

**HEALTHBANK HOLDINGS LIMITED**  
**AND ITS SUBSIDIARIES**  
(Incorporated in the Republic of Singapore)  
(Registration No: 201334844E)

Unaudited Condensed Interim Consolidated Financial Statements  
For the Six-Month Financial Period (“2HY”) and  
Full Financial Year (“FY”) ended 31 December 2021

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*This announcement has been reviewed by the Company's sponsor, SAC Capital Private Limited (the "**Sponsor**"). This announcement has not been examined or approved by Singapore Exchange Securities Trading Limited (the "**SGX-ST**") and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

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**HealthBank Holdings Limited and its subsidiaries**

Condensed interim consolidated statement of comprehensive income  
For the second half year and full year ended 31 December 2021

	The Group		Change %	The Group		Change %
	RMB'000			RMB'000		
	2HY21	2HY20		FY21	FY20	
<b>Continuing operations</b>						
Revenue	-	-	NM	99	-	NM
Other income						
- Interest (waived)/income – loan to a related party	(327)	676	NM	-	676	NM
- Others	172	61	>100	201	154	31
	(155)	737	NM	201	830	(76)
Other gains						
- Gain on disposal of subsidiary corporations	-	19,332	NM	-	19,332	NM
- Currency exchange gain, net	280	-	NM	721	514	40
	280	19,332	(99)	721	19,846	(96)
Bad debts written off	-	(14,395)	NM	-	(14,395)	NM
Depreciation of property, plant and equipment	(1)	-	NM	(1)	(12)	(92)
Employee compensation	(1,143)	(533)	>100	(1,847)	(1,138)	62
Finance costs	(1,008)	-	NM	(1,008)	-	NM
Other expenses	(1,112)	(725)	53	(2,022)	(1,436)	41
Total expenses	(3,264)	(15,653)	(79)	(4,878)	(16,981)	(71)
<b>(Loss)/profit before income tax</b>	<b>(3,139)</b>	<b>4,416</b>	NM	<b>(3,857)</b>	<b>3,695</b>	NM
Income tax expense	-	-	NM	-	-	NM
<b>(Loss)/profit from continuing operations</b>	<b>(3,139)</b>	<b>4,416</b>	NM	<b>(3,857)</b>	<b>3,695</b>	NM
Net loss from discontinued operations	-	(3,751)	NM	-	(14,092)	NM
<b>Total (loss)/profit</b>	<b>(3,139)</b>	<b>665</b>	NM	<b>(3,857)</b>	<b>(10,397)</b>	<b>(63)</b>
<b>Other comprehensive (loss)/income</b>						
Items that may be reclassified subsequently to profit or loss:						
Currency translation differences arising from consolidation	(276)	138	NM	(679)	-	NM
Reclassification on disposal of subsidiary corporations	-	2,940	NM	-	2,940	NM
<b>Other comprehensive (loss)/income, net of tax</b>	<b>(276)</b>	<b>3,078</b>	NM	<b>(679)</b>	<b>2,940</b>	NM
<b>Total comprehensive (loss)/income for the financial period/year</b>	<b>(3,415)</b>	<b>3,743</b>	NM	<b>(4,536)</b>	<b>(7,457)</b>	<b>(39)</b>

# HealthBank Holdings Limited and its subsidiaries

Condensed interim consolidated statement of comprehensive income  
For the second half year and full year ended 31 December 2021

	The Group		Change %	The Group		Change %
	RMB'000			RMB'000		
	2HY21	2HY20		FY21	FY20	
<b>(Loss)/profit attributable to:</b>						
Equity holders of the Company	<b>(2,987)</b>	4,796	NM	<b>(3,643)</b>	(4,907)	(26)
Non-controlling interests	<b>(152)</b>	(4,131)	(96)	<b>(214)</b>	(5,490)	(96)
	<b>(3,139)</b>	665	NM	<b>(3,857)</b>	(10,397)	(63)
<b>(Loss)/profit attributable to equity holders of the Company</b>						
(Loss)/profit from continuing operations	<b>(2,987)</b>	13,398	NM	<b>(3,643)</b>	3,695	NM
Loss from discontinued operations	-	(8,602)	NM	-	(8,602)	NM
	<b>(2,987)</b>	4,796	NM	<b>(3,643)</b>	(4,907)	NM
<b>Total comprehensive(loss)/income attributable to:</b>						
Equity holders of the Company	<b>(3,263)</b>	7,874	NM	<b>(4,322)</b>	(1,967)	>100
Non-controlling interests	<b>(152)</b>	(4,131)	(96)	<b>(214)</b>	(5,490)	(96)
	<b>(3,415)</b>	3,743	NM	<b>(4,536)</b>	(7,457)	(39)

NM – Not Meaningful

## Basic (loss)/earnings per share attributable to equity holders of the Company (RMB cents per share):

From continuing operations	(3.83)	17.18	NM	(4.67)	4.74	NM
From discontinued operations	-	(11.03)	NM	-	(11.03)	NM
Weighted average number of shares ('000)	<b>78,000</b>	<b>78,000</b>		<b>78,000</b>	<b>78,000</b>	

## Diluted (loss)/earnings per share attributable to equity holders of the Company (RMB cents per share):

From continuing operations	(2.98)	17.18	NM	(3.64)	4.74	NM
From discontinued operations	-	(11.03)	NM	-	(11.03)	NM
Weighted average number of shares ('000)	<b>100,089</b>	<b>78,000</b>		<b>100,089</b>	<b>78,000</b>	

The diluted (loss)/earnings per share for 2HY21 and FY21 include the effects of dilution from maximum number of conversion shares which can be issued pursuant to the convertible loans as at 31 December 2021 of 25,000,000 shares.

