2.19 ***Leases***

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group has applied the amendment to SFRS(I) 16 Leases: Covid-19-Related Rent Concessions. The Group applies the practical expedient allowing it not to assess whether a rent concession related to COVID-19 is a lease modification. The Company applies the practical expedient consistently to contracts with similar characteristics and in similar circumstances. For rent concessions in leases to which the Group chooses not to apply the practical expedient, or that do not qualify for the practical expedient, the Group assesses whether there is a lease modification.

(a) *Where the Group is the lessee*

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use ("ROU") assets representing the right to use the underlying assets.

Right-of-use ("ROU") assets

The Group recognises ROU assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). ROU assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of ROU assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. ROU assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The ROU assets are also subjected to impairment. The accounting policy for impairment is set out in Note 2.8.

Notes to the Financial Statements

For the financial year ended 31 December 2021

2. Summary of significant accounting policies (cont'd)

2.19 ***Leases (cont'd)***

(a) *Where the Group is the lessee (cont'd)*

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments), less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of the lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of warehouse premises (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies to the lease of low-value assets recognition exemption to leases of warehouse premises that are considered to be low value. Lease payments on short-term leases and leases of low value are recognised as expense on a straight-line basis over the lease term.

(b) *Where the Group is the lessor*

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as sub-lease income. The accounting policy for sub-lease income is set out in Note 2.20(d).

2.20 ***Revenue***

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

Notes to the Financial Statements

For the financial year ended 31 December 2021

2. Summary of significant accounting policies (cont'd)

2.20 *Revenue (cont'd)*

(a) *Rendering of services*

The Group renders diagnostic imaging and radiology services, health screening and medical wellness services, general medical services, and medical aesthetic services to customers.

Revenue from services in the ordinary course of business is recognised when the Group satisfies a performance obligation by transferring control of a promised service to the customer. The amount of revenue recognised is the amount of the transaction price allocated to the satisfied performance obligation.

Revenue is recognised at a point in time following the timing of satisfaction of the performance obligation.

(b) *Sales of pharmaceuticals and aesthetic products*

Revenue from the sales of pharmaceuticals and aesthetic products is recognised at the point in time when goods are delivered and accepted by the customer.

(c) *Interest income*

Interest income is recognised using the effective interest method.

(d) *Sub-lease income*

Sub-lease income is recognised on a straight-line basis over the lease terms of ongoing leases.

2.21 *Taxes*

(a) *Current income tax*

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the end of the reporting period.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Notes to the Financial Statements

For the financial year ended 31 December 2021

2. Summary of significant accounting policies (cont'd)

2.21 ***Taxes (cont'd)***

(b) *Deferred tax*

Deferred tax is provided using the liability method on 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 liabilities are recognised for all temporary differences, except:

– Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction affects neither the accounting profit nor taxable profit or loss; and

– In respect of taxable temporary differences associated with investments in subsidiaries and associates, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

– Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

– In respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. 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 profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of the reporting period.

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.

(c) *Sales tax*

Revenues, expenses and assets are recognised net of the amount of sales tax except:

– Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

– Receivables and payables that are stated with the amount of sales tax included.

Notes to the Financial Statements

For the financial year ended 31 December 2021

2. Summary of significant accounting policies (cont'd)

2.22 ***Share capital and share issuance expenses***

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

2.23 ***Treasury shares***

The Group's own equity instruments, which are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount of treasury shares and the consideration received, if reissued, is recognised directly in equity. Voting rights related to treasury shares are nullified for the Group and no dividends are allocated to them respectively.

2.24 ***Contingencies***

A contingent liability is:

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or

(b) a present obligation that arises from past events but is not recognised because:

(i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

(ii) The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liabilities are not recognised on the balance sheet of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

3. Significant accounting judgements and estimates

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

(a) Judgements made in applying accounting policies

In the process of applying the Group's accounting policies, management has made the following judgement, which have the most significant effect on the amounts recognised in the consolidated financial statements:

(i) Taxes

Deferred tax assets are recognised for unused tax losses and capital allowances to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future profits, together with future tax planning strategies.

Notes to the Financial Statements

For the financial year ended 31 December 2021

3. Significant accounting judgements and estimates (cont'd)

(a) Judgements made in applying accounting policies (cont'd)

(i) Taxes(cont'd)

The Group has $12,131,000 (2020: $11,662,000) of tax losses and $13,505,000 (2020: $14,104,000) of capital allowances carried forward. These losses and capital allowances relate to the Company and subsidiaries that have a history of losses and do not expire. The Company and the subsidiaries neither have any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Group has determined that it cannot recognise deferred tax assets on the tax losses carried forward.

If the Group was able to recognise all unrecognised deferred tax assets, profit and equity would have increased by $4,358,000 (2020: $4,380,000). Further details on taxes are disclosed in Note 14.

(b) Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of each reporting period are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(i) Impairment of goodwill

As disclosed in Note 13 to the financial statements, the recoverable amount of the cash-generating unit which goodwill has been allocated to is determined based on value in use calculations. The value in use calculation is based on discounted cash flow model. The recoverable amount is most sensitive to the discount rates and the forecasted annual growth rates used during the discounted cash flow period. The key assumptions applied in the determination of the value in use including a sensitivity analysis, are disclosed and further explained in Note 13 to the financial statements.

Following management's impairment assessment, no impairment was recognised for the financial year ended 31 December 2021.

(ii) Impairment of property, plant and equipment and right-of-use assets

The Group assesses at each reporting period whether there is an indication that its property, plant and equipment and right-of-use assets may be impaired. The assessment requires an estimation of the recoverable amount of the property, plant and equipment and the right-of-use assets. This requires the Group to make an estimate of the expected operating cash flows and to choose a suitable discount rate in order to calculate the present value of those cash flows. The recoverable amount is most sensitive to the discount rates and the forecasted annual growth rates used during the discounted cash flow period. The key assumptions applied in the determination of the value in use including a sensitivity analysis, are disclosed and further explained in Notes 10 and 28 to the financial statements.

The carrying value of the Group's property, plant and equipment and right-of-use assets as at 31 December 2021 was $557,098 (2020: $514,674) and $3,659,274 (2020: $1,878,785) respectively. During the financial year, the Group recorded an impairment loss on property, plant and equipment of $97,783 (2020: $2,189,449) and an impairment loss on right-of-use assets of $759,265 (2020: $2,002,827).

Notes to the Financial Statements

For the financial year ended 31 December 2021

3. Significant accounting judgements and estimates (cont'd)

(b) Key sources of estimation uncertainty (cont'd)

(iii) Impairment of investment in subsidiaries

The Company's investment in subsidiaries amounted to $2,203,247 (2020: $965,230) as at 31 December 2021. The investment in subsidiaries is tested for impairment or reversal of impairment whenever there are indications of impairment or that an impairment loss recognised in prior periods may no longer exist or may have decreased. Management has identified that the impairment loss on its subsidiary recognised in prior periods have decreased due to increased number of patient referrals following the gradual reopening of the economy.

Accordingly, management had estimated the recoverable amount of the subsidiary and recorded a write back on the impairment loss allowance on the cost of investment in subsidiary amounting to $1,238,017.

In the prior year, an impairment amounting to $500,000 was recorded to write down the carrying amount of the investment in subsidiary.

As disclosed in Note 11 to the financial statements, the recoverable amounts of investment in subsidiaries have been determined based on value in use calculations. The value in use calculation is based on a discounted cash flow model. The recoverable amount is most sensitive to the discount rate and forecasted annual growth rates used during the discounted cash flow period. The key assumptions applied in the determination of the value in use are disclosed and further explained in Note 11 to the financial statements.

(iv) Impairment of amounts due from subsidiaries

As at 31 December 2021, the Company's amounts due from subsidiaries amounted to $110,397 (2020: $1,003,277) and are repayable on demand. The amounts due from subsidiaries were tested for impairment under the expected credit loss model ("ECL"). 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, management has identified indicators of impairment on the amounts due from AsiaMedic Heart & Vascular Centre Pte Ltd, AsiaMedic PET/CT Centre Pte Ltd, AsiaMedic Astique The Aesthetic Clinic Pte Ltd and AsiaMedic Eye Centre Pte Ltd. Impairment amounting to $1.3 million (2020: $1.0 million) was recorded to write down the amounts due from subsidiaries.

Notes to the Financial Statements

For the financial year ended 31 December 2021

4. Revenue

Revenue represents fees for diagnostic imaging and radiology services, health screening and medical wellness services, primary care services and sales of pharmaceuticals products, and medical aesthetic services and related products, net of discounts. In the rendering of these services and sales of these products, there are no material variable considerations noted in the contracts with customers.

Disaggregation of revenue

	Group	
	2021	**2020**
	$	**$**
Major product or service lines:		
Health screening and medical wellness services	9,747,292	7,808,924
Diagnostic imaging and radiology services	4,944,227	4,392,933
Primary care services and pharmaceuticals products	1,896,693	1,534,721
Medical aesthetic services and related products	1,666,921	1,542,555
	18,255,133	15,279,133
Timing of transfer of goods or services:		
At a point in time	18,255,133	15,279,133

Information about a major customer

Revenue from one major customer amounted to $5,230,150 for the financial year (2020: $4,390,452). This relates to the provision of health screening and vaccination services to students and school children, as well as the provision of health screening and health coaching services to the community.

5. Other income

	Group	
	2021	**2020**
	$	**$**
Grant income	166,291	96,796
Job Support Scheme grant income	284,052	1,387,550
Sub-lease income	136,463	93,886
Rental Support/Rental Relief Scheme grant income	166,023	430,420
Interest income	22,234	46,066
Other income	93,967	–
	869,030	2,054,718

Job Support Scheme grant income relates to cash grants received from the Singapore Government to help businesses deal with the impact from COVID-19.

Rental Support/Rental Relief Scheme grant income relates to property tax rebates and rental relief received from the Singapore Government to help businesses deal with the impact from COVID-19. For the property tax rebates, the Group is obliged to pass on the benefits to its tenants and has transferred a portion of the benefits received to its tenants in the form of rent relief in the previous financial year.

