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**Clearbridge Health Limited
and its subsidiaries
Company Reg. No 201001436C**

Unaudited Condensed Interim Financial Statements
For the six months and full year ended 31 December 2021

This announcement has been prepared by Clearbridge Health Limited (the “**Company**” and, together with its subsidiaries, the “**Group**”) and has been reviewed by the Company’s sponsor, United Overseas Bank Limited (the “**Sponsor**”), for compliance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) Listing Manual Section B: Rules of Catalyst. This announcement has not been examined or approved by the SGX-ST. The SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement. The contact person for the Sponsor is Mr. David Tham, Senior Director, Equity Capital Markets, who can be contacted at 80 Raffles Place, #03-03 UOB Plaza 1, Singapore 048624, telephone: +65 6533 9898.



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Table of Contents

A. Unaudited condensed interim consolidated statement of comprehensive income	1
B. Unaudited condensed interim statement of financial position	2
C. Unaudited condensed interim statement of changes in equity	3
D. Unaudited condensed interim consolidated statement of cash flows	6
E. Notes to the unaudited condensed interim consolidated financial statements	7
F. Other information required by Listing Rule Appendix 7.2	33



A. Unaudited condensed interim consolidated statement of comprehensive income

GROUP							
Note	Six months ended 31 December		Increase/ (Decrease) %	Full year ended 31 December		Increase/ (Decrease) %	
	2021 S\$'000	2020 S\$'000		2021 S\$'000	2020 S\$'000		
	Revenue*	17,907	14,799	21.0	34,123	36,258	(5.9)
	Purchases	(11,311)	(9,625)	17.5	(21,507)	(22,444)	(4.2)
	Employee benefits expense**	(3,953)	(4,023)	(1.7)	(8,446)	(7,953)	6.2
	Depreciation expense	(1,769)	(2,120)	(16.6)	(3,503)	(4,106)	(14.7)
	Amortisation expense	(377)	(563)	(33.0)	(692)	(652)	6.1
	Other income	1,141	2,396	(52.4)	3,706	3,822	(3.0)
	Fair value (loss)/gain on an associate	(5,412)	(301)	1,698.0	(6,615)	3,307	n.m
	Fair value (loss)/gain on derivative financial instruments	(876)	1,447	n.m.	(3,500)	2,170	n.m
	Other operating expenses**	(6,245)	(2,497)	150.1	(9,561)	(5,956)	60.5
	Finance costs	(931)	(1,351)	(31.1)	(1,898)	(2,331)	(18.6)
	(Loss)/profit before taxation	(11,826)	(1,838)	543.4	(17,893)	2,115	n.m
	Income tax (expense)/credit	(22)	136	n.m.	(253)	(43)	488.4
	(Loss)/profit for the period/year	(11,848)	(1,702)	596.1	(18,146)	2,072	n.m
	Other comprehensive income:						
	Items that may be reclassified subsequently to profit or loss						
	Net fair value gain/(loss) on equity instruments at fair value through other comprehensive income	113	(1,073)	n.m.	113	(1,073)	n.m.
	Exchange difference on translation of foreign operations	72	(33)	n.m.	(155)	(373)	(58.4)
	Remeasurement gain on retirement liability	(4)	-	n.m.	2	-	n.m
	Total comprehensive income for the period/year	(11,667)	(2,808)	315.5	(18,186)	626	n.m
	(Loss)/profit attributable to:						
	Owners of the Company	(11,657)	(2,603)	347.8	(19,970)	615	n.m
	Non-controlling interest	(191)	901	n.m.	1,824	1,457	25.2
		(11,848)	(1,702)	596.1	(18,146)	2,072	n.m
	Total comprehensive income attributable to:						
	Owners of the Company	(11,461)	(3,813)	200.6	(19,908)	(844)	2,258.8
	Non-controlling interest	(206)	1,005	n.m.	1,722	1,470	17.1
		(11,667)	(2,808)	315.5	(18,186)	626	n.m
	(Loss)/profit per share						
	- Basic and diluted	(1.89)	(0.44)		(3.24)	0.10	

Note:

n.m. - not meaningful

* Excluding the revenue contributed from sales of medical supplies (i.e. face masks and personal protective items) and COVID-19 Antibody Test Kits in FY2020 and FY2021, the revenue from the medical clinics/centres increased by S\$2.12 million, from S\$9.27 million in FY 2020 to S\$11.39 million in FY2021.

** In order to provide more clarity to readers, the Group has identified the following major expenses as recurring and non-recurring for full year ended 31 December ("FY") 2021:

	Recurring S\$'000	Non-recurring S\$'000	Total S\$'000
Employee benefits expense	8,407	39	8,446
Other operating expenses	5,088	4,473	9,561
	13,495	4,512	18,007

The non-recurring employee benefits expense was mainly due to share option expenses pursuant to the disposal of subsidiaries, Clearbridge Biophotonics Pte. Ltd. and its subsidiaries ("CBBP group").

The non-recurring other operating expenses were mainly due to one-off legal and professional fees incurred pursuant to internal capital restructuring and litigation in Indonesia, disposal of subsidiaries, allowance of impairment of trade and other receivables, impairment of property, plant and equipment and inventories written off.

Excluding the abovementioned non-recurring expenses of S\$4.51 million (FY2020: S\$3.13 million), gain on disposal of subsidiary of S\$2.01 million (FY2020: S\$1.28 million) and fair value losses on an associate and derivative financial instruments of S\$10.12 million including derecognition of derivative financial assets recognised on the Biolidics Limited call option of S\$2.75 million (FY2020: gain of S\$5.48 million), the Group's loss before taxation would have been S\$5.28 million in FY2021 (FY2020: S\$1.51 million).



B. Unaudited condensed interim statements of financial position

Note	GROUP		COMPANY	
	31/12/21 S\$'000	31/12/20 S\$'000	31/12/21 S\$'000	31/12/20 S\$'000
Non-current assets				
	-	-	21,957	25,394
Investments in subsidiaries	-	-	-	-
Investment in an associate	9 11,425	18,040	-	-
Property, plant and equipment	12 4,738	7,177	16	19
Investment property	15 -	2,112	-	-
Right-of-use assets	13 1,728	1,713	-	-
Intangible assets	14 1,144	1,624	3	3
Goodwill on consolidation	30,438	30,483	-	-
Other investments	900	787	-	-
Other receivables	1,237	4,251	-	-
Amounts due from subsidiaries	-	-	22,315	28,854
	51,610	66,187	44,291	54,270
Current assets				
Cash at banks and short-term deposits	14,553	14,029	2,266	3,594
Trade receivables	7,485	8,621	-	-
Prepayments	319	705	152	192
Other receivables	4,941	2,673	342	70
Amounts due from subsidiaries	-	-	26,920	31,519
Inventories	719	1,966	-	-
Derivative financial instruments	11 1,090	2,751	1,090	-
Assets held for sale	18 2,005	61	-	-
	31,112	30,806	30,770	35,375
Total assets	82,722	96,993	75,061	89,645
Current liabilities				
Borrowings	16 6,147	5,660	1,333	2,024
Trade payables	2,488	4,153	-	-
Other payables	7,163	7,051	496	433
Amounts due to subsidiaries	-	-	10,738	4,242
Lease liabilities	13 785	356	-	-
Contract liabilities	471	442	-	-
Liabilities directly associated with the assets held for sale	-	1,720	-	-
Income tax payable	161	207	-	-
	17,215	19,589	12,567	6,699
Net current assets	13,897	11,217	18,203	28,676
Non-current liabilities				
Borrowings	16 4,806	12,979	4,806	10,278
Other payables	74	746	-	-
Lease liabilities	13 1,003	1,440	-	-
Derivative financial instruments	11 254	124	254	124
Deferred tax liabilities	2,993	2,165	-	-
	9,130	17,454	5,060	10,402
Total liabilities	26,345	37,043	17,627	17,101
NET ASSETS	56,377	59,950	57,434	72,544
Equity attributable to owners of the Company				
Share capital	17 92,899	92,899	92,899	92,899
Capital reserve	(1,256)	(1,493)	(6,030)	(6,030)
Share-based payment reserve	4,108	3,721	4,109	3,722
Fair value reserve	150	37	-	-
Currency translation reserve	(304)	(202)	-	-
Other reserve	1	-	-	-
Accumulated losses	(44,321)	(34,975)	(33,544)	(18,047)
Reserves of a disposal group held for sale	-	463	-	-
Equity attributable to owners of the Company	51,277	60,450	57,434	72,544
Non-controlling interests	5,100	(500)	-	-
TOTAL EQUITY	56,377	59,950	57,434	72,544



C. Unaudited condensed interim statements of changes in equity

(In S\$'000)

<u>Group</u>	Share capital	Capital reserve	Share-based payment reserve	Fair value reserve	Currency translation reserve	Other reserve	Accumulated losses	Reserves of a disposal group held for sale	Equity attributable to owners of the Company	Non-controlling interests	Total equity
Balance as at 1 January 2021	92,899	(1,493)	3,721	37	(202)	-	(34,975)	463	60,450	(500)	59,950
<i>Total comprehensive income for the year</i>											
Loss for the year	-	-	-	-	-	-	(19,970)	-	(19,970)	1,824	(18,146)
Other comprehensive income for the year	-	-	-	113	(47)	1	-	(5)	62	(102)	(40)
Total comprehensive income for the year	-	-	-	113	(47)	1	(19,970)	(5)	(19,908)	1,722	(18,186)
<i>Transactions with owners, recognised directly in equity</i>											
Dividend	-	-	-	-	-	-	-	-	-	(869)	(869)
Share-based payment - equity settled	-	-	387	-	-	-	-	-	387	-	387
Effects of dilution of interest in subsidiaries	-	-	-	-	-	-	11,136	(372)	10,764	(10,158)	606
Conversion of convertible bonds issued by a subsidiary to share capital of the subsidiary	-	-	-	-	-	-	(512)	-	(512)	512	-
<i>Change in ownership interest in subsidiaries</i>											
Disposal of subsidiaries	-	237	-	-	(55)	-	-	(86)	96	1,111	1,207
Issuance of preference shares of subsidiaries	-	-	-	-	-	-	-	-	-	13,282	13,282
Balance as at 31 December 2021	92,899	(1,256)	4,108	150	(304)	1	(44,321)	-	51,277	5,100	56,377



