



Company Registration No. 200404283C

**Livingstone Health Holdings Limited and
its Subsidiaries**

Unaudited Condensed Interim Consolidated Financial
Statements
For the six-month financial period ended 30 September 2021

Livingstone Health Holdings Limited and its Subsidiaries

Table of content

	Page
Condensed interim consolidated statement of profit or loss and other comprehensive income	1
Condensed interim statements of financial position	2
Condensed interim statement of changes in equity	3
Condensed interim consolidated statement of cash flows	5
Notes to the condensed interim consolidated financial statements	6
Other information required by Appendix 7C of the Catalist Rules	18

Livingstone Health Holdings Limited and its Subsidiaries

**Condensed interim consolidated statement of profit or loss and other comprehensive income
For the six-month financial period ended 30 September 2021**

			Group	
	Note	30.9.2021	30.9.2020	Increase/ (decrease)
		S\$'000	S\$'000	
Revenue	4	15,967	8,124	97%
Other income		602	595	1%
Consumables and medical supplies used		(2,900)	(1,421)	104%
Employees benefits expense		(7,795)	(3,828)	104%
Depreciation expense		(708)	(531)	33%
Other operating expenses		(2,186)	(1,244)	76%
Finance costs		(215)	(63)	N.M
Share of results from joint ventures		(69)	(57)	21%
Profit before tax	5	2,696	1,575	71%
Income tax expense	7	(551)	(249)	121%
Profit for the period		2,145	1,326	62%
Other comprehensive income:				
<i>Items that may be reclassified subsequently to profit or loss</i>				
Foreign currency translation differences		1	3	(67%)
Other comprehensive income for the period, net of tax		1	3	(67%)
Total comprehensive income for the period, net of tax		2,146	1,329	62%
Profit attributable to:				
Owners of the Company		2,052	1,319	56%
Non-controlling interests		93	7	N.M
		2,145	1,326	62%
Total comprehensive income attributable to:				
Owners of the Company		2,053	1,322	55%
Non-controlling interests		93	7	N.M
		2,146	1,329	62%
Earnings per share attributable to owners of the Company (cents per share)				
Basic	8	0.65	0.42	
Diluted	8	0.65	0.42	

N.M: Not meaningful

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

Livingstone Health Holdings Limited and its Subsidiaries

Condensed interim statements of financial position
As at 30 September 2021

	Note	Group		Company	
		30.9.2021 S\$'000	31.3.2021 S\$'000	30.9.2021 S\$'000	31.3.2021 S\$'000
ASSETS					
<u>Non-current assets</u>					
Property, plant and equipment	10	3,505	3,527	-	-
Goodwill arising on consolidation	11	3,636	3,636	-	-
Investment in subsidiaries		-	-	73,000	73,000
Investment in joint ventures		73	113	-	-
Deferred tax asset		332	256	-	-
Total non-current assets		7,546	7,532	73,000	73,000
<u>Current assets</u>					
Trade receivables		7,200	4,413	-	84
Other receivables		1,489	1,041	15	86
Inventories		1,518	520	-	-
Cash and cash equivalents		5,264	6,775	21	17
Total current assets		15,471	12,749	36	187
Total assets		23,017	20,281	73,036	73,187
EQUITY AND LIABILITIES					
<u>Equity attributable to owners of the Company</u>					
Share capital	14	22,305	22,305	45,132	256,244
Merger reserve		57	57	-	-
Foreign currency translation reserve		5	4	-	-
Other reserves		22	22	-	-
(Accumulated loss)/retained profit ¹		(18,824)	(20,876)	864	(211,112)
Total attributable to equity holders of the Company		3,565	1,512	45,996	45,132
Non-controlling interests		486	393	-	-
Total equity		4,051	1,905	45,996	45,132
<u>Non-current liabilities</u>					
Other payables		1,500	1,821	25,000	25,000
Loans and borrowings	13	4,643	5,673	865	865
Lease liabilities		1,142	1,255	-	-
Deferred tax liabilities		2	2	-	-
Total non-current liabilities		7,287	8,751	25,865	25,865
<u>Current liabilities</u>					
Trade payables		772	1,243	-	-
Other payables		4,920	3,898	1,122	2,190
Amount due to subsidiaries		-	-	53	-
Loans and borrowings	13	3,332	1,129	-	-
Lease liabilities		968	1,260	-	-
Deferred revenue		1,089	1,236	-	-
Income tax payable		598	859	-	-
Total current liabilities		11,679	9,625	1,175	2,190
Total liabilities		18,966	18,376	27,040	28,055
Total equity and liabilities		23,017	20,281	73,036	73,187

¹ Included one-off exceptional expenses relating to loss on reverse acquisition and RTO related expenses amounted to \$20,315,000.