Notes to the Financial Statements

For the financial year ended 31 December 2021

6. Finance costs

	Group	
	2021	2020
	$	$
Interest on loans and borrowings	–	311
Interest on lease liabilities	143,192	192,249
Interest on reinstatement asset	2,682	2,634
Others	–	134
	145,874	195,328

7. Profit/(Loss) before tax

The following items have been included in arriving at profit/(loss) before tax:

	Group	
	2021	2020
	$	$
Audit fees	115,000	98,000
Provision on reinstatement	197,000	–
Property, plant and equipment written off	4,168	753
Impairment of property, plant and equipment and reinstatement asset	97,783	2,189,449
Impairment of right-of-use assets	759,265	2,002,827

Notes to the Financial Statements

For the financial year ended 31 December 2021

8. Income tax expense

A reconciliation between the tax expense and the product of loss before tax multiplied by the applicable corporate tax rate is as follows:

	Group	
	2021	**2020**
	$	**$**
Profit/(Loss) before tax	715,031	(4,295,166)
Tax calculated at a tax rate of 17% (2020: 17%)	121,555	(730,178)
Adjustments:		
Share of results of associate	(60,708)	(63,361)
Non-deductible expenses	29,463	739,926
Income not subject to taxation	(76,513)	(45,484)
Deferred tax assets not recognised	119,427	210,327
Effect of partial tax exemption and tax relief	–	(2,206)
Utilisation of unutilised capital allowances under group relief	(102,473)	(109,692)
Others	(30,751)	668
Income tax expense recognised in profit or loss	–	–

9. Earnings/(loss) per share

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

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 profit/(loss) and share data used in the computation of basic earnings per share for the years ended 31 December:

	Group	
	2021	**2020**
	$	**$**
Profit/(Loss) for the year attributable to owners of the Company	715,031	(4,295,166)
	Number of shares	**Number of shares**
Weighted average number of ordinary shares for basic and diluted loss per share computation	1,119,522,270	1,093,727,615

Notes to the Financial Statements

For the financial year ended 31 December 2021

10. Property, plant and equipment

Group	Leasehold improvements	Furniture, fittings, fixtures, and office equipment	Medical equipment	Reinstatement asset	Total
	$	$	$	$	$
Cost:					
At 1 January 2020	3,318,687	2,929,556	10,082,833	143,758	16,474,834
Effect of adoption of SFRS(I) 16	–	–	2,695,000	–	2,695,000
Additions	–	45,957	72,420	205,448	323,825
Write offs	–	(11,522)	(9,825)	–	(21,347)
At 31 December 2020 and 1 January 2021	3,318,687	2,963,991	12,840,428	349,206	19,472,312
Additions	–	67,745	255,399	197,000	520,144
Write offs	–	(2,037)	(22,940)	–	(24,977)
At 31 December 2021	3,318,687	3,029,699	13,072,887	546,206	19,967,479
Accumulated depreciation and impairment loss:					
At 1 January 2020	3,153,524	2,354,033	8,363,453	23,960	13,894,970
Reclassified from right-of-use assets	–	–	1,693,575	–	1,693,575
Depreciation charge for the year	84,751	209,053	677,026	229,408	1,200,238
Write offs	–	(11,522)	(9,072)	–	(20,594)
Impairment loss	26,278	361,640	1,787,384	14,147	2,189,449
At 31 December 2020 and 1 January 2021	3,264,553	2,913,204	12,512,366	267,515	18,957,638
Depreciation charge for the year	27,383	33,662	97,301	217,423	375,769
Write offs	–	(2,037)	(18,772)	–	(20,809)
Impairment loss	–	9,809	68,554	19,420	97,783
At 31 December 2021	3,291,936	2,954,638	12,659,449	504,358	19,410,381
Net carrying amount:					
At 31 December 2020	54,134	50,787	328,062	81,691	514,674
At 31 December 2021	26,751	75,061	413,438	41,848	557,098

10. Property, plant and equipment (cont'd)

Company	Leasehold improvements $	Furniture, fittings, fixtures, and office equipment $	Total $
Cost:			
At 1 January 2020	246,943	290,719	537,662
Additions	205,448	–	205,448
At 31 December 2020 and 1 January 2021	452,391	290,719	743,110
At 31 December 2021	452,391	290,719	743,110
Accumulated depreciation:			
At 1 January 2020	246,943	243,311	490,254
Depreciation charge for the year	205,448	20,647	226,095
At 31 December 2020 and 1 January 2021	452,391	263,958	716,349
Depreciation charge for the year	–	6,765	6,765
At 31 December 2021	452,391	270,723	723,114
Net carrying amount:			
At 31 December 2020	–	26,761	26,761
At 31 December 2021	–	19,996	19,996

Impairment of assets

The Group carried out a review of the recoverable amount of its property, plant and equipment. The recoverable amount of the property, plant and equipment was based on their value in use and the pre-tax discount rate used was 10.5% (2020: 10.5%).

During the financial year, the Group recorded impairment loss of $97,783 (2020: $2,189,449) for the property, plant and equipment of its diagnostic imaging and radiology services companies. This amount was included in the "impairment of non-current assets" line item of profit or loss.

Key assumptions used in the value in use calculations

The calculations of value in use are most sensitive to the following assumptions:

Pre-tax discount rates – Discount rates represent the current market assessment of the risks specific to each cash-generating unit ("CGU"), regarding the time value of money and individual risks of the underlying assets which have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its CGUs and derived from its weighted average cost of capital (WACC). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is based on the interest-bearing borrowings the Group is obliged to service. Segment-specific risk is incorporated by applying individual beta factors. The beta factors are evaluated annually based on publicly available market data.

Projection period – Cash flow projections are generally based on the expected remaining lease term of the principal places of business of the Group. The Group has not extrapolated its cash flow projections beyond these periods.

Notes to the Financial Statements

For the financial year ended 31 December 2021

10. Property, plant and equipment (cont'd)

Impairment of assets (cont'd)

Key assumptions used in the value in use calculations (cont'd)

Future cash flows – Cash flow projections will be affected with the possible variations in the nature, amount or timing of the estimated future cash flows and revenue growth.

Sensitivity to changes in assumptions

Management recognises that changes in the future cash flows can have a significant effect on the value in use calculations. A reduction in the forecasted annual revenue growth rate may result in further impairment.

Write-offs from wear and tear

During the financial year, the Group wrote off property, plant and equipment with a carrying value of $4,168 (2020: $753) arising from usual wear and tear of the assets.

Assets under finance leases

In the previous financial year, a right-of-use asset which was acquired by the means of finance lease was reclassified to medical equipment upon the end of the finance lease.

Purchase of property, plant and equipment by other means

During the financial year, acquisitions of property, plant and equipment with a total cost of $378,570 (2020: $349,530) were made by cash. As at 31 December 2021, the amount owing to a vendor for acquisitions of property, plant and equipment amounted to $41,570 (2020: $97,023).

11. Investment in subsidiaries

	Company	
	2021	2020
	$	$
Unquoted shares, at cost	12,195,573	12,195,573
Impairment losses	(9,992,326)	(11,230,343)
	2,203,247	965,230

The movement of the allowance account used to record impairment is as follows:

	Company	
	2021	2020
	$	$
At 1 January	11,230,343	4,389,026
(Write back)/charge for the year	(1,238,017)	500,000
Transferred from impairment of amounts due from subsidiaries (Note 17)	–	6,341,317
At 31 December	9,992,326	11,230,343

During the financial year, a write back of impairment of $1,238,017 (2020: charge of $500,000) was recognised to the cost of investment in a subsidiary, The Orchard Imaging Centre Pte Ltd, to its recoverable amount.

The recoverable amount of the investment in subsidiaries has been determined based on a value in use calculation using cash flow projection from financial budgets approved by the management. The pre-tax discount rate applied to the cash flows projection is 10.5% (2020: 10.5%).

Notes to the Financial Statements

For the financial year ended 31 December 2021

11. Investment in subsidiaries (cont'd)

The Company has the following subsidiaries as at 31 December:

Name of subsidiary (Country of incorporation)	Principal activities	Effective equity interest held by the Group	
		2021	**2020**
		%	**%**
Held by the Company			
AMC Healthcare Pte Ltd [1] (Singapore)	Inactive	100	100
AsiaMedic Eye Centre Pte Ltd [1] (Singapore)	Inactive	100	100
The Orchard Imaging Centre Pte Ltd [1] (Singapore)	Provision of diagnostic imaging and radiology services	100	100
AsiaMedic Wellness Assessment Centre Pte Ltd [1] (Singapore)	Provision of health screening and medical wellness services	100	100
AsiaMedic PET/CT Centre Pte Ltd [1] (Singapore)	Provision of diagnostic imaging and radiology services	100	100
AsiaMedic Heart & Vascular Centre Pte Ltd [1] (Singapore)	Provision of diagnostic imaging and radiology services	100	100
Complete Healthcare International Pte Ltd [1] (Singapore)	Provision of primary healthcare services	100	100
Held by the AsiaMedic Wellness Assessment Centre Pte Ltd			
AsiaMedic Astique The Aesthetic Clinic Pte Ltd [1] (Singapore)	Provision of medical aesthetic services and related products	100	100

(1) Audited by Ernst & Young LLP, Singapore

Notes to the Financial Statements

For the financial year ended 31 December 2021

12. Investment in associate

	Group 2021	Group 2020	Company 2021	Company 2020
	$	$	$	$
Positron Tracers Pte Ltd	1,991,995	1,933,056	181,500	181,500

Name of associate (Country of incorporation)	Principal activities	Proportion (%) of ownership interest 2021	2020
		%	%
Positron Tracers Pte Ltd [1] (Singapore)	Manufacturing and sale of fludeoxyglucose (FDG) and other radioactive isotopes	33	33

(1) Audited by KPMG LLP, Singapore

The summarised financial information of Positron Tracers Pte Ltd, based on its SFRS(1) financial statements and reconciliation with the carrying amount of the investment in the consolidated financial statements is as follows:

Summarised balance sheet

	Positron Tracers Pte Ltd 2021	2020
	$	$
Current assets	6,295,462	6,438,965
Non-current assets	407,150	630,208
Total assets	6,702,612	7,069,173
Total liabilities	(666,264)	(1,211,428)
Net assets	6,036,348	5,857,745
Proportion of Group's ownership	33%	33%
Group's share of net assets	1,991,995	1,933,056
Carrying amount of the investment	1,991,995	1,933,056

Group's share of profit after tax
Summarised statement of comprehensive income

	Positron Tracers Pte Ltd 2021	2020
	$	$
Revenue	3,234,081	3,146,968
Profit after tax representing total comprehensive income for the year	1,082,135	1,129,420
Proportion of Group's ownership	33%	33%
Group's share of profit after tax	357,105	372,709

Notes to the Financial Statements

For the financial year ended 31 December 2021

13. Goodwill

	Group	
	2021	**2020**
	$	**$**
Cost:		
At 1 January and 31 December	2,124,311	2,124,311
Accumulated impairment:		
At 1 January and 31 December	1,600,447	1,600,447
Net book value:		
At 31 December	523,864	523,864

Impairment testing of goodwill

Goodwill acquired through business combination relates to the cash-generating unit of AsiaMedic Astique the Aesthetic Clinic Pte Ltd ("AATAC CGU").

Following management's impairment assessment, no impairment was recognised for the financial year ended 31 December 2021 and 2020.

The recoverable amount of the AATAC CGU is determined based on the value in use calculations using cash flow projections from financial budgets approved by management covering a five-year period (2020: four-year period). The pre-tax discount rate applied is 11% (2020: 11%). The cash flow projection period is consistent with the expected remaining lease term of the clinic's principal place of business.

