



ALLIANCE HEALTHCARE GROUP LIMITED

(Incorporated in the Republic of Singapore on 6 June 2006)
(UEN. 200608233K)

Alliance Healthcare Group Limited and its Subsidiaries

Condensed interim financial statements
For the six months and the full year ended 30 June 2022

*This announcement has been reviewed by the Company's sponsor, RHB Bank Berhad, through its Singapore branch (the "**Sponsor**") in accordance with Rule 226(2)(b) of the Catalist Rules. This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement. The contact person for the Sponsor is Mr Alvin Soh, Head, Corporate Finance, RHB Bank Berhad, Singapore branch, at 90 Cecil Street, #04-00 Singapore 069531, Telephone: +65 6320 0627*



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Reporting Period

Current Reporting Period: full year ended 30 June 2022 (“**FY2022**”)

Corresponding period of the immediately preceding financial year: full year ended 30 June 2021 (“**FY2021**”)



A. Condensed interim consolidated statement of profit or loss and other comprehensive income

	Note	Group 6 months ended 30 June			Group 12 months ended 30 June		
		2022	2021	Variance	2022	2021	Variance
		S\$	S\$	%	S\$	S\$	%
Revenue	4	26,189,221	23,339,922	12.2	54,756,751	46,415,719	18.0
Interest income		-	352	(100.0)	-	7,743	(100.0)
Other income and gains		968,130	893,135	8.4	1,761,394	2,137,570	(17.6)
Consumables and medical supplies used		(7,369,939)	(7,433,522)	(0.9)	(15,636,903)	(15,967,942)	(2.1)
Employee benefits expense		(14,447,922)	(12,477,267)	15.8	(29,416,493)	(23,681,454)	24.2
Depreciation and amortisation expense		(1,377,318)	(1,428,753)	(3.6)	(2,796,216)	(2,860,372)	(2.2)
Other losses		(29,785)	(43,248)	(31.1)	(35,609)	(43,248)	(17.7)
Finance costs		(108,328)	(120,930)	(10.4)	(227,721)	(263,464)	(13.6)
Other expenses		(1,617,621)	(1,731,494)	(6.6)	(3,387,822)	(3,395,752)	(0.2)
Share of results of an associate		(43,671)	-	n.m.	(66,495)	-	n.m.
Profit before tax	6	2,162,767	998,195	116.7	4,950,886	2,348,800	110.8
Income tax expense	7	(450,785)	(143,875)	213.3	(643,374)	(337,422)	90.7
Profit for the financial period, net of tax		1,711,982	854,320	100.4	4,307,512	2,011,378	114.2
Other comprehensive loss:							
<u>Items that may be reclassified subsequently to profit or loss:</u>							
Exchange differences on translating foreign operations, net of tax		(2,912)	(1,308)	122.6	(3,023)	(1,495)	102.2
Total other comprehensive loss for the period, net of tax		(2,912)	(1,308)	122.6	(3,023)	(1,495)	102.2
Total comprehensive income for the period		1,709,070	853,012	100.4	4,304,489	2,009,883	114.2
Profit attributable to:							
– Owners of the parent		1,429,174	636,642	124.5	3,112,254	1,531,579	103.2
– Non-controlling interests		282,808	217,678	29.9	1,195,258	479,799	149.1
Profit for the financial period, net of tax		1,711,982	854,320	100.4	4,307,512	2,011,378	114.2
Total comprehensive income attributable to:							
– Owners of the parent		1,426,262	635,334	124.5	3,109,231	1,530,084	103.2
– Non-controlling interests		282,808	217,678	29.9	1,195,258	479,799	149.1
Total comprehensive income		1,709,070	853,012	100.4	4,304,489	2,009,883	114.2