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

Livingstone Health Holdings Limited and its Subsidiaries

Condensed interim statement of changes in equity
For the six-month financial period ended 30 September 2021

Group	Share capital S\$'000	Merger reserve S\$'000	Foreign currency translation reserve S\$'000	Other reserve S\$'000	(Accumulated loss)/ Retained profit S\$'000	Total S\$'000	Non- controlling interests S\$'000	Total equity S\$'000
30 September 2021								
Balance as at 1 April 2021	22,305	57	4	22	(20,876)	1,512	393	1,905
Profit for the period	-	-	-	-	2,052	2,052	93	2,145
<u>Other comprehensive income</u>								
Foreign currency translation differences	-	-	1	-	-	1	-	1
Total comprehensive income for the period	-	-	1	-	2,052	2,053	93	2,146
Balance as at 30 September 2021	22,305	57	5	22	(18,824)	3,565	486	4,051
30 September 2020								
Balance as at 1 April 2020	3,267	57	(1)	22	1,107	4,452	496	4,948
Profit for the period	-	-	-	-	1,319	1,319	7	1,326
<u>Other comprehensive income</u>								
Foreign currency translation differences	-	-	3	-	-	3	-	3
Total comprehensive income for the period	-	-	3	-	1,319	1,322	7	1,329
<u>Transaction with owner recognised directly in equity</u>								
Dividends paid	-	-	-	-	(1,217)	(1,217)	-	(1,217)
Total transaction with owner recognised directly in equity	-	-	-	-	(1,217)	(1,217)	-	(1,217)
Balance as at 30 September 2020	3,267	57	2	22	1,209	4,557	503	5,060

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

Livingstone Health Holdings Limited and its Subsidiaries

**Condensed interim statement of changes in equity
For the six-month financial period ended 30 September 2021**

Company	Share capital S\$'000	Retained profit/ (Accumulated losses) S\$'000	Total Equity S\$'000
<u>30 September 2021</u>			
Balance as at 1 April 2021	256,244	(211,112)	45,132
Profit for the period, representing total comprehensive income for the period	-	864	864
<u>Transaction with owner recognised directly in equity</u>			
Cancellation of share capital	(211,112)	211,112	-
Balance as at 30 September 2021	45,132	864	45,996
<u>30 September 2020</u>			
Balance as at 1 April 2020	209,581	(212,915)	(3,334)
Profit for the period, representing total comprehensive income for the period	-	2,318	2,318
Balance as at 30 September 2020	209,581	(210,597)	(1,016)

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

Livingstone Health Holdings Limited and its Subsidiaries

Condensed interim consolidated statement of cash flows
For the six-month financial period ended 30 September 2021

	Note	Group 30.9.2021 S\$'000	30.9.2020 S\$'000
Cash flows from operating activities			
Profit before tax		2,696	1,575
Adjustments for:			
Depreciation expense		708	531
Finance costs		215	63
Provision of performance bonus		965	-
Share of result of joint ventures, net of tax		69	57
Unrealised exchange differences		8	-
Write-off of plant and equipment		2	-
Gain on disposal of plant and equipment, net		(26)	-
Total adjustments		1,941	651
Operating cash inflows before changes in working capital		4,637	2,226
Changes in working capital:			
Trade and other receivables		(2,945)	(888)
Inventories		(947)	(17)
Trade and other payables		688	(105)
Deferred revenue		(147)	108
Total changes in working capital		(3,351)	(902)
Cash flows generated from operations		1,286	1,324
Interest paid		(78)	(21)
Income tax paid		(889)	(54)
Net cash flows from operating activities		319	1,249
Cash flows from investing activities			
Investment in a joint venture		(28)	(26)
Advances to joint venture		(465)	-
Purchase of plant and equipment	10	(549)	(238)
Payment of deferred consideration		(1,379)	-
Proceeds from disposal of plant and equipment		5	-
Net cash flows used in investing activities		(2,416)	(264)
Cash flows from financing activities			
Dividends paid		-	(1,217)
Proceeds from loans and borrowings		1,622	1,395
Repayment of loans and borrowings		(450)	(211)
Payment of principal portion of lease liabilities		(522)	(423)
Payment of interest portion of lease liabilities		(64)	(41)
Net cash flows generated from/(used in) financing activities		586	(497)
Net (decrease)/increase in cash and cash equivalents		(1,511)	488
Cash and cash equivalents at the beginning of financial period		6,775	820
Cash and cash equivalents at the end of financial period		5,264	1,308

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

Notes to the condensed interim consolidated financial statements
For the six-month financial period ended 30 September 2021

1. Corporate information

Livingstone Health Holdings Limited (the "**Company**") is a limited liability company incorporated and domiciled in Singapore and listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (the "SGX-ST"). These condensed interim financial statements as at and for the six-month financial period ended 30 September 2021 comprise the Company and its subsidiaries (collectively, the "**Group**").

The principal activity of the Company is that of investment holding company. Through its operating member companies, the Group is engaged in the provision of medical treatment and consultancy services.

The Company is a subsidiary of Livingstone Health Consolidated Pte. Ltd. (formerly known as Ardmore Consolidated Pte. Ltd.) ("LVS") incorporated in Singapore, which is also the Company's ultimate holding company.

2. Basis of preparation

The condensed interim financial statements for the six-month financial period ended 30 September 2021 have been prepared in accordance with Singapore Financial Reporting Standards (International) ("**SFRS(I)**") 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the financial year ended 31 March 2021.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore Dollars ("**SGD**" or "**S\$**"), which is the Company's functional currency, and all values are rounded to the nearest thousand ("**S\$'000**") except when otherwise indicated.

2.1 New and amended standards adopted by the Group

A number of amendments to standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

2.2 Use of judgements and estimates

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

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the financial year ended 31 March 2021.

2. Basis of preparation (cont'd)

2.2 Use of judgements and estimates (cont'd)

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

There were no significant judgements made in applying accounting policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next interim period.