C. Unaudited condensed interim statements of changes in equity (cont'd)

(In S\$'000)

Group	Share capital	Capital reserve	Share-based / option payment reserve	Fair value reserve	Currency translation reserve	Accumulated losses	Reserves of a disposal group held for sale	Equity attributable to owners of the Company	Non-controlling interests	Total equity
Balance as at 1 January 2020	88,945	(2,179)	2,646	1,110	110	(40,246)	-	50,386	(953)	49,433
<i>Total comprehensive income for the year</i>										
Profit for the year	-	-	-	-	-	615	-	615	1,457	2,072
Other comprehensive income for the year	-	-	-	(1,073)	(370)	-	(16)	(1,459)	13	(1,446)
Total comprehensive income for the year	-	-	-	(1,073)	(370)	615	(16)	(844)	1,470	626
<i>Transactions with owners, recognised directly in equity</i>										
Discontinued operation	-	-	(479)	-	-	-	479	-	-	-
Dividend	-	-	-	-	-	-	-	-	(344)	(344)
Share-based payment - equity settled	-	-	1,554	-	-	-	-	1,554	-	1,554
Issuance of ordinary shares	3,954	686	-	-	-	-	-	4,640	-	4,640
Effects of dilution of interest in subsidiaries:	-	-	-	-	83	5,400	-	5,483	(352)	5,131
Subscription of exchangeable bond	-	-	-	-	(25)	(744)	-	(769)	(321)	(1,090)
Balance as at 31 December 2020	92,899	(1,493)	3,721	37	(202)	(34,975)	463	60,450	(500)	59,950



C. Unaudited condensed interim statements of changes in equity (cont'd)

(In S\$'000)

<u>Company</u>	Share capital	Capital reserve	Share-based payment reserve	Accumulated losses	Total equity
Balance as at 1 January 2021	92,899	(6,030)	3,722	(18,047)	72,544
Loss for the year, representing total comprehensive loss for the year	-	-	-	(15,497)	(15,497)
Share-based payment - equity settled	-	-	387	-	387
Balance as at 31 December 2021	92,899	(6,030)	4,109	(33,544)	57,434
Balance as at 1 January 2020	88,945	(6,716)	2,296	(9,382)	75,143
Share-based payment - equity settled	-	-	1,426	-	1,426
Issuance of ordinary shares	3,954	686	-	-	4,640
Loss for the year, representing total comprehensive loss for the year	-	-	-	(8,665)	(8,665)
Balance as at 31 December 2020	92,899	(6,030)	3,722	(18,047)	72,544



D. Unaudited condensed interim consolidated statement of cash flows

	GROUP	
	FY 2021	FY 2020
	S\$'000	S\$'000
Operating activities		
(Loss)/profit before taxation	(17,893)	2,115
Adjustments for:		
Actuarial loss on retirement plan	3	-
Share-based payment - equity settled	387	1,554
Gain on disposal of subsidiary	(2,012)	(1,284)
Gain on disposal of property, plant and equipment	-	(50)
Depreciation of property, plant and equipment	2,457	3,081
Depreciation of investment property	45	45
Depreciation of right-of-use assets	1,001	980
Amortisation of intangible assets	692	652
Interest income	(78)	(131)
Interest expense	1,898	2,331
Impairment of intangibles assets	-	171
Inventories written off	651	25
Impairment of property, plant and equipment	212	123
Impairment of trade and other receivables	2,945	434
Impairment of investment property	62	-
Fair value adjustment on contingent consideration	(23)	64
Fair value loss/(gain) on derivative financial instruments	3,500	(2,170)
Fair value loss/(gain) on an associate	6,615	(3,307)
Gain on loan extinguishment	(965)	(144)
Unrealised foreign exchange loss/(gain)	48	(130)
Operating cash flows before changes in working capital	(455)	4,359
Decrease in trade receivables	827	1,694
Decrease/(increase) in prepayments	345	(174)
Increase in other receivables	(1,977)	(477)
Decrease/(increase) in inventories	596	(322)
Decrease in trade payables	(1,671)	(255)
Increase/(decrease) in other payables	440	(784)
Cash flows (used in)/generated from operations	(1,895)	4,041
Income tax paid	(397)	(185)
Interest paid	(1,058)	(1,378)
Interest received	78	131
Net cash flows (used in)/generated from operating activities	(3,272)	2,609
Investing activities		
Repayment of advance from third party	1,862	-
Purchase of property, plant and equipment	(633)	(1,080)
Purchase of intangible assets	(8)	-
Payment for contingent consideration	(1,000)	-
Proceeds from contingent consideration	300	-
Proceeds from disposal of property, plant and equipment	2	87
Proceeds from disposal of subsidiary	941	90
Net cash flows generated from/(used in) investing activities	1,464	(903)
Financing activities		
Dividend paid to non-controlling interests	(869)	(344)
Proceeds from bank loans	595	4,542
Proceeds from issuance of convertible preference shares	11,505	-
Repayment of loans and borrowings	(3,825)	(3,831)
Repayment of lease liabilities	(1,095)	(865)
Redemption of convertible bond	(4,188)	-
Divestment of interest in a subsidiary through redemption of redeemable exchangeable bond	-	316
Investment of interest in subsidiary through subscription of exchangeable bond	-	(1,125)
Decrease in restricted deposits	341	282
Net cash generated from/(used in) financing activities	2,464	(1,025)



D. Unaudited condensed interim consolidated statement of cash flows (cont'd)

	Group	
	FY 2021 S\$'000	FY 2020 S\$'000
Net increase in cash and cash equivalents	656	681
Effects of foreign exchange rate changes, net	163	116
Cash and cash equivalents at the beginning of the year	10,889	10,092
	11,708	10,889
Cash and cash equivalents at the end of the year	11,708	10,889

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise the following at the end of the reporting year:

	FY 2021 S\$'000	FY 2020 S\$'000
Cash and banks and short-term deposits	14,553	14,029
Cash at banks and short-term deposits attributable to assets held for sales	–	46
Less: Restricted deposits	(2,845)	(3,186)
	11,708	10,889
Cash and cash equivalents	11,708	10,889

E. Notes to the unaudited condensed interim consolidated financial statements

1. Corporate information

Clearbridge Health Limited (the “Company”) is a limited liability company listed on the Catalist Board of the Singapore Exchange Securities Trading Limited. It is incorporated in Singapore with its principal place of business and registered office at 37 Jalan Pemimpin, #08-05 Mapex, Singapore 577177.

The principal activities of the Company are that of an investment holding company.

2. Basis of preparation

The condensed interim financial statements for the six months and full year ended 31 December 2021 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)”) 1-34 *Interim Financial Reporting*.

The condensed interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual financial statements for the financial year ended 31 December 2020 (“FY2020”). However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last interim financial statements for the six months period ended 30 June 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 Dollar (“S\$”) 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 year. 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 expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty for the condensed interim financial statements were the same as those that applied to the consolidated financial statements as at and for FY2020.

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.

Management is of the opinion that there is no instance of application of judgement which is expected to have a significant impact on the amounts recognised in the Group's condensed interim financial statements for the six months and full year ended 31 December 2021.

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

- Note 11 – Fair value measurement of financial instruments

3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the period under review.

4. Segment information

For management purposes, the Group is organised into business units based on reports reviewed by the management team that are used to make strategic decisions. There are five reportable operating segments as follows:

(i) Strategic investments

The strategic investments segment involves investments in identified early-stage biotechnology and information security companies, for which the performance of the investments is measured and evaluated on a fair value basis.

4. Segment information (cont'd)

(ii) **Healthcare systems**

The healthcare systems segment involves the provision of diagnostic services and provision of renal care services by partnering with medical device equipment manufacturers and hospitals.

(iii) **Medical clinics/centres**

The medical clinics/centres segment involves the provision of general medical, dental and clinical services and distribution of the medical and pharmaceutical products.

(iv) **Corporate segment**

The corporate segment involves the corporate functions in supporting the operations of the entire Group.

(v) **Investment**

The Investment segment involves investments into various entities in the global healthcare sector which are EBITDA positive or at an inflection point with a clear line of sight to profitability ("Portfolio Companies"), and growing such Portfolio Companies with a view to eventually exiting from such Portfolio Companies. There is no transaction in FY2021.

No operating segments have been aggregated to form the above reportable operating segment.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on net fair value gain or loss for strategic investments, or operating profit or loss for healthcare systems, medical and dental clinics/centres and corporate segments.