*n.m denotes not meaningful



B. Condensed interim statements of financial position

	Note	Group		Company	
		30-Jun-22	30-Jun-21	30-Jun-22	30-Jun-21
		S\$	S\$	S\$	S\$
ASSETS					
<u>Non-current assets</u>					
Property, plant and equipment	12	6,594,276	6,962,723	130,406	150,036
Right-of-use assets		2,532,043	3,067,050	18,332	57,218
Investment properties	13	-	-	3,820,183	3,930,116
Investment in subsidiaries		-	-	5,877,632	5,877,632
Investment in an associate		563,505	-	-	-
Intangible assets	11	5,725,840	5,867,760	-	-
Trade and other receivables		562,473	-	-	-
Deferred tax assets		47,392	47,392	-	-
Total non-current assets		16,025,529	15,944,925	9,846,553	10,015,002
<u>Current assets</u>					
Inventories		2,424,060	2,268,151	4,100	4,100
Financial assets - derivatives		89,962	8,276	-	-
Trade and other receivables		11,655,001	13,568,570	11,437,247	8,701,831
Income tax receivables		4,350	6,647	-	-
Other non-financial assets		716,328	606,442	106,551	34,237
Cash and cash equivalents		20,714,704	16,733,771	892,500	3,326,376
Total current assets		35,604,405	33,191,857	12,440,398	12,066,544
Total assets		51,629,934	49,136,782	22,286,951	22,081,546
EQUITY AND LIABILITIES					
<u>Equity attributable to owners of the parent</u>					
Share capital	15	14,684,250	14,684,250	14,684,250	14,684,250
Treasury shares	15	(199,400)	-	(199,400)	-
Retained earnings		12,451,733	9,817,622	1,687,983	1,404,571
Other reserves		(4,717,861)	(4,714,838)	-	-
Equity, attributable to owners of the parent		22,218,722	19,787,034	16,172,833	16,088,821
Non-controlling interests		1,787,961	1,278,761	-	-
Other reserve		(94,578)	(526,136)	-	-
Total equity		23,912,105	20,539,659	16,172,833	16,088,821
<u>Non-current liabilities</u>					
Financial liabilities - lease liabilities		1,143,055	1,556,046	-	18,703
Loans and borrowings	14	4,433,303	5,008,343	2,367,545	2,346,928
Deferred tax liabilities		90,535	114,661	-	-
Total non-current liabilities		5,666,893	6,679,050	2,367,545	2,365,631
<u>Current liabilities</u>					
Income tax payable		798,355	552,685	-	-
Trade and other payables		17,977,815	17,658,316	3,461,223	3,354,283
Provision		175,000	155,000	-	-
Other non-financial liabilities		104,239	172,544	-	-
Financial liabilities - lease liabilities		1,463,832	1,581,868	18,703	39,201
Loans and borrowings	14	1,531,695	1,797,660	266,647	233,610
Total current liabilities		22,050,936	21,918,073	3,746,573	3,627,094
Total liabilities		27,717,829	28,597,123	6,114,118	5,992,725
Total equity and liabilities		51,629,934	49,136,782	22,286,951	22,081,546



C. Condensed interim statements of changes in equity

Group	Note	Total equity S\$	Attributable to owners of the parent					Non-controlling interests S\$	Other reserves S\$
			Sub-total S\$	Share capital S\$	Treasury shares S\$	Retained earnings S\$	Other reserves S\$		
Opening balance at 1 July 2021		20,539,659	19,787,034	14,684,250	-	9,817,622	(4,714,838)	1,278,761	(526,136)
Changes in equity:									
Total comprehensive income/(loss) for the year		4,304,489	3,109,231	-	-	3,112,254	(3,023)	1,195,258	-
Share buyback	15	(199,400)	(199,400)	-	(199,400)	-	-	-	-
Dividends paid	8	(478,143)	(478,143)	-	-	(478,143)	-	-	-
Dividends paid to non-controlling interests in subsidiaries		(254,500)	-	-	-	-	-	(254,500)	-
Acquisition of non-controlling interest without a change in control	16	-	-	-	-	-	-	(431,558)	431,558
Closing balance at 30 June 2022		23,912,105	22,218,722	14,684,250	(199,400)	12,451,733	(4,717,861)	1,787,961	(94,578)
Opening balance at 1 July 2020		19,359,771	19,023,620	14,684,250	-	8,992,863	(4,653,493)	862,287	(526,136)
Changes in equity:									
Total comprehensive income/(loss) for the year		2,009,883	1,530,084	-	-	1,531,579	(1,495)	479,799	-
Dividends paid	8	(706,820)	(706,820)	-	-	(706,820)	-	-	-
Dividends paid to non-controlling interests in subsidiaries		(113,175)	-	-	-	-	-	(113,175)	-
Acquisition of non-controlling interest without a change in control		(10,000)	(59,850)	-	-	-	(59,850)	49,850	-
Closing balance at 30 June 2021		20,539,659	19,787,034	14,684,250	-	9,817,622	(4,714,838)	1,278,761	(526,136)