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

- Note 11: Impairment testing of goodwill - Key assumptions underlying recoverable amounts

3. Seasonal operations

The Group was not materially affected by seasonal or cyclical factors during the financial period.

4. Segment and revenue information

For management purposes and resource allocation, the Group is organised into business operating units based on reports reviewed by management team that are used to make strategic decisions. This forms the basis of identifying the operating segments of the Group as follows:

(a) Aesthetics and Wellness

Provision of a range of services including laser and resurfacing therapies, radiofrequency, light and ultrasound-based treatments botulinum toxin and filler injections, chemical peels and various facial and body wellness treatments.

(b) Anaesthesiology and Pain Management

Provision of comprehensive anaesthetic services and perioperative care for a wide range of surgeries and procedures, assisting to manage high risk and unstable patients who have undergone high risk surgeries, and who may need high dependency or intensive care monitoring in the intensive care unit. The Group also specialises in the management of chronic and acute pain conditions in the neck, back, nerve, abdominal, pelvic regions as well as cancer pain and fibromyalgia. Apart from medication and physical therapy, the Group also provides interventional pain procedures and ultrasound-guided chronic pain interventions.

(c) Family Medicine

Provision of vaccination and general medicine services that include, amongst others, the management of general acute conditions such as simple respiratory/gastrointestinal infections, musculoskeletal complaints, headaches and dermatological conditions as well as chronic conditions such as diabetes, hypertension, dyslipidemia and asthma.

4. Segment and revenue information (cont'd)

For management purposes and resource allocation, the Group is organised into business operating units based on reports reviewed by management team that are used to make strategic decisions. This forms the basis of identifying the operating segments of the Group as follows: (cont'd)

(d) Internal Medicine

Provision of cardiology and endocrinology services. Cardiac services range from screening to interventional treatment procedures, while adopting reliable and accurate technology to provide the highest quality of care for all patients. Endocrinology includes the provision of specialised expertise in both type 1 and 2 diabetes (including gestational diabetes), treatment of thyroid, pituitary and adrenal problems, holistic care for osteoporosis, obesity and metabolic issues, and the diagnosis and management of hormone-related infertility.

(e) Orthopaedic Surgery

Provision of specialised care for patients with orthopaedic problems, the Group offers treatment techniques such as computer-guided, robotic, percutaneous and minimally invasive surgery/keyhole surgery. These help to potentially reduce complications and allows faster and more functional recovery for the patients. Other than general orthopaedics in areas such as neck and back pain, the Group also provides a range of services for a variety of orthopaedic problems, including without limitation, upper and lower limb conditions, trauma, sports surgery, and arthritis (conservative and surgical management).

These operating segments are reported in a manner consistent with internal reporting provided to the Chief Operating Decision Maker ("CODM") who is also the Chief Executive Officer ("CEO"), who are responsible for allocating resources and assessing performance of the operating segments. Certain expenses, other income and income taxes are managed on a group basis and are not allocated to operating segments.

Based on the management reporting to the CODM, the segment assets and liabilities are not key information pertaining to financial performance of the Group that are regularly provided for his review. Therefore, the segment assets and liabilities amounts are not disclosed in the segment information.

Livingstone Health Holdings Limited and its Subsidiaries

Notes to the condensed interim consolidated financial statements
For the six-month financial period ended 30 September 2021

4. Segment and revenue information (cont'd)

The following is an analysis of the Group's revenue and results by reportable segments:

	<u>Aesthetics and Wellness</u> S\$'000	<u>Anaesthesiology and Pain Management</u> S\$'000	<u>Family Medicine</u> S\$'000	<u>Internal Medicine</u> S\$'000	<u>Orthopaedic Surgery</u> S\$'000	<u>Others</u> S\$'000	<u>Total</u> S\$'000
<u>30 SEPTEMBER 2021</u>							
Segment revenue	1,245	3,118	3,609	822	7,013	160	15,967
Segment profit/(loss)	230	1,226	215	(216)	1,968	(81)	3,342
Unallocated loss							(1,197)
							2,145
Depreciation	181	28	284	108	61	-	662
Unallocated depreciation							46
							708
Share of losses from joint ventures	-	-	-	-	-	(69)	(69)
Finance costs	7	1	53	15	2	-	78
Unallocated finance cost							137
							215
Income tax expense/(credit)	39	112	105	(76)	302	-	482
Unallocated income tax expense							69
							551

Livingstone Health Holdings Limited and its Subsidiaries

Notes to the condensed interim consolidated financial statements
For the six-month financial period ended 30 September 2021

4. Segment and revenue information (cont'd)

The following is an analysis of the Group's revenue and results by reportable segments: (cont'd)

	Aesthetics and <u>Wellness</u> S\$'000	Anaesthesiology and Pain <u>Management</u> S\$'000	Family <u>Medicine</u> S\$'000	Internal <u>Medicine</u> S\$'000	Orthopaedic <u>Surgery</u> S\$'000	<u>Others</u> S\$'000	<u>Total</u> S\$'000
<u>30 SEPTEMBER 2020</u>							
Segment revenue	565	2,147	1,442	256	3,714	-	8,124
Segment (loss)/profit	(19)	1,197	15	(271)	1,098	(57)	1,963
Unallocated loss							(637)
							1,326
Depreciation	169	9	186	89	11	-	464
Unallocated depreciation							67
							531
Share of losses from joint ventures	-	-	-	-	-	(57)	(57)
Finance costs	11	2	22	18	1	-	54
Unallocated finance cost							9
							63
Income tax (credit)/expense	(15)	195	2	(44)	180	-	318
Unallocated income tax expense							(69)
							249

Geographical information

The Group mainly derives its revenue from Singapore, except for its share of results from a joint venture of \$18,000 (30.9.2020: \$65,000) losses, which derived from Cambodia.