Key assumptions used in the value in use calculations

The calculations of value in use for the AATAC CGU is the most sensitive to the following assumptions:

Pre-tax discount rates – Discount rates represent the current market assessment of the risks specific to the CGU, regarding the time value of money and individual risks of the underlying assets which have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its CGUs and derived from its weighted average cost of capital (WACC). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is based on the interest-bearing borrowings the Group is obliged to service. Segment-specific risk is incorporated by applying individual beta factors. The beta factors are evaluated annually based on publicly available market data.

Revenue growth rates – Projected revenue growth rates used do not exceed the projected growth rates in gross domestic product (GDP) and inflation rate forecasts for Singapore, as well as the historical growth rates achieved by the Group.

Sensitivity to changes in assumptions

With regards to the assessment of value in use for the AATAC CGU, management believes that no reasonably possible changes in any of the above key assumptions would cause the carrying value of the unit to materially exceed its recoverable amount. Therefore, no impairment loss was recognised to the carrying amount of goodwill for AATAC CGU in the current and previous financial years.

Notes to the Financial Statements

For the financial year ended 31 December 2021

14. Deferred tax liabilities

Deferred tax liabilities arose from differences in depreciation for tax purposes.

At the end of the reporting period, the Group has unutilised tax losses and capital allowances of approximately $12,131,000 (2020: $11,662,000), and $13,505,000 (2020: $14,104,000) respectively that are available for offset against future taxable profits of the companies in which the losses and capital allowances arose, for which no deferred tax asset is recognised due to uncertainty of its recoverability. These tax losses and allowances has no expiry date and can be carried forward indefinitely. The use of these tax losses and allowances is subject to the agreement of the tax authority and compliance with certain provisions of the tax legislation of Singapore.

15. Inventories

	Group	
	2021	**2020**
	$	**$**
Medical supplies	253,281	269,411
Inventories recognised as an expense in profit or loss	814,524	791,779

16. Trade receivables

	Group		Company	
	2021	**2020**	**2021**	**2020**
	$	**$**	**$**	**$**
Due from third parties	2,100,354	2,448,711	–	–
Add:				
Other receivables and deposits (Note 17)	617,473	590,402	708,882	1,599,598
Cash pledged as security (Note 18)	818,100	818,100	–	–
Cash and cash equivalents (Note 19)	9,473,762	7,657,029	5,832,792	5,315,998
Total financial assets carried at amortised cost	13,009,689	11,514,242	6,541,674	6,915,596

Trade receivables due from third parties are unsecured, non-interest bearing and are generally on 60 to 90 days' terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition and are dominated in SGD.

Expected credit loss

There are no provisions for expected credit loss as at 31 December 2021 and 2020.

Concentration of credit risk relating to expected credit losses of trade receivables is limited due to the Group's many varied debtors. Other than one major debtor which accounted for 51% (2020: 51%) of the Group's trade receivables, other debtors mainly consist of public and private clinics and hospitals, private businesses, insurance companies, and individuals. Expected credit losses are evaluated based on Group's historical experience in the collection of trade receivables, adjusted with forward-looking estimates and other macroeconomic conditions. Due to these factors, management believes that no additional credit risk is inherent in the Group's trade receivables.

17. Other receivables and deposits

	Group		Company	
	2021	2020	2021	2020
	$	$	$	$
Deposits	597,249	482,532	598,485	309,245
Other debtors	20,224	107,870	–	–
Amounts due from subsidiaries, net of impairment	–	–	110,397	1,290,353
	617,473	590,402	708,882	1,599,598

Amounts due from subsidiaries are unsecured, non-interest bearing, repayable upon demand and are to be settled in cash.

The other receivables and deposits are dominated in SGD.

Impairment of amounts due from subsidiaries

The movement of the allowance account used to record the expected credit loss on amounts due from subsidiaries are as follows:

	Company	
	2021	2020
	$	$
At 1 January	15,691,357	20,768,568
Charge for the year	1,253,874	1,264,106
Reversal during the year	(7,128)	–
Transferred to impairment loss on investment in subsidiaries	–	(6,341,317)
At 31 December	16,938,103	15,691,357

In the previous financial year, the Company capitalised $7.5 million from the amounts due from The Orchard Imaging Centre Pte Ltd to investment in subsidiaries. Subsequent to the capitalisation exercise, the previously recorded impairment loss on amounts due from subsidiaries of $6.3 million was transferred to the impairment loss on investment in subsidiaries.

The amounts due from subsidiaries were tested for impairment under the expected credit loss model (“ECL”). 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 the Company’s impairment assessment, the Company has identified indicators of impairment on the amounts due from certain subsidiaries. Impairment was recorded to write down the carrying amount of the amounts due from these subsidiaries.

18. Cash pledged as security

This relates to security provided for performance of contracts and a merchant credit card account facility.

Notes to the Financial Statements

For the financial year ended 31 December 2021

19. Cash and cash equivalents

	Group		Company	
	2021	2020	2021	2020
	$	$	$	$
Cash at banks and on hand	9,473,762	7,657,029	5,832,792	5,315,998

Cash at banks earn interest at floating rates based on the daily bank deposit rates.

Cash and cash equivalents denominated in foreign currencies at the balance sheet date are as follows:

	Group		Company	
	2021	2020	2021	2020
	$	$	$	$
United States Dollars	6,247	6,119	6,247	6,119

20. Trade payables

	Group		Company	
	2021	2020	2021	2020
	$	$	$	$
Due to third parties	881,291	901,705	–	–
Due to an associate	225,663	150,442	–	–
	1,106,954	1,052,147	–	–
Add:				
Other payables and accruals (Note 21)	1,961,667	1,378,999	1,716,369	849,154
Lease liabilities (Note 28)	6,048,478	4,034,970	6,048,478	4,034,970
Less:				
GST payables	(126,775)	(166,470)	–	–
Total financial liabilities carried at amortised cost	8,990,324	6,299,646	7,764,847	4,884,124

Trade payables are unsecured, non-interest bearing and are normally settled on 60-day terms and are dominated in SGD.

21. Other payables and accruals

	Group		Company	
	2021	2020	2021	2020
	$	$	$	$
Other payables	363,072	306,399	204,462	165,978
Accrued operating expenses	1,485,557	959,562	352,397	283,063
Amount due to subsidiaries	–	–	1,046,472	287,075
Interest payable to controlling shareholder	113,038	113,038	113,038	113,038
	1,961,667	1,378,999	1,716,369	849,154

The other payables and accruals are dominated in SGD.

Notes to the Financial Statements

For the financial year ended 31 December 2021

22. Provision for reinstatement

	Group		Company	
	2021	2020	2021	2020
	$	$	$	$
At 1 January	915,980	707,898	447,000	241,552
Arose during the financial year	197,000	205,448	32,000	205,448
Accretion of interest recognised during the financial year	2,682	2,634	–	–
At 31 December	1,115,662	915,980	479,000	447,000
Analysed into:				
Current portion	–	330,000	–	170,000
Non-current portion	1,115,662	585,980	479,000	277,000
	1,115,662	915,980	479,000	447,000

The provision for reinstatement of property, plant and equipment is based on quotations from contractors.

23. Deferred income

Deferred income relates to payments for services received in advance from customers and deferred Job Support Scheme grant income entitled by the Group.

24. Share capital

	Group and Company			
	2021		2020	
	No. of shares	$	No. of shares	$
Issued and fully paid ordinary shares:				
As at 1 January	1,119,622,270	33,284,437	390,588,125	24,761,027
Issued during the year	–	–	729,034,145	8,523,410
	1,119,622,270	33,284,437	1,119,622,270	33,284,437

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

The Company has an employee share option scheme under which options to subscribe for the Company's ordinary shares have been granted to certain employees, Directors and consultant radiologists of the Group (Note 27).

Notes to the Financial Statements

For the financial year ended 31 December 2021

24. Share capital (cont'd)

The Company underwent a Rights Issue subscription exercise ("Rights Issue") in 2020. On 14 January 2020, the Company issued 729,034,145 new ordinary shares in connection with its Rights Issue and raised net proceeds of $8.5 million. The intended utilisation of the net proceeds is as follows:

	$
Reducing indebtedness of the Group [(1)]	5,000,000
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	3,523,743
	8,523,743

(1) Reducing indebtedness of the Group is 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 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 $5 million.

25. Treasury shares

	Group and Company			
	2021		2020	
	No. of shares	$	No. of shares	$
As at 1 January and 31 December	100,000	2,866	100,000	2,866

Treasury shares relate to ordinary shares of the Company that are held by the Company.

The Company did not acquire any shares in the Company in the current and previous financial years. The total amount paid to acquire the shares is presented as a component within shareholders' equity.

No treasury shares were re-issued by the Company in the current and previous financial years.

26. Other reserves

Group	Put options granted $	Capital reserve $	Employee share option scheme reserve $	Total $
At 1 January 2020	(652,544)	(8,189)	99,612	(561,121)
Grant of equity-settled share options to employees	–	–	(1,800)	(1,800)
At 31 December 2020, 1 January 2021 and 31 December 2021	(652,544)	(8,189)	97,812	(562,921)

Capital reserve

Capital reserve comprises the difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received, and attributed to the owners of the Company.

Other reserve

Other reserve of the Company relates to employee share option scheme reserve as disclosed above and Note 27.

Notes to the Financial Statements

For the financial year ended 31 December 2021

27. Personnel expenses

	Group 2021 $	Group 2020 $
Salaries and bonuses to employees	6,428,101	6,278,987
Central Provident Fund contributions	827,317	791,579
Share-based payments (employee share option scheme)	–	(1,800)
Other expenses	557,490	451,978
Wages and fees to contract-for-hire personnel	2,112,870	1,621,258
	9,925,778	9,142,002

Equity-settled employee share option scheme

The Company has an employee share option scheme for certain employees, directors and consultant radiologists of the Group. The options that are granted under the scheme may have exercise prices that are set at the market price or at a discount to the market price (subject to a maximum discount of 20%). Options which are fixed at the market price may be exercised after the first anniversary of the date of grant while options exercisable at a discount to the market price may only be exercised after the second anniversary from the date of grant. Options granted under the scheme will have a life span of up to 10 years. Options are forfeited/lapsed if the grantee leaves the Group or if the performance targets are not met.

Movement of share options during the financial year

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the financial year:

	2021 No.	2021 WAEP $	2020 No.	2020 WAEP $
Outstanding at 1 January	1,720,645	0.050	1,524,000	**0.056**
Forfeited	(548,710)	–	–	–
Adjustment in connection with the Rights Issue	–	–	196,645	(0.006)
Outstanding at 31 December	1,171,935	0.050	1,720,645	**0.050**
Exercisable at 31 December	1,171,935	0.050	1,720,645	**0.050**

- The share options were granted on 15 June 2016.
- The weighted average remaining contractual life for these options is 4.5 years (2020: 5 years).
- The validity period of the options granted is as follows:

  (a) Nil (2020: 169,355) – 5 years from the date of grant *

  (b) 1,171,935 (2020: 1,551,290) – 10 years from the date of grant

  * These represent share options granted to an Independent Director which have a maximum validity period of five (5) years under Section 77 of the Companies Act 1967 of Singapore.