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

Company	Note	Total equity S\$	Share capital S\$	Treasury shares S\$	Retained earnings S\$
Opening balance at 1 July 2021		16,088,821	14,684,250	-	1,404,571
Changes in equity:					
Total comprehensive income for the year		761,555	-	-	761,555
Share buyback	15	(199,400)	-	(199,400)	-
Dividends paid	8	(478,143)	-	-	(478,143)
Closing balance at 30 June 2022		16,172,833	14,684,250	(199,400)	1,687,983
Opening balance at 1 July 2020		15,730,527	14,684,250	-	1,046,277
Changes in equity:					
Total comprehensive income for the year		1,065,114	-	-	1,065,114
Dividends paid	8	(706,820)	-	-	(706,820)
Closing balance at 30 June 2021		16,088,821	14,684,250	-	1,404,571



D. Condensed interim consolidated statement of cash flows

	Group	
	12 months ended 30 June	
	2022	2021
Note	S\$	S\$
<u>Cash flows from operating activities</u>		
Profit before tax	4,950,886	2,348,800
Adjustments for:		
Depreciation of property, plant and equipment	810,949	877,056
Depreciation of right-of-use assets	1,843,347	1,841,396
Amortisation of intangible assets	141,920	141,920
Gain on disposal of plant and equipment	-	(206)
Plant and equipment written off	459	2,095
Lease modification	-	(489)
Interest expense	125,981	148,655
Lease interest expense	101,740	114,809
Rental rebates	(400,547)	(272,472)
Interest income	-	(7,743)
Fair value gain on derivative financial instruments, net	(34,159)	-
Share of results of an associate	66,495	-
Operating cash flows before changes in working capital	7,607,071	5,193,821
<u>Changes in working capital:</u>		
Inventories	(155,909)	580,734
Trade and other receivables	1,913,569	(3,758,350)
Other non-financial assets	(109,886)	14,539
Trade and other payables	1,051,605	2,741,246
Other non-financial liabilities	(68,305)	171,243
Net effect of exchange rate changes in consolidating foreign operations	(2,878)	(1,467)
Net cash flows from operations	10,235,267	4,941,766
Income tax paid	(419,533)	(229,807)
Net cash flows from operating activities	9,815,734	4,711,959
<u>Cash flows from investing activities</u>		
Interest received	-	7,743
Disposal of property, plant and equipment	-	329
Acquisition of non-controlling interest without a change in control	(720,630)	(10,000)
Acquisition of an associate	17 (630,000)	-
Loan to an associate	(610,000)	-
Purchase of property, plant and equipment	12 (423,110)	(934,143)
Net cash flows used in investing activities	(2,383,740)	(936,071)



D. **Condensed interim consolidated statement of cash flows (cont'd)**

	Group	
	12 months ended 30 June	
	2022	2021
Note	S\$	S\$
<u>Cash flows from financing activities</u>		
Lease liabilities – principal and interest paid	(1,540,556)	(1,671,972)
Movements in amount due to related parties	(288,376)	(84,101)
Movements in amount due to directors	-	75,000
Increase in borrowings	300,000	368,000
Decrease in other financial liabilities	(795,897)	(1,028,587)
Finance lease repayments	(68,208)	(68,207)
Dividends paid to equity holders of the Company	(478,143)	(706,820)
Dividends paid to non-controlling interests	(254,500)	(113,175)
Share buyback	(199,400)	-
Interest paid	(125,981)	(148,655)
Net cash flows used in financing activities	<u>(3,451,061)</u>	<u>(3,378,517)</u>
Net increase in cash and cash equivalents	3,980,933	397,371
Cash and cash equivalents, statement of cash flows, beginning balance	<u>16,708,771</u>	<u>16,311,400</u>
Cash and cash equivalents, statement of cash flows, ending balance ⁽¹⁾	<u>20,689,704</u>	<u>16,708,771</u>

Note (1):

For the purpose of presenting the consolidated statement of cash flows, cash and cash equivalents comprise the following:

	Group	
	30 June	
	2022	2021
	S\$	S\$
Cash and bank balances	20,714,704	16,733,771
Less: Bank deposits pledged (a)	<u>(25,000)</u>	<u>(25,000)</u>
Cash and cash equivalents per consolidated statement of cash flows	<u>20,689,704</u>	<u>16,708,771</u>

(a) Bank deposits are pledged as security for merchant agreement between the bank and the group.



E. Notes to the condensed interim consolidated financial statements

1. Corporate information

Alliance Healthcare Group Limited (the “**Company**”) is incorporated in Singapore with limited liability. The financial statements are presented in Singapore dollars. These condensed interim consolidated financial statements as at and for the six months and twelve months ended 30 June 2022 comprise the Company (referred to as “**parent**”) and its subsidiaries (collectively, the “**Group**”).