Livingstone Health Holdings Limited and its Subsidiaries

Notes to the condensed interim consolidated financial statements
For the six-month financial period ended 30 September 2021

4. Segment and revenue information (cont'd)

(a) Disaggregation of revenue

Group	Aesthetics and Wellness		Anaesthesiology and Pain Management		Family Medicine		Internal Medicine		Orthopaedic Surgery		Others	
	30.09.21 S\$'000	30.09.20 S\$'000	30.09.21 S\$'000	30.09.20 S\$'000	30.09.21 S\$'000	30.09.20 S\$'000	30.09.21 S\$'000	30.09.20 S\$'000	30.09.21 S\$'000	30.09.20 S\$'000	30.09.21 S\$'000	30.09.20 S\$'000
Type of goods or service												
Treatment services	1,174	538	3,118	2,147	3,609	1,442	822	256	7,013	3,714	128	-
Sale of medicine and products	71	27	-	-	-	-	-	-	-	-	-	-
Management fee from joint venture	-	-	-	-	-	-	-	-	-	-	32	-
Total Revenue	1,245	565	3,118	2,147	3,609	1,442	822	256	7,013	3,714	160	-
Timing of transfer of goods or service												
At a point in time	71	27	-	-	-	-	-	-	-	-	-	-
Over time	1,174	538	3,118	2,147	3,609	1,442	822	256	7,013	3,714	160	-
Total Revenue	1,245	565	3,118	2,147	3,609	1,442	822	256	7,013	3,714	160	-

Revenue from transfer of goods or service is attributed to Singapore.

Livingstone Health Holdings Limited and its Subsidiaries

Notes to the condensed interim consolidated financial statements For the six-month financial period ended 30 September 2021

5. Profit before tax

The following items have been included in arriving at profit before tax:

	30.9.2021 S\$'000	Group 30.9.2020 S\$'000
Wage and other employment credit schemes	(228)	(426)
Gain on disposal of plant and equipment	(26)	(1)
Rental income	(18)	(15)
Rental rebate	(61)	(142)
Other grant ¹	(224)	-
Marketing expenses	966	407
Rental expenses	65	36
Hospital administrative charges	278	174
Bank and credit card charges	97	56
Repair and maintenance	60	30
Loss on disposal of plant and equipment	-	1
Interest expense on:		
- loans and borrowings	83	26
- lease liabilities	59	37
Accretion of interest on deferred purchase consideration	73	-

¹ Included is grant received for Reverse Take-Over ("RTO") expenses incurred by the Company in relation to the RTO exercise.

6. Related party transactions

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

	30.9.2021 S\$'000	30.9.2020 S\$'000
Sales of services to a company related to key management personnel	230	142
Purchase of services from a company related to key management personnel	50	5
Professional fees paid to a company related to key management personnel	12	18
Rental paid to a key management personnel	74	74
Rental paid to a substantial shareholder	16	16

Companies related to directors

The Group had the following transactions with companies related to directors/key management personnel:

- (i) The Group had engaged or being engaged by SN Orthopaedics Pte. Ltd., a company related to Dr Rachel Lim Pang Yen, Chief Operating Officer and shareholder of the Company and Dax Ng Yung Sern, Chief Business Officer and shareholder of the Company, for medical related services. The Group generated S\$230,000 (30.9.2020: S\$142,000) for rendering the medical services. The Group also paid S\$50,000 (30.9.2020: S\$5,000) for the medical services purchased.

Livingstone Health Holdings Limited and its Subsidiaries

**Notes to the condensed interim consolidated financial statements
For the six-month financial period ended 30 September 2021**

6. Related party transactions (cont'd)

- (ii) The Group had entered into a lease agreement with VS Investment Pte. Ltd., a company related to Dr Rachel Lim Pang Yen, Chief Operating Officer and shareholder of the Company and Dax Ng Yung Sern, Chief Business Officer and shareholder of the Company, to lease a commercial premise for rental of S\$74,000 (30.9.2020: S\$74,000). The Group also engaged SN Orthopaedics Pte. Ltd., a company related to both aforementioned key management personnel, for nursing services of S\$12,000 (30.9.2020: S\$18,000).
- (iii) The Group had entered into lease agreements with Dr Edwin Tan, the Company's Head of Orthopaedics and a deemed controlling shareholder of the Company, to lease commercial premises for rental of S\$16,000 (30.9.2020: S\$16,000).

7. Income tax expense

The Group calculates the income tax expense for the period using the tax rate that would be applicable to the expected total annual earnings. The major components of the income tax expense for the financial periods ended 30 September 2021 and 2020 are:

	<u>Group</u> <u>30.9.2021</u> <u>S\$'000</u>	<u>30.9.2020</u> <u>S\$'000</u>
<i>Condensed interim consolidated statement of profit or loss and other comprehensive income</i>		
Current income tax		
- current income taxation	475	244
- over provision in respect of previous years	-	5
	475	249
Deferred income tax		
- origination and reversal of temporary differences	76	-
Income tax expense	551	249

8. Earnings per share

Basic and diluted earnings per share is calculated by dividing the net profit for the period attributable to owners of the Company by the weighted average number of ordinary shares in issue of 315,947,748 (30.9.2020: 315,947,748) during the financial period.