Notes to the Financial Statements

For the financial year ended 31 December 2021

27. Personnel expenses (cont'd)

Movement of share options during the financial year (cont'd)

- The share options granted are subject to a vesting schedule as follows:

  (a) two (2) years after the date of grant for up to 33% of the shares over which the share options are exercisable;

  (b) three (3) years after the date of grant for up to 66% (including (a) above) of the shares over which the share options are exercisable; and

  (c) four (4) years after the date of grant for up to 100% (including (a) and (b) above) of the shares over which the share options are exercisable.

- As at 31 December 2021 and 2020, no share options have pre-set performance conditions.

The fair value was calculated using the Binomial Option Pricing Method. The following table lists the inputs to the model:

	2016
Dividend yield (%)	0.000
Expected volatility (%)	97.870
Weighted average risk-free interest rate (% p.a.)	1.720
Expected life of options (years)	7.870
Weighted average share price ($)	0.060

The expected life of the share options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

28. Leases

Group as a lessee

The Group has lease contracts for use as office and clinic premises. These leases have extension options which are further discussed below.

In the previous financial year. the Group had a finance lease arrangement for certain medical equipment of a subsidiary. The equipment was recognised as right-of-use assets with SFRS(I) 16 becoming effective on 1 January 2019. The medical equipment was reclassified to property, plant and equipment after the end of the finance lease in the prior financial year.

The Group also has lease contracts for warehouse premises with lease term of 12 months or less, and leases with low-value. The Group applies the "short-term lease" and "low-value assets" recognition exemptions.

28. Leases (cont'd)

Group as a lessee (cont'd)

The carrying amounts of the Group's right-of-use assets and the movements during the year are as follows:

	Office and clinic premises	Medical equipment	Total
	$	$	$
Cost			
As at 1 January 2020 and 31 December 2020	6,810,044	2,695,000	9,505,044
Reclassified to property, plant and equipment	–	(2,695,000)	(2,695,000)
As at 31 December 2020 and 1 January 2021	6,810,044	–	6,810,044
Addition	3,431,906	–	3,431,906
As at 31 December 2021	10,241,950	–	10,241,950
Accumulated depreciation and impairment loss			
As at 1 January 2020	1,464,216	1,693,575	3,157,191
Depreciation charge	1,464,216	–	1,464,216
Impairment	2,002,827	–	2,002,827
Reclassified to property, plant and equipment	–	(1,693,575)	(1,693,575)
As at 31 December 2020 and 1 January 2021	4,931,259	–	4,931,259
Depreciation charge for the year	892,151	–	892,151
Impairment	759,265	–	759,265
As at 31 December 2021	6,582,675	–	6,582,675
Net book value			
At 31 December 2010	1,878,785	–	1,878,785
At 31 December 2021	3,659,274	–	3,659,274

Impairment of right-of-use ("ROU") assets

Management carried out a review of the recoverable amount of their ROU assets. The recoverable amount of the ROU assets has been determined based on a value in use calculation using cash flow projection from financial budgets approved by management covering a five-year (2020: four-year) period. The pre-tax discount rate applied to the cash flow projection is 10.5% (2020: 10.5%).

The cash flow projection period is consistent with the remaining lease term of the Group's current principal place of business.

Following management's impairment assessment, an impairment of $759,265 was recognised for the financial year ended 31 December 2021 (2020: $2,002,827).

Notes to the Financial Statements

For the financial year ended 31 December 2021

28. Leases (cont'd)

Group as a lessee (cont'd)

The carrying amount of lease liabilities and the movements during the year are as follows:

	Office and clinic premises $	Medical equipment $	Total $
Carrying amount at 1 January 2020	5,450,208	91,316	5,541,524
Accretion of interest recognised during the year	192,249	311	192,560
Rental relief received during the year	(430,420)	–	(430,420)
Payments during the year	(1,177,067)	(91,627)	(1,268,694)
Carrying amount at 31 December 2020 and 1 January 2020	4,034,970	–	4,034,970
Addition	3,431,905	–	3,431,905
Accretion of interest recognised during the year	143,192	–	143,192
Payments during the year	(1,561,589)	–	(1,561,589)
Carrying amount at 31 December 2021	6,048,478	–	6,048,478
Analysed into:			
Current portion	1,202,070	–	1,202,070
Non-current portion	4,846,408	–	4,846,408

The maturity analysis of lease liabilities is disclosed in Note 32 to the financial statements.

The amounts recognised in profit or loss in relation to leases are as follows:

	2021 $	2020 $
Depreciation expense of right-of-use assets	892,151	1,464,216
Interest expense on lease liabilities	143,192	192,560
Lease expenses not capitalised in lease liabilities:		
Expenses relating to short-term and low-value leases (included in operating lease expenses)	137,917	159,650
Total amount recognised in profit or loss	1,173,260	1,816,426

The Group had total cash outflows for leases relating to ROU assets of $1,561,590 (2020: $1,268,694) (principal and interest) after offsetting with Rental Relief Scheme grant income of $Nil (2020: $430,420).

The Group's lease contracts of premises for use as clinics and office include extension options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with Group's business needs. Management determine whether these extension options are reasonably certain to be exercised.

Set out below are the undiscounted potential future rental payment relating to periods following the exercise date of extention options that are not included in the lease term.

	Within five years $	More than five years $	Total $
Extension options expected not to be exercised	219,602	6,368,461	6,588,063

Notes to the Financial Statements

For the financial year ended 31 December 2021

28. Leases (cont'd)

Group as a lessee (cont'd)

A reconciliation of liabilities arising from financing activities is as follows:

	31 December 2020	Non-cash changes: Addition	Accretion of interests	Others	Cash flows	31 December 2021
	$	$	$	$	$	$
Current	1,370,835	–	143,192	1,249,632	(1,561,589)	1,202,070
Non-current	2,664,135	3,431,905	–	(1,249,632)	–	4,846,408
	4,034,970	3,431,905	143,192	–	(1,561,589)	6,048,478

	31 December 2019	Non-cash changes: Rental relief received	Accretion of interests	Others	Cash flows	31 December 2020
	$	$	$	$	$	$
Current	1,506,554	(430,420)	192,560	1,370,835	(1,268,694)	1,370,835
Non-current	4,034,970	–	–	(1,370,835)	–	2,664,135
	5,541,524	(430,420)	192,560	–	(1,268,694)	4,034,970

The "Others" column relates to reclassification of non-current portion of lease liabilities due to passage of time.

29. Related party transactions

(a) ***Sale and purchase of goods and services***

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 year:

	Group 2021	Group 2020
	$	$
Purchase of consumables from an associate	421,800	421,800
Medical services rendered by a subsidiary of controlling shareholder	200	2,025
Medical services rendered to subsidiaries of controlling shareholder	(104,241)	(117,010)

Notes to the Financial Statements

For the financial year ended 31 December 2021

29. Related party transactions (cont'd)

(b) ***Compensation of key management personnel***

	Group 2021 $	Group 2020 $
Salaries and bonuses	467,688	474,140
Central Provident Fund contributions	27,158	28,966
Other short-term benefits	72,000	69,600
Directors' fee	173,000	165,247
Share-based payments (employee share option scheme)	–	617
	739,846	738,570
Comprise amounts paid to:		
Directors of the Company:		
Fee	173,000	165,247
Share-based payments (employee share option scheme)	–	120
Other key management personnel	566,846	573,203
	739,846	738,570

The compensation of key management personnel, except for Directors' fee, is included in the "personnel expenses" line item of profit or loss. Directors' fee is included in the "other operating expenses" line item of profit or loss

The remuneration of key management personnel is determined by the Remuneration Committee with reference to the performance of Group and the individuals, as well as the market trends.

30. Commitments

(a) ***Operating lease commitments as at 31 December 2021 – as lessee***

As at 31 December 2021, the Group had short-term operating leases for logistic and warehouse. The leases had remaining expected lease term of approximately 1 years.

As at 31 December 2021, the future minimum rental payable under non-cancellable operating leases at the end of the reporting period is as follows:

	Group 2021 $	Group 2020 $
Not later than one year	295,850	477,510
Later than one year but not later than five years	325,750	–
	621,600	477,510

Notes to the Financial Statements

For the financial year ended 31 December 2021

30. Commitments (cont'd)

(b) ***Operating lease commitments – as lessor***

The Group has entered into sub-lease agreements on its leased property. The non-cancellable leases have remaining lease terms of between 2 years to 4.8 years (2020: 0.8 year).

Future minimum rental receivable under non-cancellable operating leases at the end of the reporting period are as follows:

	Group	
	2021	**2020**
	$	**$**
Not later than one year	182,624	106,810
Later than one year but not later than five years	526,660	–
	709,284	106,810

(c) ***Corporate guarantees***

Financial support has been given to certain subsidiaries having:

	Company	
	2021	**2020**
	$	**$**
Deficiencies in shareholders' funds	16,635,031	15,648,000
Current liabilities in excess of current assets	17,417,799	16,374,000

31. Fair values of financial instruments

Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximates of fair value

Management has determined that the carrying amounts of cash and cash equivalents, trade and other receivables, and trade and other payables and lease liabilities, based on their notional amounts, reasonably approximate their fair values because they are short-term in nature.

32. Financial risk management objectives and policies

The Group and the Company are exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, interest rate risk and liquidity risk. The Board of Directors reviews and approves policies and procedures for the management of these risks and they are summarised below. There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risks.

Notes to the Financial Statements

For the financial year ended 31 December 2021

32. Financial risk management objectives and policies (cont'd)

Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including cash and cash equivalents), the Group and the Company minimise credit risk by dealing only with recognised and creditworthy third parties.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Group has determined the default event on a financial asset to be when the counterparty fails to make contractual payments, within 90 days when they fall due, which are derived based on the Company's historical information.

The Group considers "low risk" to be an investment grade credit rating with at least one major rating agency for those investments with credit rating. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at reporting date with the risk of default as at the date of initial recognition. The Group considers available reasonable and supportive forwarding-looking information which includes the following indicators:

- Internal credit rating;
- External credit rating;
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations;
- Actual or expected significant changes in the operating results of the debtor;
- Significant increases in credit risk on other financial instruments of the same debtor;
- Significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements; and
- Significant changes in the expected performance and behaviour of the debtor, including changes in the payment status of debtors in the group and changes in the operating results of the debtor.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 90 days past due in making contractual payment.

The Group determined that its financial assets are credit-impaired when:

- There is significant financial difficulty of the debtor;
- A breach of contract, such as a default or past due event;
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation; or
- There is disappearance of an active market for that financial asset because of financial difficulty.

Notes to the Financial Statements

For the financial year ended 31 December 2021

32. Financial risk management objectives and policies (cont'd)

Credit risk (cont'd)

The Group categorises a loan or receivable for potential write-off when a debtor fails to make contractual payments more than 180 days past due. Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where loans and receivables have been written off, the Group continues to engage enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

Trade receivables

The Group provides for lifetime expected credit losses for all trade receivables, using a provision matrix. The provision rates are determined based on the Group's historical observed default rates analysed in accordance to days past due by grouping of customers with similar payment patterns. The expected credit losses incorporate forward looking information such as forecast of economic conditions where the gross domestic product will deteriorate over the next year, leading to an increased number of defaults.