**HealthBank Holdings Limited and its subsidiaries**

Condensed interim statements of financial position

As at 31 December 2021

		Group		Company	
		31-Dec-21	31-Dec-20	31-Dec-21	31-Dec-20
		RMB'000	RMB'000	RMB'000	RMB'000
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and bank balances		7,909	1,226	7,097	55
Other receivables		360	8,974	2,107	10,644
		8,269	10,200	9,204	10,699
<b>Non-current assets</b>					
Financial assets, at FVTPL	10	55,227	55,227	-	-
Investments in subsidiary corporations	12	-	-	44,800	39,600
Other receivables		9,500	5,772	9,500	5,772
Property, plant and equipment		15	-	10	-
		64,742	60,999	54,310	45,372
<b>Total assets</b>					
		73,011	71,199	63,514	56,071
<b>LIABILITIES</b>					
<b>Current liability</b>					
Other payables		848	815	589	667
		848	815	589	667
<b>Non-current liability</b>					
Convertible loans		9,125	-	9,125	-
		9,125	-	9,125	-
<b>Total liabilities</b>					
		9,973	815	9,714	667
<b>NET ASSETS</b>					
		63,038	70,384	53,800	55,404
<b>EQUITY</b>					
<b>Capital and reserves attributable to equity holders of the Company</b>					
Share capital	11	29,194	29,194	29,194	29,194
Equity component of convertible loans		1,441	-	1,441	-
Currency translation reserve		4,004	4,683	3,972	4,693
Retained profits		28,368	30,985	19,193	21,517
		63,007	64,862	53,800	55,404
Non-controlling interests		31	5,522	-	-
<b>Total equity</b>					
		63,038	70,384	53,800	55,404

The accompanying notes form an integral part of the condensed interim consolidated financial statements.

**HealthBank Holdings Limited and its subsidiaries**

Condensed interim statements of changes in equity

For the full year ended 31 December 2021

<b>The Group</b>	<b>Share Capital</b>	<b>Equity component of convertible loan</b>	<b>Currency Translation Reserve</b>	<b>Retained Profits</b>	<b>Non-Controlling Interests</b>	<b>Total</b>
	<b>RMB'000</b>	<b>RMB'000</b>	<b>RMB'000</b>	<b>RMB'000</b>	<b>RMB'000</b>	<b>RMB'000</b>
At 1 January 2021	29,194	-	4,683	30,985	5,522	70,384
Total comprehensive loss for the financial year	-	-	(679)	(3,643)	(214)	(4,536)
Share capital contributed by non-controlling interest	-	-	-	-	245	245
Acquisition of additional stake in subsidiary	-	-	-	322	(5,522)	(5,200)
Issuance of convertible loans	-	2,145	-	-	-	2,145
Redemption of convertible loans	-	(704)	-	704	-	-
<b>At 31 December 2021</b>	<b>29,194</b>	<b>1,441</b>	<b>4,004</b>	<b>28,368</b>	<b>31</b>	<b>63,038</b>
At 1 January 2020	29,194	-	1,743	31,397	18,015	80,349
Total comprehensive income/(loss) for the financial year	-	-	2,940	(4,907)	(5,490)	(7,457)
Disposal of subsidiary	-	-	-	4,495	(7,003)	(2,508)
At 31 December 2020	<b>29,194</b>	<b>-</b>	<b>4,683</b>	<b>30,985</b>	<b>5,522</b>	<b>70,384</b>

<b>The Company</b>	<b>Share Capital</b>	<b>Equity component of convertible loan</b>	<b>Currency Translation Reserve</b>	<b>Retained Profits</b>	<b>Total</b>
	<b>RMB'000</b>	<b>RMB'000</b>	<b>RMB'000</b>	<b>RMB'000</b>	<b>RMB'000</b>
At 1 January 2021	29,194	-	4,693	21,517	55,404
Issuance of convertible loans	-	2,145	-	-	2,145
Redemption of convertible loans	-	(704)	-	704	-
Total comprehensive loss for the financial year	-	-	(721)	(3,028)	(3,749)
<b>At 31 December 2021</b>	<b>29,194</b>	<b>1,441</b>	<b>3,972</b>	<b>19,193</b>	<b>53,800</b>
At 1 January 2020	29,194	-	5,979	37,259	72,432
Total comprehensive loss for the financial year	-	-	(1,286)	(15,742)	(17,028)
At 31 December 2020	<b>29,194</b>	<b>-</b>	<b>4,693</b>	<b>21,517</b>	<b>55,404</b>