9. Net assets value

	<u>Group</u>		<u>Company</u>	
	<u>30.09.2021</u>	<u>31.03.2021</u>	<u>30.09.2021</u>	<u>31.03.2021</u>
Net assets value per share. (cents)	1.13	0.48	n.m.	n.m.

n.m. – not meaningful

Net asset value per ordinary share is calculated based on 315,947,748 outstanding ordinary shares as at 30 September 2021 and 31 March 2021 respectively.

Notes to the condensed interim consolidated financial statements
For the six-month financial period ended 30 September 2021

10. Property, plant and equipment

During the financial period, the Group acquired plant and equipment for an aggregate of approximately S\$716,000 (30.09.2020: S\$696,000) of which S\$167,000 (30.09.2020: S\$458,000) was acquired by means of leases and other non-cash arrangement.

11. Intangible assets

As at 30 September 2021, intangible assets include goodwill of S\$3,635,651 (31.3.2021: S\$3,635,651).

Impairment testing of goodwill

Goodwill acquired through business combinations have been allocated to two cash-generating units ("CGU"), namely the Family Medicine and Orthopaedic Surgery business operating units, for impairment testing.

The carrying amount of goodwill allocated to each CGU is as follows:

	Family Medicine		Orthopaedic Surgery	
	30.09.2021	31.03.2021	30.09.2021	31.03.2021
	S\$'000	S\$'000	S\$'000	S\$'000
Goodwill	989	989	2,647	2,647

The recoverable amounts of the CGUs have been determined based on value-in-use calculations using cash flow projections from financial budgets approved by management covering a five-year period. The pre-tax discount rate applied to the cash flow projections and the forecasted future growth rates used to extrapolate cash flow projections beyond the five-year period are as follows:

	Family Medicine		Orthopaedic Surgery	
	30.09.2021	31.03.2021	30.09.2021	31.03.2021
Long-term growth rates	3.0% to 15.0%	3.0% to 15.0%	2.2%	2.2%
Pre-tax discount rate	9.0%	9.0%	15.0%	15.0%
Budgeted gross margin	71.7%	71.7%	77.5%	77.5%
Terminal value growth rates	1.2%	1.2%	1.2%	1.2%

Key assumptions used in the value-in-use calculation

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

Growth rates – The forecasted growth rates are based on published industry research relevant to the CGUs, taking into account the forecasted growth rates relevant to the environment in which the CGUs operate in.

Pre-tax discount rates – The discount rates used are based on the weighted average cost of the CGU's capital (WACC), adjusted for the specific circumstances of the CGU and based on management's experience, and re-grossed back to arrive at the pre-tax rates.

Budgeted gross margins – Budgeted gross margins are determined by management and based on past performance and its expectations of market developments.

Terminal value growth rates – The terminal growth rates are determined based on management's estimate of the long-term industry growth rates.

Notes to the condensed interim consolidated financial statements
For the six-month financial period ended 30 September 2021

11. Intangible assets (cont'd)*Sensitivity to changes in assumptions*

With regards to the assessment of value-in-use, management believes that no reasonably possible changes in any of the above key assumptions would cause the carrying value of the CGU to materially exceed its recoverable amount.

12. Financial assets and financial liabilities

	Group		Company	
	30.9.2021	31.3.2021	30.9.2021	31.3.2021
	S\$'000	S\$'000	S\$'000	S\$'000
Financial assets				
Financial assets at amortised cost:				
- Trade receivables	7,200	4,413	-	84
- Other receivables excluding prepayment	1,233	544	-	71
- Cash and bank balances	5,264	6,775	21	17
	<u>13,697</u>	<u>11,732</u>	<u>21</u>	<u>172</u>
Financial liabilities				
Financial liabilities at amortised cost:				
- Trade payables	772	1,243	-	-
- Other payables and accruals excluding GST payables	6,062	5,476	2,589	3,690
- Amount due to subsidiaries	-	-	53	-
- Lease liabilities	2,110	2,515	-	-
- Loans and borrowings	7,975	6,802	865	865
	<u>16,919</u>	<u>16,036</u>	<u>3,507</u>	<u>4,555</u>

13. Loans and borrowings

	Group		Company	
	30.9.2021	31.3.2021	30.9.2021	31.3.2021
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Amounts repayable within one year</u>				
Secured ¹	3,445	1,240	-	-
Unsecured	-	-	-	-
<u>Amounts repayable after one year</u>				
Secured ¹	3,907	4,994	-	-
Unsecured	865	865	865	865
	<u>8,217</u>	<u>7,099</u>	<u>865</u>	<u>865</u>

¹ Includes finance lease of medical equipment by the Group which are recorded under "Lease liabilities", that are secured by the Group's medical equipment with net carrying amount of S\$293,000 (31.3.2021: S\$360,000).

Total loans and borrowings amounting to S\$7,110,000 (31.3.2021: S\$5,937,000) are secured by corporate guarantee provided by eleven subsidiaries of the Group.