Information regarding loss allowance movement of trade receivable are disclosed in Note 16 to the financial statements. During the current financial year, no allowance for expected credit loss t was made.

As at 31 December 2021, approximately 51% (2020: 51%) of the Group's trade receivables were due from a single customer. Despite the significant percentage due from this single customer, the Group believes that there is no risk of default as the Group trades only with recognised and creditworthy third parties.

Other financial assets

With respect to credit risk arising from the other financial assets of the Group, which comprise cash and cash equivalents, cash pledged as security, other receivables (including related parties balances), the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows. The Group ensures that it has sufficient cash on demand to meet expected operational expenses, including the servicing of financial obligations.

Notes to the Financial Statements

For the financial year ended 31 December 2021

32. Financial risk management objectives and policies (cont'd)

Liquidity risk (cont'd)

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and the Company's financial assets used for managing liquidity risks and financial liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

	One year or less $	One to five years $	Total $
Group			
2021			
Financial assets:			
Trade receivables	2,100,354	–	2,117,324
Other receivables and deposits	617,473	–	617,473
Cash pledged as security	818,100	–	818,100
Cash and cash equivalents	9,473,762	–	9,473,762
Total undiscounted financial assets	13,009,689	–	13,009,689
Financial liabilities:			
Trade payables	980,179	–	980,179
Other payables and accruals	1,961,667	–	1,961,667
Lease liabilities	1,317,612	5,050,848	6,368,460
Total undiscounted financial liabilities	4,259,458	5,050,848	9,310,306
Total net undiscounted financial assets/ (liabilities)	8,750,231	(5,050,848)	3,699,383

	One year or less $	One to five years $	Total $
Group			
2020			
Financial assets:			
Trade receivables	2,448,711	–	2,448,711
Other receivables and deposits	590,402	–	590,402
Cash pledged as security	818,100	–	818,100
Cash and cash equivalents	7,657,029	–	7,657,029
Total undiscounted financial assets	11,514,242	–	11,514,242
Financial liabilities:			
Trade payables	885,677	–	885,677
Other payables and accruals	1,378,999	–	1,378,999
Lease liabilities	1,505,593	2,822,386	4,327,979
Total undiscounted financial liabilities	3,770,269	2,822,386	6,592,655
Total net undiscounted financial assets/ (liabilities)	7,743,973	(2,822,386)	4,921,587

Notes to the Financial Statements

For the financial year ended 31 December 2021

32. Financial risk management objectives and policies (cont'd)

Liquidity risk (cont'd)

	One year or less $	One to five years $	Total $
Company			
2021			
Financial assets:			
Other receivables and deposits	708,882	–	708,882
Cash and cash equivalents	5,832,792	–	5,832,792
Total undiscounted financial assets	6,541,674	–	6,541,674
Financial liabilities:			
Other payables and accruals	1,716,369	–	1,716,369
Lease liabilities	1,317,612	5,050,848	6,368,460
Total undiscounted financial liabilities	3,033,981	5,050,848	8,084,829
Total net undiscounted financial assets/ (liabilities)	3,507,693	(5,050,848)	(1,543,155)

	One year or less $	One to five years $	Total $
Company			
2020			
Financial assets:			
Other receivables and deposits	1,599,598	–	1,599,598
Cash and cash equivalents	5,315,998	–	5,315,998
Total undiscounted financial assets	6,915,596	–	6,915,596
Financial liabilities:			
Other payables and accruals	849,154	–	849,154
Lease liabilities	1,505,593	2,822,386	4,327,979
Total undiscounted financial liabilities	2,354,747	2,822,386	5,177,133
Total net undiscounted financial assets/ (liabilities)	4,560,849	(2,822,386)	1,738,463

33. Segment reporting

For management purposes, the Group regards the rendering of diagnostic imaging and radiology services, health screening and medical wellness services, general medical services and treatment, 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.

Notes to the Financial Statements

For the financial year ended 31 December 2021

33. Capital management

Capital includes debt and equity items.

The Group reviews and manages its capital structure to maximise shareholders' returns taking into consideration the future capital requirements of the Group and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended 31 December 2021 and 2020.

34. Authorisation of financial statements for issue

The financial statements for the year ended 31 December 2021 were authorised for issue in accordance with a resolution of the Directors on 31 March 2022.

Statistics of Shareholdings

As at 15 March 2022

Issued & Paid-Up Capital	:	S$33,284,436.50
Number & Class of Shares (Excluding Treasury Shares)	:	1,119,522,270 Ordinary Shares
Voting Rights	:	One Vote per Ordinary Share
Treasury Shares & Percentage	:	100,000 Ordinary Shares (0.01%)

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No of shareholders	%	No of shares	%
1 - 99	6	0.22	202	0.00
100 - 1,000	109	3.98	85,403	0.01
1,001 - 10,000	825	30.14	5,043,080	0.45
10,001 - 1,000,000	1,710	62.48	253,327,619	22.63
1,000,001 and above	87	3.18	861,065,966	76.91
GRAND TOTAL	**2,737**	**100.00**	**1,119,522,270**	**100.00**

LIST OF 20 LARGEST SHAREHOLDERS

No.	Name	No. of Shares	%
1	LUYE MEDICAL GROUP PTE LTD	512,098,062	45.74
2	UNITED OVERSEAS BANK NOMINEES P L	57,871,398	5.17
3	DBS NOMINEES PTE LTD	45,058,100	4.02
4	PHILLIP SECURITIES PTE LTD	15,275,100	1.36
5	MAYBANK SECURITIES PTE. LTD.	9,950,800	0.89
6	CITIBANK NOMS SPORE PTE LTD	8,252,000	0.74
7	LISTIAWATI	7,454,000	0.67
8	LEE CHYE ONN @SOW CHYE ONN	7,000,000	0.63
9	RAFFLES NOMINEES(PTE) LIMITED	6,587,300	0.59
10	OCBC NOMINEES SINGAPORE PTE LTD	6,159,600	0.55
11	KONG YUEN HO	6,100,000	0.54
12	LOO TIONG KHENG	6,099,900	0.54
13	OCBC SECURITIES PRIVATE LTD	5,846,300	0.52
14	ANG KIM JOO MATTHEW	5,000,000	0.45
15	IFAST FINANCIAL PTE LTD	4,535,600	0.41
16	DBS VICKERS SECURITIES (S) PTE LTD	4,521,000	0.40
17	ANG AH LEK @AN AH LEK	4,500,000	0.40
18	TAN KAI SENG	4,400,000	0.39
19	UOB KAY HIAN PTE LTD	4,218,000	0.38
20	LIM KWEE SIAH	4,000,000	0.36
	TOTAL	**724,927,160**	**64.75**

SHAREHOLDINGS HELD BY THE PUBLIC

Percentage of shareholdings held by the public is approximately 54.26%, and therefore, Rule 723 of the Listing Manual (Section B: Rules of Catalist) of the Singapore Exchange Securities Trading Limited is complied with.

Statistics of Shareholdings

As at 15 March 2022

SUBSTANTIAL SHAREHOLDERS

(As shown in the Register of Substantial Shareholders)

	Direct Interest		Deemed Interest	
	No. of Shares	%(1)	No. of Shares	%(1)
Luye Medical Group Pte. Ltd. (2)	512,098,062	45.74	–	–
Luye Medical Investment Pte. Ltd. (3)	–	–	512,098,062	45.74
Luye Life Sciences Group Ltd (4)	–	–	512,098,062	45.74
Nelumbo Investments Limited (5)(7)	–	–	512,098,062	45.74
Ginkgo (PTC) Limited (6)(8)	–	–	512,098,062	45.74
Shorea LBG (8)	–	–	512,098,062	45.74
The Asoka Trust (7)	–	–	512,098,062	45.74
Liu Dianbo (7)(8)	–	–	512,098,062	45.74
Wang Cuilian (7)	–	–	512,098,062	45.74
Aona Liu (7)	–	–	512,098,062	45.74
Alina W Liu (7)	–	–	512,098,062	45.74

Notes:

(1) Based on 1,119,522,270 issued shares (excluding 100,000 treasury shares and nil subsidiary holdings) of the Company.

(2) Luye Medical Group Pte. Ltd. ("**LMGPL**") holds its shares in the Company directly.

(3) Luye Medical Investment Pte. Ltd. holds 100% of the issued and paid-up share capital LMGPL and is deemed to have an interest in the Shares held by LMGPL by virtue of Section 4 of the Securities and Futures Act 2001 ("**SFA**").

(4) Luye Life Sciences Group Ltd holds 100% of the issued and paid-up share capital of Luye Medical Investment Pte. Ltd.. Luye Medical Investment Pte. Ltd. is deemed to have an interest in the Shares held by LMGPL by virtue of Section 4 of the SFA. Accordingly, Luye Life Sciences Group Ltd is deemed to have an interest in the Shares held by LMGPL by virtue of Section 4 of the SFA.

(5) Nelumbo Investments Limited holds 70% of the issued and paid up share capital of Luye Life Sciences Group Ltd. Luye Life Sciences Group Ltd is deemed to have an interest in the Shares held by LMGPL by virtue of Section 4 of the SFA. Accordingly, Nelumbo Investments Limited is deemed to have an interest in the Shares held by LMGPL by virtue of Section 4 of the SFA.

(6) The shares representing 100% of the issued and paid up share capital of Nelumbo Investments Limited are held by Ginkgo (PTC) Limited as trustee of The Asoka Trust. Nelumbo Investments Limited is deemed to have an interest in the Shares held by LMGPL by virtue of Section 4 of the SFA. Accordingly, Ginkgo (PTC) Limited is deemed to have an interest in the Shares held by LMGPL by virtue of Section 4 of the SFA.

(7) The shares representing 100% of the issued and paid up share capital of Nelumbo Investments Limited are the trust property of The Asoka Trust. The settlor of The Asoka Trust is Mr Liu Dianbo. The beneficiaries of The Asoka Trust are Mr Liu Dianbo, his spouse Mdm Wang Cuilian, and his daughters Ms Aona Liu and Ms Alina W Liu. Nelumbo Investments Limited is deemed to have an interest in the Shares held by LMGPL by virtue of Section 4 of the SFA. Accordingly, The Asoka Trust and the beneficiaries of The Asoka Trust are deemed to have an interest in the Shares held by LMGPL by virtue of Section 4 of the SFA.

(8) Shorea LBG holds 100% of the issued and paid up share capital of Ginkgo (PTC) Limited and is in turn wholly-owned by Mr Liu Dianbo. Ginkgo (PTC) Limited is deemed to have an interest in the Shares held by LMGPL by virtue of Section 4 of the SFA. Accordingly, each of Shorea LBG and Mr Liu Dianbo are deemed to be indirectly interested in the Shares that Ginkgo (PTC) Limited has an interest in.