4.1 Reportable segments

1 July 2021 to 31 December 2021	Strategic investments S\$'000	Healthcare systems S\$'000	Medical clinics/ centres S\$'000	Corporate S\$'000	Eliminations S\$'000	Total S\$'000
Revenue:						
External customers	–	11,543	6,364	–	–	17,907
Inter-segment	–	–	1,801	–	(1,801)	–
Total revenue	–	11,543	8,165	–	(1,801)	17,907
Results:						
Interest income	–	14	22	1	–	37
Depreciation expense	–	(944)	(818)	(7)	–	(1,769)
Amortisation expense	–	(329)	(48)	–	–	(377)
Other income	–	54	81	965	–	1,100
Fair value adjustment of contingent consideration for business combinations	–	15	(11)	–	–	4
Fair value loss on an associate	(5,412)	–	–	–	–	(5,412)
Fair value loss on derivative financial instruments	–	–	–	(876)	–	(876)
Segment loss	(6,979)	(4,105)	(81)	(683)	–	(11,848)
Assets:						
Investments in an associate	11,425	–	–	–	–	11,425
Other investments	900	–	–	–	–	900
Derivative financial instruments	–	–	–	1,090	–	1,090
Additions to non-current assets	–	304	326	11	–	641
Segment assets	12,348	31,110	35,384	3,880	–	82,722
Segment liabilities	(2,717)	(8,596)	(8,144)	(6,888)	–	(26,345)



4. Segment information (cont'd)

4.1 Reportable segments (cont'd)

1 July 2020 to 31 December 2020	Strategic investments S\$'000	Healthcare systems S\$'000	Medical clinics/ centres S\$'000	Corporate S\$'000	Eliminations S\$'000	Total S\$'000
Revenue:						
External customers	–	8,218	6,581	–	–	14,799
Inter-segment	–	–	822	–	(822)	–
Total revenue	–	8,218	7,403	–	(822)	14,799
Results:						
Interest income	–	8	29	5	–	42
Depreciation expense	–	(963)	(1,150)	(7)	–	(2,120)
Amortisation expense	–	(550)	(13)	–	–	(563)
Other income	–	1,784	557	13	–	2,354
Fair value adjustment of contingent consideration for business combinations	–	(38)	(34)	–	–	(72)
Fair value loss on an associate	(301)	–	–	–	–	(301)
Fair value gain/(loss) on derivative financial instruments	(660)	89	–	2,018	–	1,447
Segment profit/(loss)	(1,439)	604	(308)	(559)	–	(1,702)
Assets:						
Investments in an associate	18,040	–	–	–	–	18,040
Other investments	787	–	–	–	–	787
Derivative financial instruments	2,751	–	–	–	–	2,751
Additions to non-current assets	–	958	112	10	–	1,080
Segment assets	21,594	34,051	37,457	3,891	–	96,993
Segment liabilities	(1,779)	(9,593)	(12,813)	(12,858)	–	(37,043)

4. Segment information (cont'd)

4.1 Reportable segments (cont'd)

1 January 2021 to 31 December 2021	Strategic investments S\$'000	Healthcare systems S\$'000	Medical clinics/ centres S\$'000	Corporate S\$'000	Eliminations S\$'000	Total S\$'000
Revenue:						
External customers	–	22,735	11,388	–	–	34,123
Inter-segment	–	–	1,891	–	(1,891)	–
Total revenue	–	22,735	13,279	–	(1,891)	34,123
Results:						
Interest income	–	30	46	2	–	78
Depreciation expense	–	(1,913)	(1,575)	(15)	–	(3,503)
Amortisation expense	–	(582)	(110)	–	–	(692)
Other income	2,152	59	423	971	–	3,605
Fair value adjustment of contingent consideration for business combinations	–	31	(8)	–	–	23
Fair value loss on an associate	(6,615)	–	–	–	–	(6,615)
Fair value loss on derivative financial instruments	(2,681)	–	–	(819)	–	(3,500)
Segment loss	(9,069)	(4,655)	(810)	(3,612)	–	(18,146)
Assets:						
Investments in an associate	11,425	–	–	–	–	11,425
Other investments	900	–	–	–	–	900
Derivative financial instruments	–	–	–	1,090	–	1,090
Additions to non-current assets	–	304	326	11	–	641
Segment assets	12,348	31,110	35,384	3,880	–	82,722
Segment liabilities	(2,717)	(8,596)	(8,144)	(6,888)	–	(26,345)

4. Segment information (cont'd)

4.1 Reportable segments (cont'd)

1 January 2020 to 31 December 2020	Strategic investments S\$'000	Healthcare systems S\$'000	Medical clinics/ centres S\$'000	Corporate S\$'000	Eliminations S\$'000	Total S\$'000
Revenue:						
External customers	–	16,984	19,274	–	–	36,258
Inter-segment	–	102	5,442	–	(5,544)	–
Total revenue	–	17,086	24,716	–	(5,544)	36,258
Results:						
Interest income	–	31	62	38	–	131
Depreciation expense	–	(2,182)	(1,909)	(15)	–	(4,106)
Amortisation expense	–	(628)	(24)	–	–	(652)
Other income	–	2,511	1,146	34	–	3,691
Fair value adjustment of contingent consideration for business combinations	–	21	(85)	–	–	(64)
Fair value gain on an associate	3,307	–	–	–	–	3,307
Fair value (loss)/gain on derivative financial instruments	863	(78)	–	1,385	–	2,170
Segment profit/(loss)	3,682	(1,617)	3,519	(3,512)	–	2,072
Assets:						
Investments in an associate	18,040	–	–	–	–	18,040
Other investments	787	–	–	–	–	787
Derivative financial instruments	2,751	–	–	–	–	2,751
Additions to non-current assets	–	958	112	10	–	1,080
Segment assets	21,594	34,051	37,457	3,891	–	96,993
Segment liabilities	(1,779)	(9,593)	(12,813)	(12,858)	–	(37,043)



4. Segment information (cont'd)

4.2 Disaggregation of Revenue

	Group					
	Healthcare systems		Medical clinics/ centres		Total revenue	
	Six months ended 31 December					
	2021 S\$'000	2020 S\$'000	2021 S\$'000	2020 S\$'000	2021 S\$'000	2020 S\$'000
Major product or service lines						
Rendering of medical and clinical services	–	–	5,878	6,183	5,878	6,183
Laboratory testing services	9,321	6,115	–	–	9,321	6,115
Renal care revenue	2,222	2,103	486	398	2,708	2,501
	11,543	8,218	6,364	6,581	17,907	14,799
Primary geographical markets						
Singapore	–	–	5,019	4,897	5,019	4,897
Philippines	–	–	750	1,309	750	1,309
Indonesia	11,516	8,218	–	–	11,516	8,218
Hong Kong, Malaysia and others	27	–	595	375	622	375
	11,543	8,218	6,364	6,581	17,907	14,799
Timing of transfer of goods or services						
At a point in time	11,543	8,218	5,919	5,542	17,462	13,760
Over time	–	–	445	1,039	445	1,039
	11,543	8,218	6,364	6,581	17,907	14,799



4. Segment information (cont'd)

4.2 Disaggregation of Revenue (cont'd)

	Group					
	Healthcare systems		Medical clinics/ centres		Total revenue	
	Full year ended 31 December					
	2021 S\$'000	2020 S\$'000	2021 S\$'000	2020 S\$'000	2021 S\$'000	2020 S\$'000
Major product or service lines						
Rendering of medical and clinical services	–	–	10,860	18,825	10,860	18,825
Laboratory testing services	18,160	12,239	–	–	18,160	12,239
Renal care revenue	4,575	4,745	528	449	5,103	5,194
	22,735	16,984	11,388	19,274	34,123	36,258
Primary geographical markets						
Singapore	–	48	9,079	7,759	9,079	7,807
Philippines	–	–	1,517	7,723	1,517	7,723
Indonesia	22,680	16,850	–	–	22,680	16,850
Hong Kong, Malaysia and others	55	86	792	3,792	847	3,878
	22,735	16,984	11,388	19,274	34,123	36,258
Timing of transfer of goods or services						
At a point in time	22,735	16,984	10,551	15,004	33,286	31,988
Over time	–	–	837	4,270	837	4,270
	22,735	16,984	11,388	19,274	34,123	36,258

5. Employee benefits expense

	Group			
	Six months ended 31 December 2021 S\$'000	Six months ended 31 December 2020 S\$'000	Full year ended 31 December 2021 S\$'000	Full year ended 31 December 2020 S\$'000
	Directors' remuneration	99	99	197
Salaries and bonuses ⁽¹⁾	3,183	2,348	6,828	5,494
Defined contribution plan	235	234	488	440
Share-based payment – equity settled	2	1,099	387	1,426
Share option expenses	39	128	39	128
Others	395	115	507	268
	3,953	4,023	8,446	7,953

⁽¹⁾ Include the bonus payment pursuant to the performance bonus scheme based on prior year performance.

6. (Loss)/profit before taxation

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

The Group's net loss was arrived after (charging)/crediting the following:

	GROUP					
	Six months ended 31 December 2021 S\$'000	Six months ended 31 December 2020 S\$'000	Increase/ (Decrease) %	Full year ended 31 December 2021 S\$'000	Full year ended 31 December 2020 S\$'000	Increase/ (Decrease) %
Interest expense on:						
- Borrowings	(223)	(553)	(59.7)	(488)	(783)	(37.7)
- Convertible bonds	(653)	(701)	(6.8)	(1,289)	(1,438)	(10.4)
- Lease liabilities	(55)	2	n.m	(121)	(11)	1,000.0
- Deferred consideration	-	(99)	n.m	-	(99)	n.m
Depreciation expense on:						
- Property, plant and equipment	(1,219)	(1,355)	(10.0)	(2,457)	(3,081)	(20.3)
- Investment property	-	(45)	n.m	(45)	(45)	-
- Right-of-use assets	(550)	(720)	(23.6)	(1,001)	(980)	2.1
Amortisation expense	(377)	(563)	(33.0)	(692)	(652)	6.1
Other income:						
- Grant income	97	273	(64.5)	375	641	(41.5)
- Interest income	37	42	(11.9)	78	131	(40.5)
- Licensing income	-	35	n.m	61	105	(41.9)
- Rental income	27	1	2,600.0	54	82	(34.1)
- Foreign exchange gain	-	98	n.m	-	402	n.m
- Fair value adjustment on contingent consideration for business combinations	4	-	n.m.	23	-	n.m.
- Gain on disposal of property, plant and equipment	-	50	n.m	-	50	n.m
- Gain on disposal of subsidiary	-	799	n.m	2,012	1,284	56.7
- Gain on loan extinguishment	965	144	570.1	965	144	570.1
- Gain on waiver of payables	-	-	n.m.	78	-	n.m.
- Reversal of deferred consideration	-	920	n.m	-	920	n.m
- Others	11	34	(67.6)	60	63	(4.8)
Material items included in other operating expenses:						
- Foreign exchange loss	(13)	-	n.m.	(788)	-	n.m.
- Fair value adjustment on contingent consideration for business combinations	-	(72)	n.m	-	(64)	n.m
- Professional fees ⁽¹⁾	(960)	(970)	(1.0)	(1,448)	(1,843)	(21.4)
- Rental ⁽²⁾	20	(440)	n.m	2	(742)	n.m
- Impairment of trade and other receivables	(2,738)	(434)	530.9	(2,945)	(434)	578.6
- Impairment of property, plant and equipmer	(2)	(123)	(98.4)	(212)	(123)	72.4
- Impairment of Intangible asset	-	(171)	n.m	-	(171)	n.m
- Impairment of Investment property	(62)	-	n.m	(62)	-	n.m
- Inventories written off	(633)	73	n.m	(651)	(25)	2,504.0
Employee benefits expense						
- Share-based payment - equity settled	(2)	(1,098)	(99.8)	(387)	(1,425)	(72.8)
- Share option expenses	(39)	(129)	(69.8)	(39)	(129)	(69.8)

n.m. - not meaningful

Notes:

- (1) This includes the non-recurring professional fees incurred pursuant to the internal capital restructuring and litigation in Indonesia, disposal of subsidiaries, CBBP group which amounted to S\$0.62 million for the full year ended 31 December 2021 (2020: S\$0.35)
- (2) Rental expenses for the FY2021 represent short-term leases that are exempted from having to be recognised in the statement of financial position under SFRS(I) 16 Leases. The Group continues to recognise these short term lease payments as an expense in profit or loss on a straight-line basis over the lease term.



7. (Loss)/earnings per share

	Group			
	Six months ended 31 December 2021	Six months ended 31 December 2020	Full year ended 31 December 2021	Full year ended 31 December 2020
(Loss)/profit attributable to owners of the Company (S\$'000)	(11,657)	(2,603)	(19,970)	615
Weighted average number of shares ('000) ⁽¹⁾	617,136	597,646	617,136	597,646
(Loss)/earnings per share (cents)				
- Basic and diluted	(1.89)	(0.44)	(3.24)	0.10

For the purpose of calculating diluted (loss)/earnings per share, the weighted average number of shares have been adjusted for the effects of all dilutive potential ordinary shares.

Basic and diluted (loss)/earnings per share is the same as the Convertible Bonds and 2,985,475 shares awarded to employees on 28 April 2021 under the Company's performance share plan which will be vested and issued over 3 years are anti-dilutive.

Note:

- (1) In January 2021, the Company had allotted and issued 4,810,000 shares pursuant to the Company's performance share plan. These issuances of shares have been factored in arriving at the weighted average number of shares.

8. Net asset value

	Group		Company	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
Net asset value (S\$'000)	51,277	60,450	57,434	72,544
Number of shares ('000)	617,215	612,405	617,215	612,405
Net asset value per share (cents)	8.31	9.87	9.31	11.85

9. Investment in an associate

	Group		Company	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
	S\$'000	S\$'000	S\$'000	S\$'000
Investment designated as fair value through profit or loss ("FVTPL")				
Quoted equity shares				
- Ordinary shares	11,425	18,040	-	-

During the six months period ended 31 December 2021, changes in fair value amounting to a loss of S\$5.41 million (31 December 2020: loss of S\$0.03 million) have been included in profit or loss.

During the full year ended 31 December 2021, changes in fair value amounting to a loss of S\$6.62 million (31 December 2020: gain of S\$3.31 million) have been included in profit or loss



9. Investment in an associate (cont'd)

Details of the Group's associate are as follows:

Name of associate	Principal activities (Country of incorporation and operations)	Proportion of ownership interest	
		2021 %	2020 %
Biolidics Limited (formerly known as Clearbridge Biomedics Pte. Ltd.) ⁽¹⁾	Research and development of biotechnology, life and medical science (Singapore)	22.7	22.8

(1) Audited by Ernst & Young LLP, Singapore.

10. Disposal of subsidiary

On 7 April 2021, the Group entered into a conditional share purchase agreement to dispose of 46.5% of its aggregate shareholding interests in Clearbridge Biophotonics Pte. Ltd. ("CBBP"), a subsidiary of the Group. The disposal consideration was fully settled in cash. The disposal was completed on 20 April 2021, on which control of CBBP was passed on to the acquirer.

The value of assets and liabilities of CBBP recorded in the consolidated financial statements as at 20 April 2021, and the effects of the disposal were:

	20 April 2021 S\$'000
Assets	
Plant and equipment	7
Cash and cash equivalents	4
Trade and other receivables	17
	28
Liabilities	
Trade and other payables	(2,100)
Deferred revenue	(17)
	(2,089)
Carrying value of net liabilities	(2,089)
Less: Non - controlling interest	1,111
Realisation of reserves	96
Net liabilities derecognised	(882)
Sales consideration	1,130
Less: Sales consideration not yet received	(185)
	945
Cash consideration received	945
Cash and cash equivalents of the subsidiary	(4)
	941
Gain on disposal	
Sales consideration	1,130
Net liabilities derecognised	882
	2,012

The gain on disposal attributable to measuring the retained interest amounted to S\$2.01 million was included in other income in profit or loss.

11. Derivative financial instruments

The Group's derivative financial instruments accounted for at fair value through profit or loss:

	Group		Company	
	31 December 2021 S\$'000	31 December 2020 S\$'000	31 December 2021 S\$'000	31 December 2020 S\$'000
Assets				
Call options issued under the BSA operator agreement to acquire (Note A):				
- Quoted equity shares in an associate	–	2,751	–	–
Call option on convertible preference shares (Note C)	1,090	–	1,090	–
	1,090	2,751	1,090	–
Current asset	1,090	2,751	1,090	–
Liabilities				
Issuance of convertible bonds (Note B)	254	124	254	124
	254	124	254	124
Non-current liabilities	254	124	254	124

Note A: In prior years, the Group entered into an investment arrangement with Seeds Capital Pte. Ltd. ("**Seeds Capital**") who would co-invest dollar-for-dollar into investments deemed as qualifying investments under the Biomedical Sciences Accelerator ("**BSA**") operator agreement. As part of the arrangement, Seeds Capital had granted written call options to Clearbridge BSA Pte. Ltd. ("**CBBSA**"), a wholly-owned subsidiary of the Group, which represented CBBSA's right to call on investments invested by Seeds Capital during the period from February 2014 to February 2020. The call option exercise consideration was equivalent to Seeds Capital's investment cost plus a return at a rate of 8% annual cumulative non-compounding simple interest.

In 2020, Seeds Capital had extended the expiry date of the call options relating to investment in an associate by 15 months, from 28 February 2020 to 28 May 2021. There is no further extension of the call options and they have expired on 28 May 2021.

Note B: Relates to the redeemable option and convertible options of the Convertible Bonds issued by the Company on 8 March 2019 and 17 May 2019 respectively. The Group had partially redeemed on a pro rata basis S\$3,525,000 in principal amount of the Convertible Bonds on 8 October 2021. In 2021, the maturity date of the outstanding Convertible bonds had been extended for a further 2 years which will be maturing on 8 March 2024 and 17 May 2024.



11. Derivative financial instruments(cont'd)

Note C: On 16 March 2021, the Group entered into a subscription agreement to issue convertible preference shares by a subsidiary of the Company to third party investors. The Company received an option to acquire the convertible preference shares from the third parties, at a price per convertible preference share equivalent to the initial subscription price per share plus 5.0% of the initial subscription price per convertible preference share per annum, calculated on a pro-rated basis up to the date of completion of transfer of the preference shares, less any dividends received. The exchange consideration may be settled in cash, securities held by the Company listed and quoted on any stock exchange or new ordinary shares in the capital of the Company.

During the six months period ended 31 December 2021, changes in fair value on derivative financial instruments amounting to a loss of S\$0.88 million (31 December 2020: gain of S\$1.45 million) have been included in profit or loss.

During the full year ended 31 December 2021, changes in fair value on derivative financial instruments amounting to a loss of S\$3.50 million (31 December 2020: gain of S\$2.17 million) have been included in profit or loss.

12. Property, plant and equipment

In FY2021, the Group acquired assets amounting to S\$0.63 million (31 December 2020: S\$1.08 million).

13. Leases

Group as a lessee

The Group has lease contracts for office and clinical premises used in its operations. Leases of office and clinical premises generally have lease terms between 1 and 12 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets. There are no lease contracts that include extension or termination options and variable lease payments.