Livingstone Health Holdings Limited and its Subsidiaries

**Notes to the condensed interim consolidated financial statements
For the six-month financial period ended 30 September 2021**

14. Share capital

<u>Group</u>	<u>30.9.2021</u>		<u>31.3.2021</u>	
	Number of shares '000	S\$'000	Number of shares '000	S\$'000
<u>Issued and fully paid ordinary shares:</u>				
Beginning of period	315,948	22,305	176,168	3,268
Issue of new ordinary shares	-	-	233,314	19,037
	315,948	22,305	409,482	22,305
Effect of share consolidation	-	-	(93,534)	-
At the end of financial period	315,948	22,305	315,948	22,305
<u>Company</u>	<u>30.9.2021</u>		<u>31.3.2021</u>	
	Number of shares '000	S\$'000	Number of shares '000	S\$'000
<u>Issued and fully paid ordinary shares:</u>				
Beginning of period	315,948	256,244	41,316,908	209,581
Issue of new ordinary shares	-	-	233,314	46,663
	315,948	256,244	41,550,222	256,244
Effect of share consolidation	-	-	(41,234,274)	-
Effect of capital reduction	-	(211,112)	-	-
At the end of financial period	315,948	45,132	315,948	256,244

During an extraordinary general meeting held on 30 July 2021, the shareholders approved the capital reduction exercise to reduce the share capital of the Company via cancellation of the share capital of the Company that has been lost or is unrepresented by available assets to the extent of the amount of the accumulated losses of the Company as at 31 March 2021 of S\$211,112,106.

On 15 September 2021, the capital reduction exercise was completed. The Company complied with the requirement under Section 78C(1)(c) of the Companies Act, and no application for the cancellation of the Special Resolution for the Proposed Capital Reduction has been made by any creditor of the Company within the timeframe prescribed by the Companies Act. Please refer to the Company's announcements dated 4 June 2021, 8 July 2021, 30 July 2021 and 27 August 2021, and the circular to Shareholders dated 8 July 2021 for more details on the capital reduction exercise.

The Company do not hold any treasury shares in the Company as at 30 September 2021 and 31 March 2021.

The Company's subsidiaries do not hold any shares in the Company as at 30 September 2021 and 31 March 2021.

There were no outstanding options, convertibles held by the Company as at 30 September 2021 and 31 March 2021.

15. Fair value measurement

The carrying amounts of financial assets and financial liabilities approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

16. Subsequent events

There are no known subsequent events which have led to adjustments to this set of condensed interim financial statements.

Other Information Required by Appendix 7C of the Catalist Rules

Other Information

1. Review

The condensed interim statements of financial position of Livingstone Health Holdings Limited (the “**Company**”) and its subsidiaries (collectively, the “**Group**”) as at 30 September 2021 and the related condensed interim consolidated statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity and condensed interim consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed by the Company’s auditors.

1A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:

- (a) Updates on the efforts taken to resolve each outstanding audit issue.
- (b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

This is not required for any audit issue that is a material uncertainty relating to going concern.

Not applicable. The Company’s latest audited financial statements for financial year ended 31 March 2021 were not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

2. Review of performance of the Group

Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income

Review for the six-month financial period ended 30 September 2021 (“**HY2022**”) vs the six-month financial period ended 30 September 2020 (“**HY2021**”)

(HY2022 vs HY2021)

Revenue

Revenue increased by S\$7.8 million to S\$16.0 million in HY2022.

Revenue from Anaesthesiology and Pain Management segment and Orthopaedic Surgery segment increased by S\$0.9 million and S\$3.3 million respectively. The increase was mainly due to additional doctors recruited in each said specialty in HY2022.

Revenue from Aesthetics and Wellness segment and Internal Medicine segment increased by S\$0.7 million and S\$0.6 million respectively. The increase in revenue from Aesthetics and Wellness segment for HY2022 was mainly due to lower patient volume in HY2021 as a result of the Circuit Breaker (“CB”) period in Singapore from April to June 2020 where non-essential medical services were deferred and our aesthetic clinics were temporarily closed. The Internal Medicine segment was newly established in November 2020.

Revenue from Family Medicine segment increased by S\$2.2 million in HY2022 mainly due to the revenue generated from sale and administration of Sinovac Vaccine in September 2021,.

Revenue from the “Others” segment comprised (i) management fee income from joint venture company and (ii) revenue from managed healthcare solutions business.

Other income

Other income, comprising mainly government grants and other reliefs, gain on disposal of asset and grants received upon completion of our Reverse Take-over exercise (“RTO”), remained relatively unchanged in HY2022.

Consumables and medical supplies used

Consumables and medical supplies used increased by S\$1.5 million to S\$2.9 million in HY2022 on the back of higher revenue from all segments.

Employee benefits expenses

Employee benefits expenses increased by S\$3.9 million to S\$7.8 million in HY2022 mainly due to (i) expansion of our operations with the addition of new medical doctors and overall headcount increase; and (ii) higher provisions for performance-related remuneration. In April 2021, we provided a corporate update on our expansion plans and growth strategies.

Depreciation expenses

Depreciation expenses increased by S\$0.2 million to S\$0.7 million in HY2022 mainly due to the addition of new premises for clinics and investment in equipment for the Orthopaedic surgery, Aesthetics and Wellness and Family Medicine segments.

Other operating expenses

Other operating expenses increased by S\$0.9 million to S\$2.2 million in HY2022 in tandem with the increase in revenue and the expansion of the Group.