**HealthBank Holdings Limited and its subsidiaries**

Condensed interim consolidated statement of cash flows

For the full year ended 31 December 2021

	FY21	FY20
	RMB'000	RMB'000
<b>Cash flows from operating activities:</b>		
Total loss for the financial year	(3,857)	(10,397)
Adjustments for:		
- Depreciation of property, plant and equipment	1	19
- Amortisation of intangible assets	-	739
- Gain on disposal of subsidiary corporations	-	(19,332)
- Gain on disposal of property, plant and equipment	(4)	-
- Impairment loss on intangible assets	-	10,105
- Interest income from loan to a related party	-	(676)
- Interest expense from the unwinding effects of the convertible loan	1,008	-
- Property, plant and equipment written off	-	122
- Unrealised currency translation differences	(1,018)	-
Operating cash flows before movements in working capital	(3,870)	(19,420)
Change in working capital:		
Other receivables	(314)	1,616
Other payables	33	14,816
<b>Net cash used in operating activities</b>	<b>(4,151)</b>	<b>(2,988)</b>
<b>Cash flows from investing activities:</b>		
Share capital contributed by non-controlling interests	245	-
Purchase of property, plant and equipment	(28)	-
Disposal of property, plant and equipment	16	-
Disposal of subsidiary corporations, net of cash disposed of	-	(1)
Loan to a related party	-	(5,500)
<b>Net cash provided by/(used in) investing activities</b>	<b>233</b>	<b>(5,501)</b>
<b>Cash flows from financing activities:</b>		
Proceeds from issuance of convertible loans, net of transaction costs	15,782	-
Redemption of convertible loans, net of transaction costs	(5,181)	-
<b>Net cash provided by financing activities</b>	<b>10,601</b>	<b>-</b>
<b>Net increase/(decrease) in cash and bank balances</b>	<b>6,683</b>	<b>(8,489)</b>
<b>Cash and bank balances</b>		
Beginning of financial year	1,226	9,715
<b>End of financial year</b>	<b>7,909</b>	<b>1,226</b>

## HealthBank Holdings Limited and its subsidiaries

Notes to the condensed interim consolidated financial statements  
For the second half year and full year ended 31 December 2021

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### 1. General information

HealthBank Holdings Limited (the “**Company**”) is listed on the Catalist of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) and incorporated and domiciled in Singapore. The address of its registered office is 60 Paya Lebar Road, Paya Lebar Square, #04-30/31, Singapore 409051, effective from 1 August 2021.

The principal activity of the Company is investment holding. The principal activities of its subsidiary corporations are investment holding, property investment and facilities management services.

### 2. Basis of preparation

The condensed interim consolidated financial statements for the six months and financial year ended 31 December 2021 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim consolidated 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 audited annual financial statements for the year ended 31 December 2020.

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

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates (“**functional currency**”). The Company’s functional currency is Singapore Dollar (“**SGD**” or “**S\$**”). The financial statements are presented in Chinese Renminbi (“**RMB**”) as the presentation currency of the Group.

#### 2.1 Interpretations and amendments to published standards effective in 2021

On 1 January 2021, the Group has adopted the new or amended SFRS(I)s and Interpretations of SFRSs (“**INT SFRS(I)s**”) that are mandatory for application for the financial period.

The adoption of these new or amended SFRS(I)s and INT SFRS(I)s did not result in substantial changes to the accounting policies of the Group and the Company and had no material effect on the amounts reported for the current or prior financial period.

#### 2.2. Critical accounting estimates, assumptions and judgements

In preparing the condensed interim consolidated 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.

Other than for convertible notes, the significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the financial year ended 31 December 2020.



Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

*(a) Financial assets, at fair value through profit or loss (“FVPL”)*

The fair value of financial assets, at FVPL is being assessed by using a variety of methods and assumptions based on market conditions, macro and microeconomic information that existing as at balance sheet date.

*(b) Expected credit loss allowance for other receivables*

Th Group has applied the general approach (12 months expected credit losses) in assessing the expected credit loss (“ECL”) allowance for other receivables. In determining the ECL, the Group has assessed the probability of default and estimation of cash flows recoverable from the outstanding receivables.

As at each reporting date, the Group assesses whether the credit risk of a financial instruments has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, the loss allowance is measured at an amount equal to lifetime ECL.

*(c) Convertible Notes*

Convertible notes that can be converted into share capital where the number of shares issued does not vary with changes in the fair value of the notes are accounted for as compound financial instruments. The gross proceeds of the convertible notes issued (including any directly attributable transaction costs) are allocated to the equity and liability components, with the equity component being assigned the residual amount after deducting the fair value of the liability component from the fair value of the compound financial instrument.

Subsequent to initial recognition, the liability component of convertible notes is measured at amortised cost using the effective interest method. The equity component of convertible notes is not re-measured. When the conversion option is exercised, the carrying amount of the liability and equity components will be transferred to the share capital. When the conversion option lapses, the carrying amount of the equity component will be transferred to equity component of convertible loans.