The Group also has certain leases of warehouse premises with lease terms of less than 12 months in which the Group applies the 'short-term lease' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

Group	Office and clinical premises S\$'000
At 1 January 2020	1,787
Additions	906
Depreciation expense	(980)
	<hr/>
At 31 December 2020 and 1 January 2021	1,713
Additions	1,387
Derecognition of right-of-use assets	(371)
Depreciation expense	(1,001)
	<hr/>
At 31 December 2021	<u>1,728</u>

13. Leases (cont'd)

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	Group S\$'000
At 1 January 2020	1,761
Additions	899
Accretion of interest	11
Payments	(876)
Exchange difference	1
	<hr/>
At 31 December 2020 and 1 January 2021	1,796
Additions	1,387
Derecognition of lease liabilities	(371)
Accretion of interest	121
Payments	(1,216)
Exchange difference	71
	<hr/>
At 31 December 2021	<u>1,788</u>

	Group	
	31 December 2021 S\$'000	31 December 2020 S\$'000
Current	785	356
Non-current	1,003	1,440
	<hr/>	<hr/>
	<u>1,788</u>	<u>1,796</u>

The following are the amounts recognised in profit or loss:

	Group			
	Six months ended 31 December 2021 S\$'000	Six months ended 31 December 2020 S\$'000	Full year ended 31 December 2021 S\$'000	Full year ended 31 December 2020 S\$'000
Depreciation of right-of-use assets	550	720	1,001	980
Interest (income)/expense on lease liabilities	55	(2)	121	11
Expense relating to short-term leases (included in other expenses)	(20)	(162)	(2)	141
	<hr/>	<hr/>	<hr/>	<hr/>
Total amount recognised in profit or loss	<u>585</u>	<u>556</u>	<u>1,120</u>	<u>1,132</u>

During the six months period ended 31 December 2021, the Group had total cash outflows for leases of S\$0.55 million (31 December 2020: S\$0.48 million). During the full year ended 31 December 2021, the Group had total cash outflows for leases of S\$1.10 million (31 December 2020: S\$0.87 million).

The Group also had non-cash additions to right-of-use assets of S\$1.39 million (31 December 2020: S\$0.91 million) and lease liabilities of S\$1.39 million (31 December 2020: S\$0.90 million).



14. Intangible assets

Group	Patent rights S\$'000	Trademark S\$'000	CAP laboratory accreditation S\$'000	Customer relationships S\$'000	Favourable rental agreement S\$'000	Computer software S\$'000	Total S\$'000
Cost:							
At 31 December 2020 and 1 January 2021	99	3	105	3,034	99	17	3,357
Additions	–	–	–	–	–	107	107
Reclassification from property, plant and equipment	–	–	–	–	–	296	296
Disposal	–	–	(105)	–	–	–	(105)
Exchange difference	–	–	–	–	–	(2)	(2)
At 31 December 2021	99	3	–	3,034	99	418	3,653
Accumulated amortisation and impairment							
At 1 January 2020	99	–	105	562	63	4	833
Charge for the year	–	–	–	609	36	7	652
Exchange difference	–	–	–	82	–	(5)	77
Impairment	–	–	–	171	–	–	171
At 31 December 2020 and 1 January 2021	99	–	105	1,424	99	6	1,733
Charge for the year	–	–	–	513	–	179	692
Reclassification from property, plant and equipment	–	–	–	–	–	156	156
Disposal	–	–	(105)	–	–	–	(105)
Exchange difference	–	–	–	34	–	(1)	33
At 31 December 2021	99	–	–	1,971	99	340	2,509
Carrying amount:							
At 31 December 2020	–	3	–	1,610	–	11	1,624
At 31 December 2021	–	3	–	1,063	–	78	1,144

15. Investment property

	Group S\$'000
Balance sheet:	
Cost	
At 1 January 2020	–
Reclassification from property, plant and equipment	2,251
At 31 December 2020 and 2021	2,251
Transfer to asset held-for sale (Note 18)	(2,251)
	–
Accumulated depreciation	
At 1 January 2020	–
Reclassification from property, plant and equipment	94
Charge for the year	45
At 31 December 2020 and 1 January 2021	139
Charge for the year	45
Impairment	62
Transfer to asset held-for sale (Note 18)	(246)
At 31 December 2021	–
Net carrying value at 31 December 2020	2,112
Net carrying value at 31 December 2021	–

	Group			
	Six months ended 31 December 2021 S\$'000	Six months ended 31 December 2020 S\$'000	Full year ended 31 December 2021 S\$'000	Full year ended 31 December 2020 S\$'000
Income statement:				
Rental income	27	27	54	36
Direct operating expenses (including repairs and maintenance) arising from:				
- Rental-generating properties	2	2	5	5

The Group may not sell the investment property without the prior consent from the bank. The Group has no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements.

Assets pledged as security

As at 31 December 2020, the Group's freehold property with a carrying amount of S\$2.11 million is mortgaged to secure the Group's bank loan.

16. Borrowings

Amount repayable in one year or less, or on demand

As at 31 December 2021		As at 31 December 2020	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
4,617	1,530	3,854	1,806

Amount repayable after one year

As at 31 December 2021		As at 31 December 2020	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
-	4,806	2,972	10,007

Details of any collateral

As at the balance sheet date:

- i) The Group's bank borrowings of (a) S\$1.44 million (31 December 2020: S\$1.47 million) is secured by the property at 37 Jalan Pemimpin, #04-13 Mapex, Singapore 577177 (the "**Mapex Property**"), (b) S\$0.62 million (31 December 2020: S\$1.69 million) is secured by all the rights and interests in all material contracts and assets owned by the Company's subsidiaries, (c) S\$1.10 million (31 December 2020: S\$2.19 million) is secured by a charge over the issued share capital of the Company's subsidiaries, fixed deposit in the name of the Company's subsidiaries and corporate guarantee provided by the Company, (d) S\$1.40 million (31 December 2020: S\$1.48 million) is secured by fixed deposit in the name of the Company's subsidiary and standby letter of credit provided by the Company's subsidiary, (e) S\$0.05 million (31 December 2020: S\$0.22 million) which are secured by personal guarantee provided by a minority shareholder and corporate guarantee provided by the Company's subsidiaries and (f) S\$3.08 million (31 December 2020: S\$3.84 million) is unsecured.
- ii) On 8 March 2019 and 17 May 2019, the Company had issued convertible bonds ("**Convertible Bonds**") with an aggregate principal amount of S\$11 million to certain subscribers. The Convertible Bonds are unsecured, bear interest at 7.0% per annum and are convertible into new ordinary shares of the Company (the "**Conversion Shares**") at any time during the three-year tenure at a conversion price of S\$0.28 per Conversion Share. The conversion price has been adjusted to S\$0.14 ("**Adjusted Conversion Price**") as announced on 1 August 2019.

On 8 October 2021, the Company partially redeemed on a pro rata basis S\$3.53 million in principal amount of the Convertible Bonds. The partial early redemption was funded from internal resources of the Group. The maturity date of the outstanding Convertible bonds had been extended for a further 2 years which will be maturing on 8 March 2024 and 17 May 2024.

As at 31 December 2021, the carrying amount of the Convertible Bonds amounted to S\$3.26 million (31 December 2020: S\$7.75 million), of which S\$0.07 million (31 December 2020: S\$0.14 million) is included as current liabilities and S\$3.19 million (31 December 2020: S\$7.61 million) as non-current liabilities.



17. Share capital

	The Group and the Company			
	31 December 2021		31 December 2020	
	Number of shares	Issued and paid-up share capital S\$	Number of shares	Issued and paid-up share capital S\$
Beginning of year	612,405,180	92,899,117	580,984,234	88,944,796
Issuance of conversion shares ⁽¹⁾	–	–	28,214,278	3,932,880
Issuance of shares ⁽²⁾	4,810,000	–	3,206,668	–
Reversal of share issuance expense	–	–	–	21,441
End of year	<u>617,215,180</u>	<u>92,899,117</u>	<u>612,405,180</u>	<u>92,899,117</u>

Notes:

⁽¹⁾ The Company had issued 19,285,708 and 8,928,570 Conversion Shares in April, May and August 2020 to certain subscribers of the Convertible Bonds pursuant to the conversion of the Convertible Bonds.

⁽²⁾ On 7 January 2021, the Company had allotted and issued 4,810,000 shares pursuant to the Company's performance share plan.

On 18 December 2020, the Company had allotted and issued 3,206,668 ordinary shares of the Company pursuant to the Company's performance share plan.

As at 31 December 2021, the Company had outstanding Convertible Bonds with an aggregate principal amount of S\$3.53 million, convertible into approximately 25,178,575 Conversion Shares at the Adjusted Conversion Price of S\$0.14 per Conversion Share.

By comparison as at 31 December 2020, the Company had outstanding Convertible Bonds with an aggregate principal amount of S\$7.05 million, convertible into approximately 50,357,150 Conversion Shares at the Adjusted Conversion Price of S\$0.14 per Conversion Share.

As at 31 December 2021 and 31 December 2020, there were no treasury shares held by the Company and there were no subsidiary holdings.

18. Asset held for sale

On 13 December 2021, Clearbridge Assays Pte Ltd entered into an option with a third party for the sale of Mapex Property for a total consideration of S\$2.08 million. Accordingly, the Mapex Property is presented on the balance sheet as "Asset held-for-sale" as at 31 December 2021 and is stated at carrying amount. The sale of the Mapex Property is expected to complete on 7 March 2022. The Mapex Property is mortgaged to secure the Group's bank loans (Note 16). The bank loan will be discharged upon the sale of the Mapex Property.

During the financial year, the Board had approved to sell the Mapex Property with a carrying amount of S\$2.01 million and is expected to complete on 7 March 2022. Consequently, the Group has reclassified the Mapex Property from investment property (Note 15) to asset held for-sale. The details of the Mapex Property are as follows:

Location	Tenure	Floor area (sqm)
No 37 Jalan Pemimpin #04-13 MAPEX, Singapore 577177	Freehold	152

19. Other related party transactions

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

Compensation of directors and key management personnel

	Group			
	Six months ended 31 December 2021 S\$'000	Six months ended 31 December 2020 S\$'000	Full year ended 31 December 2021 S\$'000	Full year ended 31 December 2020 S\$'000
Short-term benefits	567	526	1,697	1,060
Post-employment benefits	24	36	69	61
Share-based payment – equity settled	(26)	1,012	291	1,321
Directors' fee	90	90	180	180
	655	1,664	2,237	2,622
Comprise amounts paid to:				
Directors of the Company	255	1,120	1,217	1,547
Other key management personnel	400	544	1,020	1,075
	655	1,664	2,237	2,622

The remuneration of directors and key management is determined by the board of directors having regard to the performance of individuals.