The principal activities of the Group are:

- a) investment holding company and provision of administrative and management services;
- b) the provision of managed healthcare solutions;
- c) the wholesale of pharmaceutical products;
- d) the provision of medical services; and
- e) the provision of mobile and digital health services.

2. Basis of preparation

The condensed interim financial statements for the six months and twelve months ended 30 June 2022 have been prepared in accordance with the Singapore Financial Reporting Standards (International) SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual financial statements for the year 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 which is the Company’s functional currency.

2.1 New and amended standards adopted by the Group

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



2.2 Use of judgements and estimates

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

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 30 June 2021.

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

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following note:

- Note 11.1 – Assessment of impairment of goodwill

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

- Note 11.1 – Impairment test of goodwill: key assumptions underlying recoverable amounts

3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors.

4. Segment and revenue information

For management purposes, the reporting entity is organised into the following major strategic operating segments that offer different products and services:

- 1) GP clinic services;
- 2) Specialist care services;
- 3) Managed healthcare solutions;
- 4) Pharmaceutical services;
- 5) Mobile and digital health services; and
- 6) Others.

These operating segments are reported in a manner consistent with internal reporting provided to Dr. Barry Thng Lip Mong, Chief Executive Officer, who is responsible for allocating resources and assessing performance of the operating segments.



4. Segment and revenue information (cont'd)

4.1 Reportable segments

	6 months ended 30 June 2022							
	GP clinics services S\$	Specialist care services S\$	Managed healthcare solutions S\$	Pharmaceutical services S\$	Mobile and digital health services S\$	Others S\$	Eliminations S\$	Group S\$
Revenue by segment								
External sales	9,684,785	5,994,865	2,850,834	5,237,784	2,411,819	9,134	-	26,189,221
Inter-segment sales	30,979	-	144,620	1,682,285	7,712	3,338,099	(5,203,695)	-
Total revenue	9,715,764	5,994,865	2,995,454	6,920,069	2,419,531	3,347,233	(5,203,695)	26,189,221
EBITDA								
EBITDA	3,305,112	959,466	219,792	654,316	(566,703)	(879,899)	-	3,692,084
Finance costs	(39,692)	(10,818)	(717)	(2,942)	(50,118)	(4,041)	-	(108,328)
Depreciation and amortisation	(667,586)	(247,367)	(58,054)	(104,342)	(235,102)	(64,867)	-	(1,377,318)
Share of results of an associate	-	-	-	-	(43,671)	-	-	(43,671)
Profit (loss) before tax	2,597,834	701,281	161,021	547,032	(895,594)	(948,807)	-	2,162,767
Income tax expense								(450,785)
Profit, net of tax								<u>1,711,982</u>
Segment assets								
Segment assets	13,166,652	5,187,879	16,599,755	4,997,167	10,315,384	20,694,801	(19,331,704)	51,629,934
Segment liabilities								
Segment liabilities	(5,583,237)	(3,520,733)	(14,352,989)	(1,618,768)	(10,495,192)	(6,114,120)	13,967,210	(27,717,829)
Other material items and reconciliations								
Expenditures for property, plant and equipment	15,824	10,304	40,952	5,926	118,904	90,206	-	282,116



4. Segment and revenue information (cont'd)

4.1 Reportable segments (cont'd)

	6 months ended 30 June 2021							
	GP clinics services S\$	Specialist care services S\$	Managed healthcare solutions S\$	Pharmaceutical services S\$	Mobile and digital health services S\$	Others S\$	Eliminations S\$	Group S\$
Revenue by segment								
External sales	7,469,419	4,989,915	2,631,834	5,652,716	2,596,038	-	-	23,339,922
Inter-segment sales	23,827	809	250,497	1,220,728	50,769	3,248,198	(4,794,828)	-
Total revenue	7,493,246	4,990,724	2,882,331	6,873,444	2,646,807	3,248,198	(4,794,828)	23,339,922
EBITDA								
EBITDA	1,076,124	1,030,128	(2,445)	616,353	386,612	(558,894)	-	2,547,878
Finance costs	(49,992)	(9,369)	(169)	(5,396)	(41,569)	(14,435)	-	(120,930)
Depreciation and amortisation	(716,189)	(250,531)	(60,533)	(96,520)	(163,040)	(141,940)	-	(1,428,753)
Profit (loss) before tax	309,943	770,228	(63,147)	514,437	182,003	(715,269)	-	998,195
Income tax expense								(143,875)
Profit, net of tax								854,320
Segment assets								
Segment assets	12,452,294	3,908,146	15,827,724	5,405,675	7,912,247	20,303,316	(16,672,620)	49,136,782
Segment liabilities								
Segment liabilities	(7,566,918)	(2,351,855)	(14,028,000)	(2,333,510)	(7,106,374)	(5,992,728)	10,782,262	(28,597,123)
Other material items and reconciliations								
Expenditures for property, plant and equipment	34,053	13,693	54,120	105,794	105,033	484,407	-	797,100