### **3. Going Concern**

In preparing the condensed interim consolidated financial statements, management has assessed 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.

#### 4. Segment and revenue information

The Group is organised into the following main business segments:

- a. HQ and other investing activities mainly relate to investment holding as well as Group level corporate services; and
- b. Property management mainly include landscaping, property and facilities management services.

The Group's chief operating decision-maker ("**CODM**") comprises the Chief Executive Officer and Executive Directors. Management has determined the operating segments based on the reports reviewed by the CODM that are used to make strategic decisions, allocate resources and assess performance. The Chief Executive Officer and Executive Directors consider the business from both geographical and business segment perspectives.

The CODM assesses the performance of the operating segments based on a measure of loss before interest, tax, depreciation and amortisation ("**Adjusted LBITDA**"). This measure basis excludes the effects of expenditure from the operating segments such as gains from disposal or impairment loss that are not expected to recur regularly in every period which are separately analysed. Interest income and finance expenses are not allocated to segments, as this type of activity is driven by the Group Treasury, which manages the cash position of the Group.

Sales between segments are carried out at market terms. The revenue from external parties reported to the CODM is measured consistent with that in the statement of comprehensive income.

	HQ and other investing activities		Property Management*		Hospitality Division**		Total	
	2HY21	2HY20	2HY21	2HY20	2HY21	2HY20	2HY21	2HY20
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Segment revenue	-	-	-	-	-	702	-	702
Adjusted EBITDA	<b>(1,499)</b>	4,936	<b>(310)</b>	-	-	(11,517)	<b>(1,809)</b>	(6,581)
Credit loss allowance for trade and other receivables	-	-	-	-	-	(1,006)	-	(1,006)
Bad debts written off	-	-	-	-	-	-	-	-
Depreciation of property, plant and equipment	<b>(1)</b>	(4)	-	-	-	(3)	<b>(1)</b>	(7)
Interest income	<b>(327)</b>	676	-	-	-	-	<b>(327)</b>	676
Income tax expense	-	-	-	-	-	(3,528)	-	(3,528)
Government grant	<b>40</b>	61	-	-	-	-	<b>40</b>	61
Finance costs	<b>(1,008)</b>	-	-	-	-	-	<b>(1,008)</b>	-
Amortisation of intangible assets	-	-	-	-	-	(221)	-	(221)
Impairment loss on intangible assets	-	-	-	-	-	221	-	221
Segment assets	<b>72,908</b>	71,199	<b>103</b>	-	-	-	<b>73,011</b>	71,199
Segment liabilities	<b>(9,934)</b>	(815)	<b>(39)</b>	-	-	-	<b>(9,973)</b>	(815)
<b>Revenue</b>								
People's Republic of China	-	-	-	-	-	702	-	702
Singapore	-	-	-	-	-	-	-	-
	-	-	-	-	-	<b>702</b>	-	<b>702</b>

\* Property management segment includes landscaping, property and facilities management services.

\*\* The activities of the hospitality division include the management of hotels, resorts and provision of consultancy service on hotel and resorts management, investment, development, branding, properties investment and management in the People's Republic of China. The Group had on 30 October 2020 disposed of its hospitality management consultancy business in China.

	HQ and other investing activities		Property Management*		Hospitality Division**		Total	
	FY21	FY20	FY21	FY20	FY21	FY20	FY21	FY20
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Segment revenue	-	-	99	-	-	897	99	897
Adjusted EBITDA/(LBITDA)	(2,091)	3,031	(436)	-	-	(13,346)	(2,527)	(10,315)
Credit loss allowance for trade and other receivables	-	-	-	-	-	(3,468)	-	(3,468)
Bad debts written off	-	(14,395)	-	-	-	-	-	(14,395)
Depreciation of property, plant and equipment	(1)	(12)	-	-	-	(7)	(1)	(19)
Interest income	-	676	-	-	-	-	-	676
Government grant	71	154	-	-	-	-	71	154
Finance costs	(1,008)	-	-	-	-	-	(1,008)	-
Amortisation of intangible assets	-	-	-	-	-	(739)	-	(739)
Impairment loss on intangible assets	-	-	-	-	-	(10,105)	-	(10,105)
Segment assets	72,908	71,199	103	-	-	-	73,011	71,199
Segment liabilities	(9,934)	(815)	(39)	-	-	-	(9,973)	(815)
<b><u>Revenue</u></b>								
People's Republic of China	-	-	99	-	-	897	99	897
Singapore	-	-	-	-	-	-	-	-
	-	-	99	-	-	897	99	897
<b><u>Non-current assets</u></b>								
People's Republic of China	64,732	60,999	-	-	-	-	64,732	60,999
Singapore	10	-	-	-	-	-	10	-
	64,742	60,999	-	-	-	-	64,742	60,999

## 5. Financial assets and financial liabilities

	Group		Company	
	31-Dec-21	31-Dec-20	31-Dec-21	31-Dec-20
	RMB'000	RMB'000	RMB'000	RMB'000
<b>Financial assets</b>				
Cash and bank balances	7,909	1,226	7,097	55
Financial assets, at FVPL	55,227	55,227	-	-
Other receivables*	9,560	14,653	11,519	16,323
	<b>72,696</b>	<b>71,106</b>	<b>18,616</b>	<b>16,378</b>
<b>Financial liabilities</b>				
Other payables	(848)	(815)	(589)	(667)
Convertible loans	(9,125)	-	(9,125)	-
	<b>(9,973)</b>	<b>(815)</b>	<b>(9,714)</b>	<b>(667)</b>

\* Excluded prepayments.