Finance costs

Finance costs increased by S\$0.1 million to S\$0.2 million in HY2022 mainly due to (a) additional working capital loans; (b) lease expenses for new clinics; and (c) accounting adjustment pertaining to time value of money arising from purchase consideration payable for acquisition of businesses in year 2019.

Share of results from joint ventures

Share of results from joint ventures, as attributed to the newly incorporated Atlas Podiatry Pte Ltd and our operations in Cambodia, remained relatively unchanged in HY2022.

Net profit attributable to equity holders of the Company (“Net Profit”)

Given the above-mentioned, the Group’s Net Profit increased by S\$0.8 million to S\$2.1 million in HY2022.

Condensed Interim Statements of Financial Position

(30 September 2021 vs 31 March 2021)

Non-current assets remained unchanged as at 30 September 2021 after accounting for (i) lower investment in joint ventures (due to share of loss during the financial period) and (ii) higher deferred tax asset.

Current assets increased by S\$2.7 million to S\$15.4 million as at 30 September 2021, mainly due to increases in (i) trade and other receivables of S\$3.2 million, which is in tandem with higher revenue and (ii) inventories of S\$1.0 million arising from the Sinovac vaccine purchased in September 2021. The increase is offset by lower cash and cash equivalent of S\$1.5 million mainly due to deferred consideration paid during the financial period.

Current liabilities increased by S\$2.0 million to S\$11.7 million as at 30 September 2021 mainly due to additional working capital loans and higher provision for performance-related remuneration during the financial period. The increase was partially offset by decrease in trade payables of S\$0.5 million.

Non-current liabilities decreased by S\$1.5 million to S\$7.3 million as at 30 September 2021, mainly due to (i) reclassification from non-current borrowings to that of current and (ii) payment of deferred consideration for acquisition of businesses in year 2019.

Total equity, including Net Profit for HY2022, increased by S\$2.1 million to S\$4.1 million as at 30 September 2021; after accounting for accumulated losses previously attributed to one-off exceptional items relating to loss on reverse acquisition and RTO-related expenses.

Refer to Note 14 of the condensed interim financial statements for details of movements in share capital.

Condensed Interim Consolidated Statement of Cash Flows

(HY2022 vs HY2021)

Net cash flows generated from operating activities was S\$0.3 million in HY2022 after accounting for operating profit before working capital changes of S\$4.6 million, working capital investments of S\$3.3 million, and interest of S\$0.1 million and income tax payment of S\$0.9 million.

Net cash flows used in investing activities was S\$2.4 million in HY2022 mainly attributed to (i) purchase of equipment of S\$0.5 million, (ii) advances to a joint venture of S\$0.5 million; and (iii) payment of deferred consideration of S\$1.4 million.

Net cash flows generated from financing activities was S\$0.6 million in HY2022 mainly attributed to proceeds from working capital loans of S\$1.6 million; offset by repayment of loans and borrowings of S\$0.5 million and lease payments of S\$0.6 million.

As a result of the above, cash and cash equivalents decreased by S\$1.5 million to S\$5.3 million as at 30 September 2021.

**Other information required by Appendix 7C of the Catalist Rules
For the six-month financial period ended 30 September 2021**

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

The Group had previously stated in its full-year results announcement for FY2021 that the financial performance for FY2022 is expected to improve compared to FY2021 in the absence of the Financial Effects of the RTO and RTO-related professional costs, barring unforeseen circumstances.

The Group reported a Net Profit of S\$2.1 million for HY2022.

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

In line with the strategies previously outlined in our corporate update, the Group's main focus has been on: (i) responding to the challenges of the COVID-19 pandemic in terms of patient traffic and enhanced safety measures; (ii) increasing its range of medical/healthcare services and medical specialisations; (iii) building up an internal eco-system to harness synergies and efficiencies from economies of scale; (iv) building up corporate processes and capabilities to leverage on the capital market platform; and (v) executing specific opportunities such as that which led to the Group's appointment by the Ministry of Health to lead the procurement of SINOVAR Biotech Ltd's ("**Sinovac**") CoronaVac® vaccine (the "**Sinovac Vaccines**") in September 2021.

Despite the challenges of the COVID-19 pandemic which affected patient foot traffic, the improvement in the financial performance for HY2022 reflects the implementation of the above initiatives.

The Group also continued its organic growth by recruiting new doctors. As at 30 September 2021, the Group has 16 medical doctors practising at 14 medical clinics. In line with the Group's vision to provide holistic multidisciplinary healthcare, the Group has:

- expanded its suite of allied healthcare providers through the opening of a health screening and radiology centre - Ardennes Healthcare Pte Ltd in May 2021;
- commenced operations of Atlas Podiatry Pte. Ltd. in September 2021;
- further extended its footprint to add a family medicine practice in Novena via its primary health care division, Phoenix Medical Group ("PMG"); and
- planned to commence operations of Livingstone Gastroenterology & Liver Pte. Ltd. in Mount Elizabeth Orchard, starting from November 2021.

On 15 September 2021 the Group announced that its subsidiary has been appointed by the Ministry of Health of Singapore ("**MOH**") to lead the procurement of Sinovac Vaccines on behalf of private healthcare institutions in Singapore.

With the Singapore Government's announcement earlier this month to include Sinovac Vaccines under the National Vaccination Programme, the Group is in constant correspondence with MOH to implement the plan as seamlessly as possible. It is closely monitoring the situation to respond accordingly, and will work closely with Sinovac to ensure supply chain efficiency where needed for Singapore.