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("**AGM**") of AsiaMedic Limited (the "**Company**") will be held by electronic means on Friday, 29 April 2022 at 9.30 a.m. to transact the following businesses:

ORDINARY BUSINESS

1. To receive and adopt the audited financial statements for the financial year ended 31 December 2021 and the Directors' Statement and Auditors' Report thereon. **(Resolution 1)**

2. To re-elect Mr Charles Wang Chong Guang, a Director retiring pursuant to Regulation 89 of the Constitution of the Company. **(Resolution 2)**

3. To re-elect Ms Alice Ng Bee Yee, a Director retiring pursuant to Regulation 88 of the Constitution of the Company. **(Resolution 3)**

4. To re-elect Ms Aona Liu, a Director retiring pursuant to Regulation 88 of the Constitution of the Company. **(Resolution 4)**

5. To approve Directors' fee of S$173,000 for the financial year ended 31 December 2021 (2020: S$165,247). **(Resolution 5)**

6. To appoint Messrs Baker Tilly TFW LLP as Auditors of the Company in place of Messrs Ernst & Young LLP, the retiring Auditors of the Company, and to authorize the Directors of the Company to fix their remuneration. **(Resolution 6)**

SPECIAL BUSINESS

To consider and if thought fit, pass the following resolutions as Ordinary Resolutions, with or without modifications:

7. **Authority to issue Shares and Instruments convertible into Shares**

"That pursuant to Section 161 of the Companies Act 1967 (the "**Act**") and Rule 806 of the Listing Manual (Section B: Rules of Catalist) (the "**Catalist Rules**") of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"), approval be and is hereby given to the Directors of the Company, to:

(a) (i) issue ordinary shares in the capital of the Company (the "**Shares**") whether by way of rights, bonus or otherwise; and/or

(ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Shares to be issued including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into Shares, at any time and upon such terms and conditions and for such purposes and to such persons as the Directors in their absolute discretion deem fit;

(b) issue Shares in pursuance of any Instruments made or granted by the Directors while the authority was in force (notwithstanding the authority conferred by this Resolution may have ceased to be in force) provided always that:

(i) 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 100% of the total number of issued Shares, excluding treasury shares and subsidiary holdings, of which the aggregate number of Shares and convertible securities to be issued other than on a pro rata basis to existing shareholders of the Company does not exceed 50% of the total number of issued Shares excluding treasury shares and subsidiary holdings, and for the purpose of this Resolution, the total number of issued Shares excluding treasury shares and subsidiary holdings 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:

(a) new Shares arising from the conversion or exercise of convertible securities;

Notice of Annual General Meeting

(b) new Shares arising from exercising share options or vesting of share awards provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and

(c) any subsequent bonus issue, consolidation or subdivision of Shares;

whereby adjustments in accordance with (a) or (b) are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of this Resolution; and

(ii) 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 or the Monetary Authority of Singapore) and the Constitution for the time being of the Company;

(iii) in this Resolution, "subsidiary holdings" shall have the meaning ascribed to it in the Catalist Rules; and

(iv) such authority shall, unless revoked or varied by the Company at a general meeting, continue in force until the conclusion of the next annual general meeting or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier;

(c) the Directors be and are hereby authorised to do any and all acts which they deem necessary and expedient in connection with paragraphs (a) and (b) above."

(Resolution 7)

8. **Proposed Renewal of the Share Purchase Mandate**

"THAT:

(1) for the purposes of Sections 76C and 76E of the Act, the exercise by the Directors of the Company of all the powers of the Company to purchase or acquire Shares not exceeding in aggregate the Maximum Percentage (as defined below), at such price or prices as may be determined by the Directors from time to time up to the Maximum Price (as defined below), whether by way of:

(a) on-market purchases on the SGX-ST ("**On-Market Purchase**"); and/or

(b) off-market purchases (if effected otherwise than on the SGX-ST) in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Act ("**Off-Market Purchase**"),

and otherwise in accordance with all other laws regulations and rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "**Share Purchase Mandate**");

(2) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors of the Company pursuant to the Share Purchase Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earliest of:

(a) the date on which the next annual general meeting of the Company is held;

(b) the date by which the next annual general meeting of the Company is required by law to be held;

(c) the date when such mandate is revoked or varied by the Shareholders of the Company in general meeting; or

(d) the date on which the share purchase is carried out to the full extent mandated,

(the "**Relevant Period**").

Notice of
Annual General Meeting

(3) in this Resolution:

"**Maximum Percentage**" means that number of issued Shares representing 10.0% of the total number of issued Shares as at the date of the passing of this Resolution (excluding any Shares which are held as treasury shares or subsidiary holdings as at that date); and

"**Maximum Price**" in relation to a Share to be purchased or otherwise acquired, means the purchase price as determined by the Directors (excluding brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses) and not exceeding:

(a) in the case of an On-Market Purchase, 105.0% of the average closing market price. For this purpose, the average closing market price is:

(i) the average of the closing market prices of the Shares over the last five (5) Market Days (on which transactions in the Shares were recorded) immediately before the date of the On-Market Purchase by the Company; and

(ii) deemed to be adjusted for any corporate action that occurs during the relevant five (5) Market Day period and the day on which the purchases are made; and

(b) in the case of an Off-Market Purchase, 105.0% of the highest price at which a Share is transacted on the SGX-ST on the Market Day (when transactions in the Shares are recorded) immediately preceding the date on which the Company announces an Off-Market Purchase offer stating the purchase price and the relevant terms of the equal access scheme,

(the "**Maximum Price**") in either case, excluding related expenses of the share purchase.

(4) the Directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they and/or he may consider expedient or necessary or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this Resolution.

(Resolution 8)

9. **Authority to grant options and to allot and issue shares under the AsiaMedic Employee Share Option Scheme 2016**

"That the Directors of the Company be and are hereby authorised to offer and grant options in accordance with the provisions of the AsiaMedic Share Option Scheme 2016 (the "**AsiaMedic ESOS**") and to allot and issue from time to time such number of shares as may be required to be issued pursuant to the exercise of the options under the AsiaMedic ESOS provided always that the aggregate number of shares in respect of which options may be granted under the AsiaMedic ESOS shall not exceed 15% of the total issued capital (excluding treasury shares and subsidiary holdings) of the Company on the day preceding the relevant date of grant of option, and when added to the number of shares issued and issuable and/or transferred and transferable in respect of (a) all shares available under the AsiaMedic ESOS and (b) all shares, options or awards granted under the AsiaMedic Share Award Scheme or any other share option scheme, share award scheme or share incentive scheme of the Company then in force, shall not exceed 25% of the issued share capital (excluding treasury shares and subsidiary holdings) of the Company on the day preceding the relevant date of grant of option, and subject to such adjustments as may be made to the AsiaMedic ESOS as result of any variation in the capital structure of the Company."

(Resolution 9)

Notice of Annual General Meeting

10. **Proposed renewal of the IPT General Mandate**

"THAT:

(a) approval be and is hereby given, for the purposes of Chapter 9 of the Catalist Rules, for the renewal of the IPT General Mandate (which was obtained at the extraordinary general meeting of the Company held on 24 April 2017) for the Company and/or its Subsidiaries, to enter into any of the transactions falling within the types of Interested Person Transactions described in Appendix B attached to the Annual Report with any party who falls within the classes of interested persons as described in the Appendix, provided that such transactions are made on normal commercial terms and in accordance with the review procedures for the Interested Person Transactions as set out in the Appendix (the "**IPT General Mandate**");

(b) the IPT General Mandate shall, unless revoked or varied by the Company in general meeting, continue in force until the next annual general meeting of the Company is held or is required by law to be held; and

(c) the Directors be and are hereby authorised to take such steps, approve all matters and enter into all such transactions, arrangements and agreements and execute all such documents and notices as may be necessary or expedient for the purposes of giving effect to the IPT General Mandate as such Directors or any of them may deem fit or expedient or to give effect to this Resolution."

(Resolution 10)

ANY OTHER BUSINESS

11. To transact any other business which may be properly transacted at an annual general meeting.

Dated this 7 April 2022

BY ORDER OF THE BOARD
Foo Soon Soo (Ms)
Company Secretary

Notice of Annual General Meeting

EXPLANATORY NOTES:

(i) Resolution 6 – Proposed above is to approve the appointment of Messrs Baker Tilly TFW LLP ("Baker Tilly") as the Company's Auditors in place of the retiring Auditors, Messrs Ernst & Young LLP ("EY"), and to authorise the Directors of the Company to fix their remuneration. In accordance with the requirements of Rule 712(3) of the Catalist Rules:

(a) EY has confirmed to Baker Tilly by way of a letter of professional clearance dated 28 March 2022 that it is not aware of any professional reasons why Baker Tilly should not accept appointment as the new Auditors;

(b) the Company confirms that there are no disagreements with EY on accounting treatments within the last 12 months up to the date of their retirement at the conclusion of this AGM;

(c) the Company confirms that it is not aware of any circumstances connected with the proposed change of auditors that ought to be brought to the attention of the shareholders of the Company which has not been disclosed in Appendix C to the Annual Report 2021;

(d) the Company confirms that the specific reasons for the proposed change of auditors are disclosed in Section 2.2 of Appendix C. The proposed change of auditors is neither due to the dismissal of EY nor EY declining to stand for election; and

(e) the Company confirms that it complies with Rules 712 and 715 of the Catalist Rules in relation to the proposed appointment of Baker Tilly as its new Auditors.

(f) For more information relating to Ordinary Resolution 6 above, please refer to Appendix C.

(ii) Resolution 3 – Ms Alice Ng Bee Yee will upon re-election, remain as the Chairperson of the Audit and Risk Management Committee and a member of the Remuneration Committee. She is considered independent for the purpose of Rule 704(7) of the Catalist Rules. Detailed information on Ms Ng as required under Rule 704(7) of the Catalist Rules can be found in the Company's Annual Report 2021.

(iii) Resolution 7 – If passed, will enable the Directors to issue shares in the Company up to 100% of the total number of issued shares and instruments convertible into shares excluding treasury shares in the capital of the Company (in the case of issuance other than on a pro-rata basis to existing shareholders, such aggregate number of shares not to exceed 50% of the total number of issued shares excluding treasury shares and subsidiary holdings in the capital of the Company) for such purposes as they consider to be in the interests of the Company.

(iv) Resolution 8 – If passed, will empower the Directors, to repurchase Shares by way of on-market purchases or off-market purchases of up to 10% of the issued ordinary share capital of the Company (excluding treasury shares and subsidiary holdings) at such price up to the Maximum Price during the Relevant Period. Information relating to this proposed Resolution is set out in Appendix A attached to the Annual Report.