## 6. Related party transactions

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

### (i) Interest income from loan to a related party

During the six months period ended 30 June 2021, interest income of RMB367,000 derived from loan to a related party which is unsecured, interest-bearing of 4.75% per annum and repayable by December 2021 and January 2022 which are classified as current receivables. This interest was subsequently waived off in the six months period ended 31 December 2021.

### (ii) Key management personnel compensation is as follows:

	Group			
	6-month ended		12-month ended	
	31-Dec-21	31-Dec-20	31-Dec-21	31-Dec-20
	RMB'000	RMB'000	RMB'000	RMB'000
<b><u>Directors</u></b>				
Wages and salaries	606	254	858	551
Employer's contribution to defined contribution plans, including Central Provident Fund	23	23	43	51
Fees	147	154	297	330
	<b>776</b>	<b>431</b>	<b>1,198</b>	<b>932</b>
<b><u>Other key management personnel</u></b>				
Wages and salaries	195	204	391	468
Employer's contribution to defined contribution plans, including Central Provident Fund	29	31	59	68
	<b>224</b>	<b>235</b>	<b>450</b>	<b>536</b>
	<b>1,000</b>	<b>666</b>	<b>1,648</b>	<b>1,468</b>

## 7. Taxation

The Group calculate the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The Group recorded a loss before tax of RMB3.86 million in FY21 and hence, income tax is not provided for the reporting period.

## 8. Dividends

No dividend is declared or recommended for FY21 (FY20: Nil) in view of the losses incurred in FY21.

## 9. Net asset value

	Group		Company	
Net asset value ("NAV") per ordinary share	31-Dec-21	31-Dec-20	31-Dec-21	31-Dec-20
NAV attributable to equity holders of the Company (RMB'000)	63,007	64,862	53,800	55,404
Number of ordinary shares ('000)	78,000	78,000	78,000	78,000
NAV per ordinary share based on issued share capital (RMB)	0.81	0.83	0.69	0.71

## 10. Financial assets, at FVPL

### Fair value measurements

The table below presents assets and liabilities recognised and measured at fair value and classified by level of the following fair value measurement hierarchy:

- (a) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- (b) input other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and
- (c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
<b>Group</b>				
<b>31 December 2021</b>				
Assets				
Financial assets, at FVPL	-	-	55,227	55,227
<b>31 December 2020</b>				
Assets				
Financial assets, at FVPL	-	-	55,227	55,227

As at 31 December 2021 and 31 December 2020, the financial assets, at FVPL is representing the investment in unquoted equity. The fair value of financial assets is being assessed by using a variety of methods and assumptions based on market conditions, macro and microeconomic information that existing at each balance sheet date. Financial assets, at FVPL is classified to Level 3 as significant unobservable inputs is used.

The fair value of current financial assets carried at amortised cost approximate their carrying amounts.

## 11. Share capital

<u>Group and Company</u>	<u>Number of shares '000</u>	<u>Issued and paid- up share capital RMB'000</u>
<b>31 December 2021</b>	<b>78,000</b>	<b>29,194</b>
<b>31 December 2020</b>	<b>78,000</b>	<b>29,194</b>

All issued ordinary shares are fully paid. There is no par value for these ordinary shares.

Fully paid ordinary shares carry one vote per share and carry a right to dividends as and when declared by the Company.

On 22 March 2021, the Company entered into a Convertible Loan Subscription Agreement with 3 non-related subscribers pursuant to which the Company had on 28 May 2021 issued to the subscribers unsecured convertible loan notes (the “Notes”) in an aggregate principal amount of S\$3,300,000 (approximately RMB15.8 million after adjusting for transaction costs). The Notes are interest free and may be converted at fixed conversion price of S\$0.088 (subject to adjustments in the manner set out in the terms and conditions of the Notes) into up to 37,500,000 ordinary shares in the share capital of the Company at any time up to the close of business on maturity date which falls on the day of the 36<sup>th</sup> month from the subscription date of the Notes. Any outstanding Notes as at the maturity date, will be redeemed by the Company at 100% of their principal amount.

On 23 December 2021, the Company has redeemed 33.33% of the Notes Issue from Shenyang Pufei Technology Co., Ltd, amounting to principal amount of S\$1,100,000 (approximately RMB5.2 million). Following this redemption, the aggregate principal amount of the outstanding Convertible Loan is S\$2,200,000 (approximately RMB10.6 million)

Save as disclosed, the Company did not have any outstanding options, convertibles, treasury shares and subsidiary holdings as at 31 December 2021 and 31 December 2020.