The implementation of the vaccine procurement, distribution and administration via PMG will contribute to the Group's revenue in FY2022. Together with growth strategies such as the increase of its pool of doctors, expansion into podiatry and health screening, the Group continues to expect its performance for FY2022 to improve compared to FY2021 in the absence of the Financial Effects of the RTO and RTO-related professional costs, barring unforeseen circumstances.

The Group will continue to focus its efforts on implementing its plans to strengthen its ecosystem, translating into added value for shareholders.

5. Dividend information

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

No dividend has been declared or recommended for the current financial period.

(b) Corresponding period of the immediately preceding financial year.

An interim one-tier tax exempt dividend of S\$0.69 cents per share for financial period ended 30 September 2020.

Dividend per share in HY2021 has been computed based on the Group's share capital of 176,168,027 shares, i.e. number of shares before the completion of the RTO exercise.

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

Not applicable.

(d) The date the dividend is payable.

Not applicable.

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

Not applicable.

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

No dividend has been declared or recommended for the financial period ended 30 September 2021 as it is deemed appropriate to conserve funds for working capital while the Group is in the midst of implementing its expansion plans.

7. Interested person transactions

The Group does not have a general mandate for interested person transactions. The aggregate value of the interested person transactions conducted during the six-month financial period ended 30 September 2021 is disclosed below:

7. Interested persons transactions (cont'd)

Name of interested person	Aggregate value of all interested person transactions during the financial period 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)
Teh Wing Kwan (Non-Executive and Non-Independent Chairman of the Board)	Nil ¹	Nil
Dr Edwin Tan (Deemed controlling shareholder)	Nil ²	Nil

Notes:

- (1) There is no interest paid to Teh Wing Kwan on the outstanding loan amounting to S\$865,000 owed by the Group to Teh Wing Kwan, and there is thus no value at risk to the Group pursuant to Rule 909(3) of the Catalist Rules.
- (2) Relates to the rental expenses paid to Dr Edwin Tan amounting to S\$16,000 for the financial period ended 30 September 2021.

8. **Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1)**

The Company confirms that it has procured undertakings from all its directors and executive officer (in the format set out in Appendix 7H under Rule 720(1) of the listing manual.

9. **Acquisition or sale of shares in subsidiaries and/or associated companies under Rule 706(A)**

Save for the disclosures set out in Note 6 to the condensed interim financial statements, the Group has undertaken the following transactions during the six-month financial period ended 30 September 2021 and up to the date of this announcement:

(a) Incorporation of a Subsidiary

On 8 June 2021, the Company incorporated a subsidiary in Singapore known as Quantum Orthopaedics Pte. Ltd. ("QOPL") and holds a 51.0% equity interest in QOPL with the remaining 49.0% being held by an individual, who is a doctor joining the Group.

QOPL was registered with an issued and paid-up capital of S\$100 comprising 100 ordinary shares. The principal activities of QOPL will be that of specialist medical clinic.

The investment of S\$51 is funded through the Company's internal resources.

The incorporation of the subsidiary is not expected to have a material impact on the Group's consolidated earnings per share and net tangible assets per share for the financial year ending 31 March 2022.

9. Acquisition or sale of shares in subsidiaries and/or associated companies under Rule 706(A)
(cont'd)

(a) Incorporation of a Subsidiary (cont'd)

Dr Edwin Tan Tze Sheng, a deemed controlling shareholder of the Company, and Mr Dax Ng Yung Sern, were appointed as directors of QOPL. Save for their respective directorships and/or shareholding in the Company and its subsidiaries, none of the Directors or controlling shareholders of the Company or any of their respective associates, has any interest, direct or indirect, in the incorporation of QOPL.

(b) Striking off of subsidiaries

S Chua Pte Ltd and Cove Wellness Pte Ltd have been struck off from the register of companies under Section 344A of the Companies Act on 6 September 2021 and 4 October 2021 respectively. The striking off of both the subsidiaries is not expected to have a material impact on the Group's consolidated earnings per share and net tangible assets per share for the financial year ending 31 March 2022.

Dr Sebastian Chua Meng Hui, a deemed controlling shareholder of the Company, and Dr Rachel Lim Pang Yen, Chief Operating Officer, were the directors of the above-mentioned entities. Save for their directorships and/or shareholding in the Company and its subsidiaries, none of the Directors or controlling shareholders of the Company or any of their respective associates, has any interest, direct or indirect, in the striking off of S Chua Pte Ltd and Cove Wellness Pte Ltd.

Confirmation by the Board

We, the undersigned, hereby confirm on behalf of the Board of Directors (the "**Board**") that to the best of our knowledge, nothing has come to the Board's attention which may render the unaudited condensed interim consolidated financial statements of the Group for the six-month financial period ended 30 September 2021 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Teh Wing Kwan
Non-Executive and Non-Independent Chairman

Dr Wilson Tay Ching Yit
Executive Director and Chief Executive Officer

Singapore
2 November 2021

*This document has been prepared by Livingstone Health Holdings Limited (the "**Company**") and its contents have been reviewed by the Company's sponsor, SAC Capital Private Limited (the "**Sponsor**") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist.*

This document has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this document, including the accuracy, completeness or correctness of any of the statements or opinions made or reports contained in this document.

The contact person for the Sponsor is Ms. Tay Sim Yee at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542, Telephone (65) 6232 3210.