20. Fair value of financial assets and financial liabilities

(a) *Fair value hierarchy*

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date,
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and
- Level 3 – Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

20. Fair value of financial assets and financial liabilities (cont'd)

(b) *Assets and liabilities measured at fair value*

The following table shows an analysis of each class of assets and liabilities measured at fair value at the end of the reporting year:

	Fair value measurements at the end of the reporting year using			Total S\$'000
	Quoted prices in active markets for identical instruments S\$'000	Significant observable inputs other than quoted prices S\$'000	Significant unobservable inputs S\$'000	
2021				
Assets measured at fair value				
Financial assets				
Investments in an associate at FVTPL				
Quoted equity shares	11,425	–	–	11,425
Derivatives financial assets	–	–	1,090	1,090
Other investments at fair value through other comprehensive income (“FVOCI”)				
Unquoted equity shares	–	900	–	900
Financial assets as at 31 December 2021	11,425	900	1,090	13,415
Liabilities measured at fair value				
Financial liabilities				
Contingent consideration for business combinations	–	–	1,967	1,967
Financial liabilities as at 31 December 2021	–	–	1,967	1,967

20. Fair value of financial assets and financial liabilities (cont'd)

(b) *Assets and liabilities measured at fair value*

	Fair value measurements at the end of the reporting year using			Total S\$'000
	Quoted prices in active markets for identical instruments S\$'000	Significant observable inputs other than quoted prices S\$'000	Significant unobservable inputs S\$'000	
2020				
Assets measured at fair value				
Financial assets				
Investments in an associate at FVTPL				
Quoted equity shares	18,040	–	–	18,040
Derivatives financial assets	–	–	2,751	2,751
Other investments at FVOCI				
Unquoted equity shares	–	787	–	787
Financial assets as at 31 December 2020	18,040	787	2,751	21,578
Liabilities measured at fair value				
Financial liabilities				
Derivatives financial liabilities				
- Redeemable convertible option on convertible bonds	–	–	124	124
- Convertible loan	–	350	–	350
Contingent consideration for business combinations	–	–	3,056	3,056
Financial liabilities as at 31 December 2020	–	350	3,180	3,530

(c) *Level 2 fair value measurements*

The following is a description of the valuation techniques and inputs used in the fair value measurement for unquoted equity shares that is categorised within Level 2 of the fair value hierarchy:

Other investments and convertible loan

Unquoted equity shares and convertible loan are valued using the market approach valuation technique with market observable inputs. The most frequently applied valuation techniques include Guideline Public Company Method (“GPC”) and Guideline Public Transaction Method (“GPT”). The techniques use derived market multiples from market prices of comparable companies or actual transactions involving either minority or controlling interests in either publicly traded or closely held companies.



20. Fair value of financial assets and financial liabilities (cont'd)

(d) Level 3 fair value measurements (cont'd)

(i) Information about significant unobservable inputs used in Level 3 fair value measurements (cont'd)

The following table shows the information about fair value measurements using significant unobservable inputs (Level 3)

Description	Fair value as at 31 December 2021 S\$'000	Valuation techniques	Significant unobservable inputs	Relationship unobservable inputs to fair value
<u>Derivative financial assets</u>				
Call options on convertible preference shares	1,090	Black Scholes Model	Risk free rate at 0.6% to 0.9% Dividend yield at 5% Volatility at 33.0% to 44.0%	The higher the volatility, the higher the fair value. An increase by 10% points would result in a higher fair value of S\$427,000.
Financial assets as at 31 December 2021	1,090			
<u>Derivative financial liabilities</u>				
Redeemable convertible option on redeemable convertible bonds	254	Binomial Option Pricing Model "OPM" methodology. The stock price is projected based on the fair value of the shares of the Company.	Projected stock price volatility	The higher the volatility, the higher the fair value. An increase by 15% points would result in a higher fair value of S\$41,000.
<u>Other payables</u>				
Contingent consideration for business combinations	1,967	Discounted cash flow and probability of meeting EBITA or NPAT target based on projected cash flow.	Discount rate	The higher the discount rate, the lower the fair value. An increase by 1% would result in a lower fair value of S\$13,000.
Financial liabilities as at 31 December 2021	2,221			



20. Fair value of financial assets and financial liabilities (cont'd)

(d) Level 3 fair value measurements

(i) Information about significant unobservable inputs used in Level 3 fair value measurements

The following table shows the information about fair value measurements using significant unobservable inputs (Level 3)

Description	Fair value as at 31 December 2020 S\$'000	Valuation techniques	Significant unobservable inputs	Relationship unobservable inputs to fair value
<u>Derivative financial assets</u>				
Call options	2,751	Binomial Option Pricing Model "OPM" methodology. The stock price is projected based on a lattice tree structure under the binomial option pricing model and the strike price is derived based on the underlying investments cost and a simple non-compounding interest rate of 8%.	Projected stock price volatility	The higher the volatility, the higher the fair value. An increase by 10% points would result in a higher fair value of S\$139,000.
Financial assets as at 31 December 2020	<u>2,751</u>			
<u>Derivative financial liabilities</u>				
Redeemable convertible option on redeemable convertible bonds	124	Binomial Option Pricing Model "OPM" methodology. The stock price is projected based on the fair value of the shares of the Company.	Projected stock price volatility	The higher the volatility, the higher the fair value. An increase by 15% points would result in a higher fair value of S\$10,000.
<u>Other payables</u>				
Contingent consideration for business combinations	3,056	Discounted cash flow and probability of meeting EBITA or NPAT target based on projected cash flow.	Discount rate	The higher the discount rate, the lower the fair value. An increase by 1% would result in a lower fair value of S\$11,000.
Financial liabilities as at 31 December 2020	<u>3,180</u>			



20. Fair value of financial assets and financial liabilities (cont'd)

(d) Level 3 fair value measurements

(ii) Information about significant unobservable inputs used in Level 3 fair value measurements

	Fair value measurements using significant unobservable inputs (Level 3)				Total S\$'000
	Call options S\$'000	Convertible loan S\$'000	Derivative financial liabilities/assets S\$'000	Contingent consideration S\$'000	
At 1 January 2020	2,357	–	(2,025)	(3,026)	(2,694)
Expiry of call option	(720)	(1,505)	–	–	(2,225)
Total gains/(losses) included in profit or loss	1,114	1,155	621	(30)	2,860
Derecognition of derivative arising from convertible bonds	–	–	497	–	497
Transfer out to level 2(c)	–	350	–	–	350
Conversion of convertible bonds	–	–	783	–	783
At 31 December 2020 and 1 January 2021	2,751	–	(124)	(3,056)	(429)
Expiry of call option	(2,751)	–	–	–	(2,751)
Total (losses)/gains included in profit or loss	(687)	–	(130)	(9)	(826)
Payment for contingent consideration	–	–	–	1,098	1,098
Recognition of derivative arising from convertible preference shares	1,777	–	–	–	1,777
At 31 December 2021	1,090	–	(254)	(1,967)	(1,131)

20. Fair value of financial assets and financial liabilities (cont'd)

(d) Level 3 fair value measurements (cont'd)

(iii) Valuation policies and procedures

The board of directors is responsible for setting and documenting the Group's valuation policies and procedures.

For all significant financial reporting valuations using valuation models and significant unobservable inputs, it is the Group's policy to engage external valuation experts who possess the relevant credentials and knowledge on the subject of valuation, valuation methodologies and SFRS(I) 13 fair value measurement guidance to perform the valuation.

For valuations performed by external valuation experts, the appropriateness of the valuation methodologies and assumptions adopted are reviewed along with the appropriateness and reliability of the inputs (including those developed internally by the Group) used in the valuations.

(e) Fair value and carrying amount of the Group's asset not measured at fair value, for which fair value is disclosed

The following table shows an analysis of the Group's asset not measured at fair value, for which fair value is disclosed:

Asset	Fair value measurements at the end of the reporting year using:			Fair value total S\$'000	Carrying amount S\$'000
	Quoted prices in active markets for identical instruments (Level 1) S\$'000	Significant observable inputs other than quoted prices (Level 2) S\$'000	Significant unobservable inputs (Level 3) S\$'000		
31 December 2021					
Investment property	–	–	–	–	–
31 December 2020					
Investment property	–	2,050	–	2,050	2,112

Determination of fair value

Valuation of investment property

Investment property (Note 15): The valuation of investment property is based on the direct comparison method.

F. Other information required by Listing Rule Appendix 7.2

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

	31 December 2021	31 December 2020
Total number of issued ordinary shares excluding treasury shares	617,215,180	612,405,180

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

Not applicable as there were no treasury shares.

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

Not applicable as there were no subsidiary holdings.

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

The figures have not been audited or reviewed by the auditors of the Company.

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

Not applicable.

- 5A 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.

6. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

REVIEW OF THE GROUP'S PERFORMANCE

Revenue

Revenue decreased by 5.9% or S\$2.14 million, from S\$36.26 million in FY2020 to S\$34.12 million in FY2021.

Revenue from the medical clinics/centres decreased by S\$7.89 million, from S\$19.28 million in FY 2020 to S\$11.39 million in FY2021 mainly due to a decrease in revenue from two aspects of the Group's business that had previously contributed substantially to the Group's revenue in FY2020, being: (i) the sale of medical supplies (i.e. face masks and personal protective items) at our medical clinics/centres in Hong Kong and (ii) the sale and distribution of the Biolidics Limited ("**Biolidics**") test kits for the detection of the Novel Coronavirus 2019 antibodies (the "**COVID-19 Antibody Test Kits**"). As the COVID-19 pandemic/endemic continues to evolve, the growing supply of medical supplies (i.e. face masks and personal protective items) and COVID-19 Antibody Test Kits available in the market have led to a highly competitive market that has caused demand for the Company's COVID-19 related products to fall.