## 12. Investments in subsidiary corporations

### During 6-month period ended 30 June 2021

On 9 January 2021, the Company announced that its wholly owned subsidiary, Elite Management (Singapore) Pte. Ltd. (“Elite Management”), has incorporated a 51%-owned subsidiary, Hainan Zhongyuan Cultural Tourism Co., Ltd (“HNZY”), in the People’s Republic of China with a registered capital of RMB1,000,000 for the purpose of conducting the business of properties investment and management in the People’s Republic of China. As at date of this announcement, HNZY has a paid-up capital of RMB500,000. The legal representative of HNZY is Miss Tian Li.

On 6 April 2021, Elite Management has incorporated a wholly-owned subsidiary, HealthBank Technology Development (Liaoning) Limited (“HBTD”), in the People’s Republic of China with a registered capital of RMB3,000,000 for the purpose of investment holdings in the People’s Republic of China. As at the date of this announcement, RMB1.2 million has been paid for share capital of HBTD and HBTD is in the process of filing for the paid up capital. The legal representative of HBTD is Miss Song Yue.

### During 2HY21

On 2 January 2022, the Company announced that it has on 31 December 2021 agreed to purchase from Ms Wang Meijia (the “**Vendor**”), her 10% interest in Libre Hospitality Limited (“**LHL**”) at a consideration of RMB5.2 million. LHL, through its wholly-owned subsidiary, Hainan Zhong Zhi Cultural Tourism Limited (海南众志文化旅游有限公司) (the “**WOFE**”, and together with LHL, the “**Target Group**”), holds 8% interests respectively in Hainan Fuda Construction Materials Co., Ltd (海南福达建材有限公司) (“**Hainan Fuda**”) and Hainan Fufa Plantations Co., Ltd (“**Hainan Fufa**”) (海南福发种植有限公司) who jointly develop the Atlantis Garden Project (亚特兰蒂斯花园项目), a service apartment development project located in the west side of Qiongsan Avenue, Jiangdong District, Haikou City, Hainan Province, People’s Republic of China. Upon the completion of the acquisition on 31 December 2021, LHL and the WOFE have become wholly-owned subsidiaries of the Group.

The Company has entered into supplemental loan agreement dated 31 December 2021 with Hainan Fuda to novate part of its loan with principal amount of RMB5.2 million to the Vendor to fulfil the Company’s obligation for the consideration for the abovementioned acquisition.

Please refer to the Company’s announcement dated 2 January 2022 for further details.

### **13. Subsequent events**

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



**Other Information Required by Appendix 7C of the Catalist Rules**

## **1. Review**

The condensed interim statements of financial position of HealthBank Holdings Limited (the “**Company**”) and its subsidiaries (collectively, the “**Group**”) as at 31 December 2021 and the related condensed interim consolidated statement of comprehensive income, condensed interim statements of changes in equity and condensed interim consolidated statement of cash flows for the six-month and the year ended 31 December 2021 and certain explanatory notes have not been audited or reviewed by the Company’s auditors.

The Group’s latest audited financial statements for the financial year ended 31 December 2020 were not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

## **2. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group’s business**

### **REVIEW OF FINANCIAL PERFORMANCE**

#### **Revenue**

The Group did not record any revenue from continuing operations in 2HY21 (2HY20: Nil) due to project delays as a result of the covid situation.

For FY21, the Group recorded revenue from continuing operations of RMB0.10 million (FY20: Nil) in relation to a facility and landscaping management service contract (the “**Contract**”) for the Atlantis Garden Project where the Group has an 8% indirect effective equity interest in the said project.

Further to the Company’s announcement dated 13 March 2021, the Group has entered into a supplemental agreement on 15 December 2021 for the extension of the Contract period to 30 November 2022.

#### **Other income**

There is a decrease in interest income from the loan to a related party, being Hainan Fuda, in FY21 as the Group has waived the interest income in FY21 and entered into a supplemental loan agreement to revise the principal amount, interest rate and maturity dates. Further information in relation to the supplemental loan agreement can be found in the Company’s announcement dated 2 January 2022.

Other income of RMB0.17 million in 2HY21 includes a receipt of RMB0.10 million from a third party for an aborted deal and RMB0.04 million received from the Job Support Scheme (“**JSS**”), a financial support scheme by the Singapore Government to provide wage supports to employers, helping enterprises retain their local employees during this period of economic uncertainty due to COVID-19 pandemic.

Other income of RMB0.20 million in FY21 included the above as well as RMB0.03 million received from the Job Support Scheme (“**JSS**”) in 1HY21.

#### **Other gains**

Other gains in 2HY21 and FY21 was mainly contributed by foreign exchange gains whereas in 2HY20 and FY20, other gains was mainly contributed by gain on disposal of subsidiary corporations.

#### **Employee compensation**

Employee compensation increased by RMB0.61 million or 114%, from RMB0.53 million in 2HY20 to RMB1.14 million in 2HY21, mainly due to recognition of RMB0.36 million salaries paid to a director at a China subsidiary as well as higher staff costs in Singapore due to an additional headcount.