(v) Resolution 9 – If passed, will empower the Directors to offer and grant options in accordance with the AsiaMedic Share Option Scheme 2016 and to allot and issue shares in the capital of the Company pursuant to the exercise of options under such scheme which shall not exceed 15% of the total issued capital (excluding treasury shares and subsidiary holdings) of the Company on the day preceding the relevant date of grant of option, and when added to the number of shares issued under any other share incentive schemes or share plans adopted by the Company shall not shall not exceed 25% of the issued share capital (excluding treasury shares and subsidiary holdings) of the Company on the day preceding the relevant date of grant of option.

(vi) Resolution 10 – If passed, will allow the Company and/or its Subsidiaries to enter into transactions with interested persons as defined in Chapter 9 of the Catalist Rules of the SGX-ST. Please refer to Appendix B attached to the Annual Report for more information on the scope of the IPT General Mandate.

NOTES:

1. The AGM is being convened, and will be held by way of electronic means pursuant to the COVID-19 (Temporary Measures) Act 2020 passed by Parliament on 7 April 2020 which enables the Minister for Law by order to prescribe alternative arrangements for listed companies in Singapore to, *inter alia*, conduct general meetings, either wholly or partly, by electronic communication, videoconferencing, tele-conferencing or other electronic means and 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 AGM will also be sent to members by way of electronic means via publication on the SGXNet and the Company's website at www.asiamedic.com.sg > INVESTOR RELATIONS.

Notice of Annual General Meeting

3. The proceedings of the AGM will be broadcasted “live” through an audio-and-video webcast and an audio-only feed (together, the “**Live Broadcast**”). Persons who hold shares and wish to follow the proceedings must pre-register at https://conveneagm.sg/asiamedic no later than 9.30 a.m. on 26 April 2022. Following authentication of his/her/its status as a shareholder of the Company, such shareholder will receive an email on their authentication status and will be able to access the Live Broadcast using the account created.

   Members are advised to also check the junk / spam folder of their emails in case the emails are directed there instead of the inbox. Members who registered but do not receive an email response by 9.30 a.m. on 28 April 2022 may contact the Company’s Share Registrar at the email address sharereg@kckcs.com.sg.

   Persons who hold shares through relevant intermediaries, including CPF and SRS investors, and who wish to participate in the AGM should approach their respective relevant intermediaries as soon as possible for necessary arrangements to be made for their participation in the AGM.

   Investors holding shares through relevant intermediaries (as defined in Section 181 of the Act) (“**Investors**”) (other than CPF/SRS investors) will not be able to pre-register for the Live Broadcast of the AGM. An Investor (other than CPF/SRS investors) who wish to participate in the Live Broadcast of the AGM should instead approach his/her relevant intermediary as soon as possible but not less than 7 working days before the AGM, i.e. by 9.30 a.m., 19 April 2022 in order for the relevant intermediary to make the necessary arrangements to pre-register.

4. Due to the current COVID-19 restriction orders in Singapore, members will **not** be able to attend the AGM in person. Members will also not be able to vote online on the resolutions tabled for approval at the AGM.

5. A member (whether individual or corporate) must appoint the Chairman of the AGM as his/her/its proxy to vote in his/ her/its stead at the AGM if such member wishes to exercise his/her/its voting rights at the AGM. The Chairman of the AGM, as a proxy, need not be a member of the Company.

6. The accompanying proxy form for the AGM may be accessed on the SGXNet and the Company’s website at www.asiamedic.com.sg > INVESTOR RELATIONS. In addition, 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 form of proxy, failing which the appointment of the Chairman of the AGM as proxy for that resolution will be treated as invalid.

7. If a member of the Company, being a Depositor whose name appears in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001) wishes to appoint the Chairman of the AGM as his/her/its proxy to vote in his/her/its stead at the AGM, he/she/it must be shown to have shares entered against his/her/its name in the Depository Register, as certified by The Central Depository (Pte) Limited, at least seventy-two (72) hours before the time of the meeting.

8. CPF/SRS investors should be informed that if they wish to vote, they should approach their respective CPF Agent Banks or SRS Operators to submit their votes at least 7 working days before the AGM, i.e. by 9.30 a.m., 19 April 2022. Investors who have deposited their Shares into a nominee account should also approach their depository agent and relevant intermediaries at least 7 working days, i.e. by 9.30 a.m., 19 April 2022 before the AGM if they wish to vote. Proxy forms appointing such person other than the Chairman of the AGM shall be deemed to appoint the Chairman of the AGM as proxy.

9. The Proxy Form must be submitted in the following manner:

   (a) if submitted by post, be deposited at the Company’s Share Registrar, KCK CorpServe Pte. Ltd. at 24 Raffles Place #07-07, Clifford Centre, Singapore 048621, or the Company’s registered office at 350 Orchard Road #08-00, Shaw House, Singapore 238868; or

   (b) if submitted electronically, be sent via email to aml-meetings@asiamedic.com.sg;

   in either case, by 9.30 a.m. on 26 April 2022, being not less than seventy-two (72) hours before the time appointed for the AGM.

   A member who wishes to submit the Proxy Form must first 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 and the related safe distancing measures 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.

Notice of Annual General Meeting

10. **Members and Investors will not be able to ask questions "live" during the Live Broadcast of the AGM.** All members may submit questions relating to the business of the AGM within seven days of the date of this Notice of AGM, i.e. by 15 April 2022:

    (a) via the pre-registration website at https://conveneagm.sg/asiamedic;

    (b) by email to aml-meetings@asiamedic.com.sg; or

    (c) by post, be deposited at the Company's Share Registrar, KCK CorpServe Pte. Ltd. at 24 Raffles Place #07-07, Clifford Centre, Singapore 048621; or the Company's registered office at 350 Orchard Road #08-00, Shaw House, Singapore 238868.

    When sending in your questions, please also provide us with the following details:

    (a) your full name;

    (b) your address;

    (c) number of shares held; and

    (d) the manner in which you hold shares (e.g., via CDP, CPF or SRS).

    The Company will endeavour to address all relevant questions at least forty-eight (48) hours prior to the closing date and time for the lodgement of the Proxy Forms, and subsequent to the AGM, will also post such questions from shareholders and responses by the Company as well as minutes of the AGM proceedings on SGXNet.

PERSONAL DATA PRIVACY:

By submitting an instrument appointing the Chairman of the AGM as proxy to vote at the meeting and/or any adjournment thereof, 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) for the purpose of the processing and administration by the Company (or its agents) of proxies appointed for the meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines.

In the case of a member who is a relevant intermediary, by submitting an instrument containing personal data of Investors set out in Note 3 of this Notice of AGM, such member (i) warrants that it has obtained the prior consent of the Investors for the collection, use and disclosure by the Company (and/or its agents or service providers) of the personal data of such Investors in connection with their participation in the broadcast of the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes, and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (and/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.

SPONSOR STATEMENT:

This notice has been reviewed by the Company's sponsor, Xandar Capital Pte Ltd, in compliance with Rule 226 of the Catalist Rules. It has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this notice, including the correctness of any of the statements or opinions made or reports contained in this notice. The contact person for the Sponsor is Ms Pauline Sim (Registered Professional, Xandar Capital Pte Ltd) at 3 Shenton Way, #24-02 Shenton House, Singapore 068805. Telephone number: (65) 6319 4954.

Additional Information on Director Seeking Re-Election

Pursuant to Rule 720(5) of the Listing Manual Section B: Rules of Catalist of the SGX-ST (the "Catalist Rules"), the information relating to the Retiring Directors as set out in Appendix 7F of the Catalist Rules is as set out below:

Name of Director	**Mr Charles Wang Chong Guang**
Date of Appointment	22 March 2019
Date of last re-appointment (if applicable)	29 April 2019
Age	56
Country of principal residence	Hong Kong
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The re-election of Mr Wang as Director was recommended by the Nominating Committee and approved by the Board, after taking into consideration his qualifications, expertise, past experience and overall contribution since he was appointed as a Director
Whether appointment is executive, and if so, the area of responsibility	Non-executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	● Non-Executive Chairman ● Member of the Audit and Risk Management Committee ● Member of the Remuneration Committee
Professional qualifications	BA (Hons) in Economics and Accounting
Working experience and occupation(s) during the past 10 years	Feb 2015 – Present Group CEO, Luye Medical Group Feb 2015 – Dec 2016 Group Vice-President of M&A and Financing, Luye Pharma Group Jul 2012 – Feb 2015 Chief Financial Officer, China NT Pharma Group Nov 2010 – Jun 2012 Chief Financial Officer, Trauson Holdings
Shareholding interest in the listed issuer and its subsidiaries	Nil
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	Mr Wang is currently the Group CEO of Luye Medical Group of which the controlling shareholder, Luye Medical Group Pte. Ltd., is part of.
Conflict of interest (including any competing business)	As the Group CEO of Luye Medical Group, Mr Wang would be overseeing all businesses and operations. In 2017, the Company has adopted a shareholders' general mandate, which has been renewed on an annual basis, for recurrent interested person transactions with two interested persons including OncoCare Medical Pte. Ltd. (formerly known as Brookline Medical Pte. Ltd.) which is part of the Luye Medical Group group of companies. To allay any concerns on future potential conflict of interests which may arise between (a) the Company and its subsidiaries; and (b) Luye Medical Group group of companies, Mr Wang will disclose any potential conflict of interests to the Board of the Company and abstain from the deliberation of such matters.

Additional Information on Director Seeking Re-Election

Name of Director	Mr Charles Wang Chong Guang
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes
Past (for the last 5 years)	Luye Medical Management Limited Luye Medical Advisory Limited Luye Pharma Hong Kong Grand Plus Limited Best Link Investment Limited Luye Pharma Switzerland AG Luye Pharma (Germany) GmbH
Present	Luye Medical International Pte. Ltd. Luye Medical Investment Pte. Ltd. Luye Medical Group Pte. Ltd. Luye Medical Holdings Singapore Pte. Ltd. Solid Success Limited OncoCare Medical Pte. Ltd. Luye Medical NHC Pte. Ltd. TCI Cardiology Pte. Ltd. Luye Medical Urology Pte. Ltd. Luye Medical Hong Kong Limited Luye Medical Management Limited Luye Medical Advisory Limited Best Link Investment Limited Luye Medical International Holdings Limited Luye Medical International Group Limited Luye Australia Holdings Pty Ltd Luye Australia Pty Ltd Australian Hospital Partners Holding Pty Limited Australian Hospital Partners Pty Ltd. Healthe Care Australia Pty Ltd. The Orchard Imaging Centre Pte. Ltd. AsiaMedic Heart & Vascular Centre Pte. Ltd. AsiaMedic PET/CT Centre Pte. Ltd. AsiaMedic Wellness Assessment Centre Pte. Ltd. Complete Healthcare International Pte. Ltd. AsiaMedic Astique The Aesthetic Clinic Pte. Ltd. AMC Healthcare Pte. Ltd. AsiaMedic Eye Centre Pte. Ltd. Healthe Care Hong Kong Limited Luye Medical MH Limited

Mr Wang had provided a negative response to items (a) to (k) of Appendix 7.4.1 of the Catalist Rules.