This decline in revenue was partially offset by an increase in revenue from the ten dental clinics operating under the "**Dental Focus**" brand name and our medical clinic in Singapore, Medic Surgical Pte Ltd ("**Medic Surgical**").

Excluding the revenue contributed from sales of medical supplies (i.e. face masks and personal protective items) and COVID-19 Antibody Test Kits in FY2020 and FY2021, the revenue from the medical clinics/centres increased by S\$2.12 million, from S\$9.27 million in FY2020 to S\$11.39 million in FY2021.

Revenue from the healthcare systems, comprising the provision of laboratory services and renal care services increased by S\$5.75 million, from S\$16.98 million in FY2020 to S\$22.73 million in FY2021. The increase was mainly contributed by PT Indo Genesis Medika ("**IGM Labs**") due to the expansion of distribution business and increase in patient flows for diagnostics services provided by the hospitals served by IGM Labs.

Purchases

Purchases decreased by 4.2% or S\$0.93 million, from S\$22.44 million in FY2020 to S\$21.51 million in FY2021, in line with the reduced revenue.

Purchases mainly comprised direct expenses incurred in processing specimens by the Philippines laboratory testing facilities or outsourced third party clinical laboratories, as well as consumables and medicines used by the medical clinics/centres and renal care services.

Employee benefits expense

Employee benefits expense increased by 6.2% or S\$0.50 million, from S\$7.95 million in FY2020 to S\$8.45 million in FY2021 mainly due to an increase in bonus and share-based payment pursuant to the performance bonus scheme. The Company's performance bonus scheme is based on prior year performance that aims to promote higher performance goals and recognise the achievements of employees.

Depreciation expense

Depreciation expense decreased by 14.7% or S\$0.61 million from S\$4.11 million in FY2020 to S\$3.50 million in FY2021 mainly due to medical equipment and capital equipment incurred for joint operation contracts with hospitals being fully depreciated in early FY2021.

Amortisation expense

Amortisation expense increased by 6.1% or S\$0.04 million, from S\$0.65 million in FY2020 to S\$0.69 million in FY2021. The increase in amortisation expense was attributable to the higher intangibles assets due to the reclassification of the clinic system used in the ten dental clinics from property, plant and equipment and the IHD hospital software acquired by PT TMJ. This was partially offset against intangible assets pertaining to joint operation contracts with hospitals being fully amortised in FY2021.

Other income

Other income decreased by 3.0% or S\$0.11 million, from S\$3.82 million in FY2020 to S\$3.71 million in FY2021 mainly due to (i) the reversal of deferred consideration of S\$0.92 million in respect of lower consideration payable for the acquisition of IGM Labs finalised on 6 October 2020, (ii) a decrease in foreign exchange gain of S\$0.40 million, (iii) a decrease in grant income of S\$0.27 million due to a decrease in the Jobs Support Scheme grant and other grants from government agencies, and (d) a decrease in interest income of S\$0.05 million from fixed deposits placed with financial institutions. These were partially offset by (i) an increase in loan extinguishment of S\$0.82 million in relation to the fair value changes of the Convertible Bonds subsequent to the partial redemption in October 2021, (ii) the gain on waiver of debt from other payables of S\$0.08 million for the professional services received due to the disposal of CBBP group and, (iii) an increase in the gain on disposal of subsidiary of S\$0.73 million in relation to the disposal of CBBP group in April 2021 and disposal of shares in Biomedics Lab completed in March 2020.

Fair value (loss)/gain on an associate

The Group recorded a fair value loss on an associate amounting to S\$6.62 million in FY2021 compared to a fair value gain of S\$3.31 million in FY2020. The fair value loss on an associate was due to the decrease in the market value of the Group's interest in Biolidics, a company listed on SGX Catalyst.

Fair value (loss)/gain on derivative financial instruments

Fair value changes on derivative financial instruments was mainly attributable to the derecognition of the call options granted by Seeds Capital to the Group in respect of Seeds Capital's 9.75% interests in Biolidics (the "**Biolidics Call Option**") and 1.12% interest in Singapore Institute of Advanced Medicine Holdings Pte. Ltd. ("**SIAMH**") (the "**SIAMH Call Option**"), the fair value of the Convertible Bonds issued by the Company, convertible bonds issued by CBBP to Seeds Capital as well as the fair value of the call options on convertible preference share issued by Clearbridge Medical Group Pte. Ltd. ("**CBMG Call Option**") and fair value of redeemable exchangeable bond (the "**REB**") issued by PT Kreasi Putra Nusantara ("**KPN**") to SAM Laboratory Pte. Ltd.

The Biolidics Call Option expired on 28 May 2021. This resulted in a derecognition of derivative financial instruments asset recognised on the Biolidics Call Option in FY2021.

The Group recorded a fair value loss on derivative financial instruments of S\$3.50 million in FY2021, compared to a gain of S\$2.17 million in FY2020 due to the derecognition of derivative financial asset recognised on the Biolidics Call Option of S\$2.75 million, decrease in fair value on the Biolidics Call Option of S\$1.12 million recorded in FY2020, decrease in fair value gain on the convertible bonds issued by CBBP to Seeds Capital of S\$1.08 million, decrease in fair value gain on the Convertible Bonds issued by the Company of S\$0.83 million and fair value loss on the CBMG Call Option of S\$0.69 million. This was partially offset by fair value loss recognised on the SIAMH Call Option and REB of S\$0.72 million and S\$0.08 million in FY2020 respectively.

The fair value of the Biolidics Call Option, the Convertible Bonds and the CBMG Call Option was arrived at based on an option pricing model which took into account, among others, the fair value of Biolidics, the Company as well as volatilities in the valuation of comparable companies.

Other operating expenses

Other operating expenses increased by 60.5% or S\$3.60 million, from S\$5.96 million in FY2020 to S\$9.56 million in FY2021. This was mainly due to (i) provision for expected credit losses of S\$2.63 million on other receivables arising from the disposal of an asset in FY2021 as a result of the Company's assessment of the credit risk profile of the purchaser, (ii) the foreign exchange loss of S\$0.79 million recorded by the Group in FY2021, (iii) an increase in inventories written off of S\$0.63 million arising from the COVID-19 Antibody Test Kits written off in October 2021.

The increase was partially offset by a decrease in professional fees and consultancy fees of S\$0.49 million recorded by the Group.

To provide better clarity to the readers, other operating expenses in FY2021 which were non-recurring expenses are as follows:

- i) professional fees relating to internal capital restructuring, litigation in Indonesia and disposal of the CBBP group in FY2021 of S\$0.62 million (FY2020: S\$0.35 million);
- ii) consultancy fees and other administrative expenses in FY2021 of S\$0.04 million (FY2020: S\$0.43 million) incurred for research and development activities;
- iii) provision of expected credit losses on trade and other receivables in FY2021 of S\$2.95 million (FY2020: S\$0.11 million);
- iv) inventories written off in FY2021 of S\$0.65 million (FY2020: S\$0.03 million); and
- v) impairment of property, plant and equipment recorded by the Group's subsidiaries in the Philippines and Indonesia in FY2021 of S\$0.21 million (FY2020: S\$0.76 million);

Finance costs

The Group's finance costs comprise mainly interest expense incurred on bank loans, lease liabilities and the Convertible Bonds.

Finance costs decreased by 18.6% or S\$0.43 million, from S\$2.33 million in FY2020 to S\$1.90 million in FY2021 mainly due to (i) a decrease in interest expense incurred on the bank loans taken up by the Group for its acquisitions and working capital purpose, (ii) a decrease in interest charged on the Convertible Bonds issued by the Company due to partial redemption of Convertible Bonds in October 2021, and (iii) a decrease in interest charged on the convertible bonds issued by CBBP to Seeds Capital due to disposal of the CBBP group completed in April 2021.

Income tax expense

Income tax expense increased by 488.4% or S\$0.21 million, from S\$0.04 million in FY2020 to S\$0.25 million in FY2021. The increase in income tax expense was due to higher income tax expenses on higher profits recognised by Medic Surgical and the ten dental clinics.



(Loss)/profit for the year

As a result of the foregoing, the Group recorded a loss of S\$18.15 million in FY2021 as compared to a profit of S\$2.07 million in FY2020.

Excluding the abovementioned non-recurring expenses, gain on disposal of the CBBP group and fair value changes in an associate and derivative financial instruments, the loss before taxation recorded by the Group would have been S\$5.28 million in FY2021 as compared to a loss before taxation of S\$1.51 million in FY2020.

REVIEW OF THE GROUP'S FINANCIAL POSITION

Non-current assets

The Group's non-current assets decreased by 22.0% or S\$14.58 million, from S\$66.19 million as at 31 December 2020 to S\$51.61 million as at 31 December 2021. This was mainly due to (i) a decrease in investment in an associate, Biolidics of S\$6.62 million arising from fair value loss recognised in FY2021, (ii) a decrease in property, plant and equipment of S\$2.44 million mainly due to the depreciation expense recorded during the year, (iii) a decrease in investment property of S\$2.11 million mainly due to reclassification of the Mapex Property to assets held for sale, (iv) a decrease in intangible assets of S\$0.48 million mainly due to recognised expenses of customer relationship and computer software charged during the year, partially offset by computer software acquired and reclassification of computer software from property, plant and equipment in ten dental clinics, and (v) a decrease in other receivables of S\$3.01 million due to provision for expected credit losses of S\$2.63 million on other receivables arising from the disposal of an asset in FY2021 as a result of the Company's assessment of the credit risk profile of the purchaser, partial contingent consideration received of S\$0.30 million and fair value adjustment on contingent consideration receivable from disposal of shares in Biomedics Lab to Biolidics in FY2021.