Due mainly to the same reasons as cited above, employee compensation increased by RMB0.71 million or 62%, from RMB1.14 million in FY20 to RMB1.85 million in FY21.

### **Finance costs**

Finance costs in 2HY21 and FY21 was arising due to the unwinding effects from the convertible loans.

### **Other expenses**

The increase in other expenses of RMB0.38 million or 53% in 2HY21 was mainly due to increase in rental expenses of RMB0.07 million and professional fees and administrative expenses of RMB0.27 million.

The increase in other expenses of RMB0.58 million or 41% in FY21 was mainly due to increase in rental expenses of RMB0.14 million and professional fees and administrative expenses of RMB0.41 million.

### **Income tax expense**

The Group recorded a loss before tax of RMB3.14 million and hence, no income tax is provided for 2HY21 (2HY20: Nil).

For FY21, the Group recorded a loss before tax of RMB3.86 million and hence, no income tax is provided (FY20: Nil).

### **Loss for the financial period**

The Group recorded a loss of RMB3.14 million in 2HY21 as compared to a gain of RMB0.67 million in 2HY20 mainly due to absence of gain on disposal of subsidiary corporations.

Total loss recorded in FY21 is RMB3.86 million as compared to a loss of RMB10.40 million in FY20 due mainly to absence of net loss from discontinued operations in FY21.

## **REVIEW OF FINANCIAL POSITION**

### **Current assets**

Cash and bank balances increased by RMB6.68 million, from RMB1.23 million as at 31 December 2020 to RMB7.91 million as at 31 December 2021. Please refer to the “Review of Cash Position” section below for further details on the material cash movements.

As at 31 December 2021, the Group has other receivables of RMB0.36 million, a decrease of RMB8.61 million from RMB8.97 million as at 31 December 2020. This is mainly due to the novation of the loan to a related party for the Atlantis Garden Project amounting RMB5.2 million in settlement of the acquisition of a 10% stake in a subsidiary. The remaining loan amount of RMB3.7 million is now classified under non-current assets as the Group has agreed to extend the of the maturity period of the loan.

### **Non-current assets**

As at 31 December 2021, the Group has other receivables of RMB9.5 million, an increase of RMB3.73 million from RMB5.77 million as at 31 December 2020. This is mainly due to the extension of the maturity period of the loan to a related party for the Atlantis Garden Project (see above).

### **Current liabilities**

Other payables increased slightly by RMB0.03 million to RMB0.85 million as at 31 December 2021 as compared to RMB0.82 million as at 31 December 2020.

## **Non-current liabilities**

Non-current liabilities comprise convertible loans of RMB9.13 million as at 31 December 2021. Please refer to Note 11 to the condensed interim consolidated financial statements for information in relation to the convertible loans.

The net proceeds from the issue of the convertible loans have been split between the liability element and an equity component in accordance to SFRS(I) 9 Financial Instruments.

## **Net current assets**

Net current assets of the Group decreased by RMB1.97 million to RMB7.42 million as at 31 December 2021, from RMB9.39 million as at 31 December 2020 due mainly to the decrease in current assets.

## **Shareholders' equity**

Equity attributable to equity holders of the Company decreased by RMB1.85 million to RMB63.01 million as at 31 December 2021, from RMB64.86 million at 31 December 2020. The decrease is mainly due to the loss for the financial year. The decrease is partly mitigated by the increase in the equity component of convertible loan (arising from the net issuance of convertible loan).

## **REVIEW OF CASH POSITION**

Net cash used in operating activities of the Group amounted to RMB4.15 million for FY21 was mainly due to loss of RMB3.86 million, unrealised currency translation difference of RMB1.02 million and net working capital changes of RMB0.28 million. This is partially offsetted by the adjustment for the interest expense from convertible loan of RMB1.01 million.

Net cash generated from investing activities of the Group amounted to RMB0.23 million for FY21 was mainly due to share capital contributed by non-controlling interests of RMB0.25 million in the newly incorporated 51%-owned subsidiary, HNZY.

Net cash generated from financing activities of the Group amounted to RMB10.60 million for FY21 was due to proceeds from issuance of convertible loans (net of subsequent partial redemption).

Overall, the Group recorded a net cash increase of RMB6.68 million in FY21.

The Group has cash and bank balance of RMB7.91 million as at 31 December 2021.

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

Not applicable. No forecast or prospect statement disclosed to shareholders previously.

**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.**

The Group's business in China has been severely affected by the COVID-19 pandemic since early 2020, the global economic outlook and our business outlook remain no visible certainty. The cross-border travel easing measures imposed in China continued to remain cautious as for the Chinese Government continue to strive towards the zero-COVID policy, where only essential business trips are approved while leisure trips are almost non-existent for international travelers.

Although China's GDP recorded a remarkable annual growth rate of 8.1% in 2021, narrowing the gap with that of the U.S., its quarterly growth rates were indeed declining in 2021, from 18.3%, 7.9%, 4.9% to 4.0% for Q1 to Q4 respectively, proving that China's GDP growth rate was in the obvious descending trend, and putting

shadow on the economic forecast of 2022. The industry analysis of China's GDP in 2021 showed that export performed the best, and consumption performed the worst. The gloomy consumption is not likely resume to the pre-COVID level in 2022, due to the ongoing COVID-19 spread and its adverse impacts on the macro-economic conditions.