Additional Information on Director Seeking Re-Election

Pursuant to Rule 720(5) of the Listing Manual Section B: Rules of Catalist of the SGX-ST (the "Catalist Rules"), the information relating to the Retiring Director as set out in Appendix 7F of the Catalist Rules is as set out below:

Name of Director	**Ms Alice Ng Bee Yee**
Date of Appointment	29 April 2021
Date of last re-appointment (if applicable)	NA
Age	46
Country of principal residence	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The re-election of Ms Ng as Independent Director was recommended by the Nominating Committee and approved by the Board, after taking into consideration her qualifications, expertise, past experience and overall contribution since she was appointed as a Director
Whether appointment is executive, and if so, the area of responsibility	Non-executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	● Independent Director ● Chairperson of the Audit and Risk Management Committee ● Member of the Remuneration Committee
Professional qualifications	Bachelor of Accountancy, Nanyang Technological University
Working experience and occupation(s) during the past 10 years	Jul 2016 – Current Director of Continuing Sponsorship ZICO Capital Pte. Ltd. Jan 2015 – Mar 2016 Director, Corporate Finance (Continuing Sponsorship) Canaccord Genuity Singapore Pte. Ltd. Aug 2014 – Oct 2014 Director, Corporate Finance CIMB Bank Berhad Feb 2008 – Dec 2013 Director, Corporate Finance Canaccord Genuity Singapore Pte. Ltd. (formerly known as Collins Stewart Pte Limited)
Shareholding interest in the listed issuer and its subsidiaries	Nil
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	No
Conflict of interest (including any competing business)	No
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes
Past (for the last 5 years)	Nil
Present	Nil

Ms Ng had provided a negative response to items (a) to (k) of Appendix 7.4.1 of the Catalist Rules.

Additional Information on Director Seeking Re-Election

Pursuant to Rule 720(5) of the Listing Manual Section B: Rules of Catalist of the SGX-ST (the "Catalist Rules"), the information relating to the Retiring Director as set out in Appendix 7F of the Catalist Rules is as set out below:

Name of Director	**Ms Aona Liu**
Date of Appointment	11 February 2022
Date of last re-appointment (if applicable)	NA
Age	29
Country of principal residence	China
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The re-election of Ms Liu as a Director was recommended by the Nominating Committee and approved by the Board, after taking into consideration her qualifications, expertise, past experience and overall contribution since she was appointed as a Director
Whether appointment is executive, and if so, the area of responsibility	Non-executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	• Non-Independent Non-Executive Director • Member of the Nominating Committee
Professional qualifications	• Bachelor of Science in Economics (with Honours), The University of Edinburgh • Master of Arts in Economics (with Honours), The University of Edinburgh • Master of Science in International Health Management, Imperial College London
Working experience and occupation(s) during the past 10 years	2020 – Current Executive Chairperson & Chairperson of the Board Luye Medical Group group of companies, Singapore & China 2018 – Current Founder CEO Philosojoy Pte. Ltd., Singapore 2017 – 2018 Executive Director Luye Medical Innovation Centre Luye Medical Group group of companies, Singapore & China 2016 – 2017 Global Strategy Planning & Business Development Manager Luye Medical Group group of companies, Singapore & China
Shareholding interest in the listed issuer and its subsidiaries	Deemed interest of 512,098,062 ordinary shares (45.74% of issued share capital) in the Company.
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	Ms Liu is currently the Executive Chairperson & Chairperson of the Board of Luye Medical Group group of companies, Singapore and China. Luye Medical Group Pte. Ltd., the controlling shareholder of the Company, is part of the Luye Medical Group group of companies. Ms Liu, her father (Mr Liu Dianbo), her mother (Mdm Wang Cuilian) and her sister (Ms Alina W Liu) are beneficiaries of The Asoka Trust. The Asoka Trust and its beneficiaries are deemed to have an interest in the ordinary shares of the Company held by Luye Medical Group Pte. Ltd. by virtue of Section 4 of the Securities and Futures Act 2001.

Additional Information on Director Seeking Re-Election

Name of Director	**Ms Aona Liu**
Conflict of interest (including any competing business)	As the Executive Chairperson and Chairperson of the Board of Luye Medical Group group of companies, Ms Liu would be overseeing all their businesses and operations. In 2017, the Company adopted a shareholders' general mandate, which has been renewed on an annual basis, for recurrent interested person transactions with two interested persons including OncoCare Medical Pte. Ltd. (formerly known as Brookline Medical Pte. Ltd.) which is part of Luye Medical Group group of companies. To allay any concerns on future potential conflict of interests which may arise between (a) the Company and its subsidiaries; and (b) Luye Medical Group group of companies, Ms Liu will disclose any potential conflict of interests to the Board of the Company and abstain from participating in its deliberations of such matters.
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes
Past (for the last 5 years)	Nil
Present	Yantai Luye International Medical Services Pte. Ltd. Luye Australia Holdings Pty Ltd Luye Australia Pty Ltd Australian Hospital Partners Holdings Pty Limited Australian Hospital Partners Pty Ltd. Healthe Care Australia Pty Ltd. Integral Lead Limited Mindfront Health (HK) Limited Marici Investment Limited Philosojoy Pte. Ltd. Luye Healthcare Pte. Ltd.

Ms Liu had provided a negative response to items (a) to (k) of Appendix 7.4.1 of the Catalist Rules.

ASIAMEDIC LIMITED

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

PROXY FORM

Please read notes overleaf before completing this Form.

IMPORTANT:

This Proxy Form is not valid for use by investors who hold ordinary shares in the Company ("**Shares**") through relevant intermediaries (as defined in Section 181 of the Companies Act, Chapter 50 of Singapore), including CPF and SRS investors, and shall be ineffective for all intents and purposes if used or purported to be used by them. Such investors (including SRS investors), if they wish to vote, CPF and SRS investors should approach their respective CPF Agent Banks and SRS Operators to submit their votes at least seven (7) working days before the AGM (that is, by 19 April 2022). Other investors holding shares in the Company through relevant intermediaries who wish to vote should approach their relevant intermediaries as soon as possible to specify voting instructions

PERSONAL DATA PRIVACY

By submitting an instrument appointing the Chairman of the Meeting as proxy, the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting.

*I/We ______________________ (name) ______________________ (*NRIC/passport/company registration no.)

of ____ (address)
being *a member/members of ASIAMEDIC LIMITED (the "**Company**"), hereby appoint the Chairman of the Annual General Meeting (the "**AGM**") of the Company, as *my/our proxy to vote for *me/us on *my/our behalf, at the AGM of the Company to be held by way of electronic means, on Friday, 29 April 2022 at 9.30 a.m. and at any adjournment thereof.

*I/We direct the Chairman of AGM to vote for, vote against or abstain from voting on the Ordinary Resolutions to be proposed at the AGM as indicated hereunder.

Members should specifically indicate in this Proxy Form how they wish to vote for or against (or abstain from voting on) the resolutions to be tabled at the AGM. In the absence of specific directions in respect of a resolution, the appointment of the Chairman of the AGM as your proxy will be treated as invalid.

*	Please delete accordingly.

No.	Ordinary Resolutions	For**	Against**	Abstain**
1	Adoption of the audited financial statements for the financial year ended 31 December 2021 and the Directors' Statement and Auditors' Report thereon			
2	Re-election of Mr Charles Wang Chong Guang as Director retiring pursuant to Regulation 89 of the Company's Constitution			
3	Re-election of Ms Alice Ng Bee Yee as Director retiring pursuant to Regulation 88 of the Company's Constitution			
4	Re-election of Ms Aona Liu as Director retiring pursuant to Regulation 88 of the Company's Constitution			
5	Approval of Directors' fee for the financial year ended 31 December 2021			
6	Appointment of Baker Tilly TFW LLP as Auditors			
7	Authority to issue shares and instruments convertible into shares			
8	Renewal of the Share Purchase Mandate			
9	Authority to grant options and to allot and issue shares under the AsiaMedic Employee Share Option Scheme 2016			
10	Renewal of the IPT General Mandate			

**	Voting will be conducted by poll. If you wish to exercise all your votes "For", "Against" or to "Abstain", please indicate with a "✓" within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this ________ day of ________________ 2022

Total No. of Shares held	No. of Shares
In Depository Register	
In Register of Members	

____
Signature(s) of member(s) / Common Seal

Notes:

1. In accordance with the alternative arrangements under the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020, members of the Company who wish to have their votes cast at the AGM must appoint the Chairman of the AGM as their proxy to do so.

2. This Proxy Form is not valid for use by investors who hold Shares through relevant intermediaries (as defined in Section 181 of the Companies Act 1967), including CPF and SRS investors, and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF and SRS investors should approach their respective SRS Operators at least seven working days before the AGM to specify voting instructions. Other investors holding shares in the Company through relevant intermediaries who wish to vote should approach their relevant intermediaries as soon as possible to specify voting instructions.

3. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (maintained by The Central Depository (Pte) Limited), you should insert that number of Shares in the box provided next to Depository Register. If you have Shares registered in your name in the Register of Members (maintained by or on behalf of the Company), you should insert that number of Shares in the box provided next to Register of Members.

4. The Chairman of the AGM, as proxy, need not be a member of the Company.

5. The instrument appointing the Chairman of the AGM as proxy must be deposited with the Company (i) via post to the Share Registrar at KCK CorpServe Pte. Ltd., 24 Raffles Place #07-07, Clifford Centre, Singapore 048621; or the Company's registered office at 350 Orchard Road #08-00, Shaw House, Singapore 238868; or (ii) electronic mail to aml-meetings@asiamedic.com.sg; and received by the Company not less than seventy-two (72) hours before the time for holding of the AGM.

   In view of the current COVID-19 situation and the related precautionary measures which may make it difficult for members to submit completed proxy forms by post, members are strongly encouraged to submit completed proxy forms via electronic mail.

6. Where an instrument appointing the Chairman of the AGM as proxy is sent by post, it must be under the hand of the appointor or of his attorney duly authorised in writing and where such instrument is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised.

   Where an instrument appointing the Chairman of the AGM as proxy is submitted by email, it must be authorised by way of the appointor or his duly authorised attorney or, as the case may be, an officer or duly authorised attorney of a corporation signing the instrument under hand and submitting a scanned copy of the signed instrument by email.

   Where an instrument appointing the Chairman of the AGM as proxy is signed or, as the case may be, authorised on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument appointing the Chairman of the AGM as proxy, failing which the instrument may be treated as invalid.

7. The Company shall be entitled to reject the instrument appointing the Chairman of the AGM as proxy if it is incomplete, improperly completed, 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 (such as in the case where the appointor submits more than one instrument of proxy).

8. In the case of a member 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, being the appointor, is not shown to have Shares entered against his/her name in the Depository Register as at seventy-two (72) hours before the time appointed for holding of the AGM (i.e. 9.30 a.m. on 26 April 2022), as certified by The Central Depository (Pte) Limited to the Company.

ASIAMEDIC LIMITED

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Singapore 238868
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