Current assets

The Group's current assets increased by 1.0% or S\$0.30 million, from S\$30.81 million as at 31 December 2020 to S\$31.11 million as at 31 December 2021. This was mainly due to (i) an increase in other receivables of S\$2.27 million attributable to prepaid taxes relating to the Indonesia operations, (ii) an increase in asset held for sale of S\$1.94 million due to reclassification of the Mapex Property from investment property as mentioned above and (iii) recognition of the CBMG call option of S\$1.09 million issued in March 2021 which is recorded as derivative financial instruments. These increases were partially offset by (i) derecognition of derivative financial instruments recognised by the Biolidics Call Option of S\$2.75 million which expired in May 2021, (ii) a decrease in inventories of S\$1.25 million due to inventories drawn down for sales made in Indonesia and the Philippines and the COVID-19 Antibody Test Kits written off in October 2021, and (iii) a decrease in trade receivables of S\$1.14 million mainly due to better collection by IGM Labs and provision of expected credit losses on trade receivables contributed by PT TMJ.

Current liabilities

The Group's current liabilities decreased by 12.1% or S\$2.37 million, from S\$19.59 million as at 31 December 2020 to S\$17.22 million as at 31 December 2021. This was mainly due to liabilities directly associated with the assets held for sale by the CBBP group of S\$1.72 million as at 31 December 2020 and a decrease in trade payables of S\$1.67 million mainly due to lower purchases by the Group's subsidiaries in Philippines, Hong Kong and Indonesia. These were partially offset by an increase in borrowings of S\$0.49 million mainly due to bank loan secured by Mapex Property reclassified from non-current liabilities to current liabilities due to its planned disposal which is expected to complete on 7 March 2022 and an increase in lease liabilities of S\$0.43 million.

Non-current liabilities

The Group's non-current liabilities decreased by 47.7% or S\$8.32 million, from S\$17.45 million as at 31 December 2020 to S\$9.13 million as at 31 December 2021. This was mainly due to (i) a decrease in borrowings of S\$8.17 million due to repayment of loan and partial redemption of Convertible Bonds, (ii) a decrease in other payable of S\$0.67 million due to the contingent consideration payable for the acquisition of nine dental clinics reclassified from non-current liabilities to current liabilities and, (iii) a decrease in lease liabilities of S\$0.44 million. The decrease was partially offset by the increase in deferred tax liabilities of S\$0.83 million due to disposal of the CBBP group and an increase in derivative financial instrument of S\$0.13 million in respect of the Convertible Bonds issued by the Company.

REVIEW OF THE GROUP'S CASH FLOW STATEMENT

Cash outflow before changes in working capital for FY2021 amounted to S\$0.46 million. Net cash used in working capital for FY2021 amounted to S\$1.44 million mainly due to an increase in other receivables of S\$1.98 million and decrease in trade payables of S\$1.67 million and partially offset by decrease in trade receivables of S\$0.82 million, decrease in inventories of S\$0.60 million, increase in other payables of S\$0.44 million and decrease in prepayments of S\$0.35 million.

As a result, net cash used in operating activities after adjusting for cash paid for income tax, interest expense and interest received, amounted to S\$3.27 million in FY2021.

Net cash generated from investing activities for FY2021 amounted to S\$1.46 million. This was mainly due to the repayment of an advance from a third party of S\$1.86 million, net proceeds from disposal of the CBBP group of S\$0.94 million and contingent consideration received of S\$0.30 million from the disposal of the entire issued and paid-up share capital of Biomedics Laboratory Pte. Ltd. These were partially offset by contingent consideration paid for the acquisition of Medic Laser and Medic Surgical of S\$1.00 million as well as S\$0.64 million capital expenditure incurred for the expansion of medical clinics/centres in the Philippines, Singapore and laboratory services in Indonesia.

Net cash generated from financing activities for FY2021 amounted to S\$2.46 million which was attributable to proceeds from the issuance of convertible preference shares of S\$11.51 million and bank loans secured by the Group of S\$0.60 million and a decrease in restricted deposits of S\$0.34 million. These increases were partially offset by the redemption of Convertible Bonds issued by the Company of S\$4.19 million, repayment of bank loans and lease liabilities of S\$3.83 million and S\$1.09 million respectively, and dividends paid to non-controlling shareholders of S\$0.87 million.

As a result, after adjusting for the effects of foreign exchange rate changes, there was a net increase in cash and cash equivalents of S\$0.82 million, from S\$10.89 million as at 31 December 2020 to S\$11.71 million as at 31 December 2021.

7. 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 has been previously disclosed to shareholders.

8. 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 COVID-19 pandemic/endemic remains an evolving situation around the world with new variants of the virus continuing to emerge from time to time. As a result, countries in which the Group operates may continue to be impacted by the COVID-19 situation. Therefore, the Group expects to continue to face uncertainties arising from the ever-evolving COVID-19 situation in the near term.



On 9 August 2021, the Group entered into a purchase contract with, among others, China National Biotec Group Company Limited (中国生物技术股份有限公司) and its subsidiary Beijing Institute of Biological Product Co., Ltd. (北京生物制品研究所有限责任公司) to purchase the SARS-CoV-2 Vaccine (Vero Cell), Inactivated or COVID-19 Vaccine (Vero Cell), Inactivated, also known as COVID-19 Vaccine BIBP (the "**Sinopharm COVID-19 Vaccine**") for use in Singapore (the "**Purchase Contract**"). The Group is currently exploring opportunities in other markets for the Sinopharm COVID-19 Vaccine.

On 26 January 2022, the Group imported Labnovation Technologies, Inc.'s ("**Labnovation**") COVID-19 Antigen Rapid ("**ART**") Test Kit and registered it for use in the Philippines. The Labnovation COVID-19 ART Test Kit has been approved by the Food and Drug Administration of the Philippines for self-testing on 24 January 2022. The Group is currently the only importer and distributor of Labnovation's COVID-19 ART Test Kit in the Philippines. The Group also distribute Labnovation's COVID-19 ART Test Kit in Hong Kong.

Barring unforeseen circumstances, the Company expects the Purchase Contract and distribution of Labnovation's COVID-19 ART Test Kit to continue to contribute positively to the revenue of the Group for the current financial year ending 31 December 2022. The Company, however, is unable to quantify such financial impact as the sales uptake of the Sinopharm COVID-19 Vaccine and Labnovation's COVID-19 ART Test Kit cannot be determined currently.

The Group will also continue to explore suitable opportunities to expand its business regionally through organic expansion, investments, mergers and acquisitions, joint ventures and/or strategic collaborations.

9. Dividend

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

Nil

(b) (i) Amount per share

Nil

(ii) Previous corresponding period

Nil

(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) Date payable

Not applicable.

(e) Books closure date

Not applicable.

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

No dividend has been declared by the Company for FY2021 as the Company was not profitable.

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

The Group does not have a general mandate for interested person transactions. There was no interested person transaction of S\$100,000 or more in FY2021.

12. Negative confirmation by the Board pursuant to Rule 705(5)

Not required for announcement of full year results.

13. 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 has procured the undertaking from all of its directors and executive officers as required under Rule 720(1) of the Listing Manual Section B: Rules of Catalist of the SGX-ST.

14. Use of IPO proceeds

Pursuant to the initial public offering of the Company further to the offer document dated on 11 December 2017 (“**Offer Document**”), the Company received net proceeds of approximately S\$22.00 million (the “**IPO Net Proceeds**”). As at the date of this announcement, the IPO Net Proceeds have been utilised as follows:

	Amount allocated (as disclosed in the Offer Document) (S\$'000)	Amount utilised as at the date of this announcement (S\$'000)	Balance (S\$'000)
Expansion of medical clinics/centres business organically or through, <i>inter alia</i> , investments, mergers and acquisitions, joint ventures and/or strategic collaborations	11,000	(7,503)	3,497
Expansion of laboratory testing services business organically or through, <i>inter alia</i> , investments, mergers and acquisitions, joint ventures and/or strategic collaborations	3,000	(3,000)	-
Working capital and general corporate purposes ⁽¹⁾	8,000	(8,000)	-
Total	22,000	(18,503)	3,497

Note:

⁽¹⁾ Comprises operating expenses.

15. Use of placement shares proceeds

Pursuant to the issuance of the placement shares further to the Company's placement shares announcement dated on 19 August 2019 ("Placement Shares Announcement"), the Company received net proceeds of approximately S\$11.28 million (the "Placement Net Proceeds"). As at the date of this announcement, the Placement Net Proceeds have been utilised as follows:

	Amount allocated (as disclosed in the Placement Shares Announcement) (S\$'000)	Amount utilised as at the date of this announcement (S\$'000)	Balance (S\$'000)
Expansion of the Company's businesses through mergers and acquisitions, joint ventures, strategy collaborations and/or investment, or organically in Asia	7,893	-	7,893
General working capital purposes ⁽¹⁾	3,383	(3,383)	-
Total	11,276	(3,383)	7,893

Note:

⁽¹⁾ Comprises operating expenses.

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

Please refer to paragraph 6.

17. A breakdown of sales as follows:

	FY2021 S\$'000	<u>Group</u> FY2020 S\$'000	Increase/ (Decrease) %
Sales reported for first half year	16,216	21,459	(24.4)
Operating (loss)/profit after tax before deducting non-controlling interests reported for first half year	(6,298)	3,774	n.m.
Sales reported for second half year	17,907	14,799	21.0
Operating loss after tax before deducting non-controlling interests reported for second half year	(11,848)	(1,702)	596.1



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

There is no dividend declared in FY2020 and FY2021.

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

There are no such persons occupying a managerial position in the Group who is a relative of a director, chief executive officer or substantial shareholder of the Group.

ON BEHALF OF THE BOARD

Yee Pinh Jeremy
Executive Director and Chief Executive Officer

Chen Johnson
Non-Executive Non-Independent Chairman

Date
28 February 2022