The Group has set up a new JV in Hainan Province, China ("Hainan") in late 2020 and started initial operation in 2021. Hainan is expected to have higher potential growth than other regions in China in terms of hospitality industry. As on 1 June 2020, the Chinese Government announced the master plan for Hainan International Free Trade Island, aiming to build the island into a globally-influential high-level free trade port. Hainan is targeted to be established as a free trade port system focusing on hospitality, trade and investment liberalization, and facilitation by 2025 and become more mature by 2035.

Interior renovation of Phase 1 and Phase 2 of the Atlantis Garden Project, which includes 4 residential and 1 commercial buildings, is expected to be completed by June 2022 and end of 2022 respectively.

We expect the property industry will perform better than that of 2021 but will not see obvious recovery until 2023. Therefore, the Group's JV operation as well as the Group's investment in the Atlantic Garden Project are expected to perform better than that in 2021, barring unforeseen circumstances. The Group will continue to look for value-adding and suitable business opportunities.

**5. If a decision regarding dividend has been made: -**

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

No dividend is declared for the current financial period reported on.

**(b) (i) Amount per share in cents**

Not applicable.

**(ii) Previous corresponding period in cents**

No dividend is declared for the corresponding period.

**(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 5.00pm) will be registered before entitlements to the dividend are determined**

Not applicable.

**6. If the Group has obtained a general mandate from shareholders for interested persons transactions ("IPT") the aggregate value of such transactions as required under Rule 920(1)(a)(ii) of the Catalist Rules. If no IPT mandate has been obtained, a statement to that effect.**

The Group has not obtained a general mandate from shareholders for IPT. There are no interested person transactions of S\$100,000 or more during the financial period under review.

## 7. Use of proceeds from the convertible loans

The Company refers to its previous announcements dated 23 March 2021, 13 April 2021 and 28 May 2021 (“**Previous Announcements**”). Unless otherwise defined, all capitalised terms used in this section shall bear the same meaning as the capitalised terms used in the Previous Announcements.

The Company received Net Proceeds of S\$3.28 million raised from the Convertible Loan and the utilisation of the Net Proceeds after the last announcement on the utilisation as at 13 August 2021 up to the date of this announcement is as follows:

Use of Proceeds	Allocation (S\$'000)	Amount utilised as at 13 August 2021 (S\$'000)	Amount utilised after 13 August 2021 up to the date of this announcement (S\$'000)	Balance amount (S\$'000)
Business expansion and investment opportunities	2,480	(250) <sup>(1)</sup>	(1,100) <sup>(2)</sup>	1,130
Working capital	800	(148) <sup>(3)</sup>	(312) <sup>(3)</sup>	340
<b>Net Proceeds</b>	<b>3,280</b>	<b>(398)</b>	<b>(1,412)</b>	<b>1,470</b>

### Notes:

- (1) This pertains to payment made for share capital of HBTD. Please refer to Note 12 to the condensed interim consolidated financial statements for information in relation to the incorporation of HBTD.
- (2) This pertains to payment made for the partial redemption of the Convertible Loan amounting to S\$1.10 million.
- (3) This pertains to administrative expenses (approximately S\$262,000), salaries related expenses (approximately S\$191,000) and additional expenses for convertible loans (approximately S\$7,000).

The above utilisations were consistent with the intended use of proceeds from the Convertible Loan as disclosed in the Previous Announcements. The Company will continue to make periodic announcements on the utilisation of the balance of the Net Proceeds from the Convertible Loan.

## 8. Breakdown of sales

	FY21 (RMB'000)	FY20 (RMB'000)	Increase /(Decrease) %
Sales reported for first half year	99	-	NM
Operating loss after tax before deducting non-controlling interests reported for first half year	(718)	(11,062)	(94)
Sales reported for second half year	-	-	-
Operating (loss)/profit after tax before deducting non-controlling interests reported for second half year	(3,139)	665	NM

There were discontinued operations in FY20 and it is reflected in the above loss. The sales in the discontinued operations are encapsulated in the loss from discontinued operations (per accounting rules).

## 9. 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) of the Catalist Rules

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

**10. Disclosure of persons occupying managerial positions in the issuer or any of its principal subsidiaries who are relatives of a director, CEO or substantial shareholder of the issuer pursuant to Rule 704(10) of the Catalist Rules**

Pursuant to Rule 704(10) of the Catalist Rules, the Company confirms that there is no person occupying a managerial position in the Company or in any of its principal subsidiaries who is a relative of a director, chief executive officer or substantial shareholder of the Company.

**11. Additional information required pursuant to Rule 706A of the Catalist Rules**

Please refer to Note 12 to the condensed interim consolidated financial statements for the details on the acquisition of 10% interest in Libre Hospitality Limited in 2HY21.

**On behalf of the Board**

Peng Fei  
Executive Director and CEO

1 March 2022