4. Segment and revenue information (cont'd)

4.1 Reportable segments (cont'd)

	12 months ended 30 June 2022							
	GP clinics services S\$	Specialist care services S\$	Managed healthcare solutions S\$	Pharmaceutical services S\$	Mobile and digital health services S\$	Others S\$	Eliminations S\$	Group S\$
Revenue by segment								
External sales	18,113,172	10,762,069	5,493,224	11,585,377	8,790,231	12,678	-	54,756,751
Inter-segment sales	47,000	-	292,908	2,243,850	28,382	5,048,928	(7,661,068)	-
Total revenue	18,160,172	10,762,069	5,786,132	13,829,227	8,818,613	5,061,606	(7,661,068)	54,756,751
EBITDA								
EBITDA	5,356,619	1,846,970	111,350	1,169,406	943,911	(1,386,938)	-	8,041,318
Finance costs	(87,324)	(20,883)	(1,141)	(7,124)	(90,373)	(20,876)	-	(227,721)
Depreciation and amortisation	(1,354,654)	(493,477)	(116,489)	(202,909)	(421,033)	(207,654)	-	(2,796,216)
Share of results of an associate	-	-	-	-	(66,495)	-	-	(66,495)
Profit (loss) before tax	3,914,641	1,332,610	(6,280)	959,373	366,010	(1,615,468)	-	4,950,886
Income tax expense								(643,374)
Profit, net of tax								4,307,512
Segment assets								
Segment assets	13,166,652	5,187,879	16,599,755	4,997,167	10,315,384	20,694,801	(19,331,704)	51,629,934
Segment liabilities								
Segment liabilities	(5,583,237)	(3,520,733)	(14,352,989)	(1,618,768)	(10,495,192)	(6,114,120)	13,967,210	(27,717,829)
Other material items and reconciliations								
Expenditures for property, plant and equipment	26,039	31,071	65,065	15,083	199,901	105,951	-	443,110



4. Segment and revenue information (cont'd)

4.1 Reportable segments (cont'd)

	12 months ended 30 June 2021							
	GP clinics services S\$	Specialist care services S\$	Managed healthcare solutions S\$	Pharmaceutical services S\$	Mobile and digital health services S\$	Others S\$	Eliminations S\$	Group S\$
Revenue by segment								
External sales	14,090,442	9,782,323	4,918,093	13,183,622	4,441,239	-	-	46,415,719
Inter-segment sales	25,257	809	334,234	2,241,216	57,269	4,500,746	(7,159,531)	-
Total revenue	14,115,699	9,783,132	5,252,327	15,424,838	4,498,508	4,500,746	(7,159,531)	46,415,719
EBITDA								
EBITDA	2,339,358	1,796,032	(58,373)	1,427,257	611,792	(643,430)	-	5,472,636
Finance costs	(111,661)	(21,407)	(528)	(11,977)	(88,753)	(29,138)	-	(263,464)
Depreciation and amortisation	(1,437,842)	(507,725)	(130,484)	(182,368)	(317,493)	(284,460)	-	(2,860,372)
Profit (loss) before tax	789,855	1,266,900	(189,385)	1,232,912	205,546	(957,028)	-	2,348,800
Income tax expense								(337,422)
Profit, net of tax								2,011,378
Segment assets								
Segment assets	12,452,294	3,908,146	15,827,724	5,405,675	7,912,247	20,303,316	(16,672,620)	49,136,782
Segment liabilities								
Segment liabilities	(7,566,918)	(2,351,855)	(14,028,000)	(2,333,510)	(7,106,374)	(5,992,728)	10,782,262	(28,597,123)
Other material items and reconciliations								
Expenditures for property, plant and equipment	52,103	25,813	105,738	106,554	170,683	493,252	-	954,143



4. Segment and revenue information (cont'd)

4.2 Disaggregation of revenue

	Group						Group
	6 months ended 30 June 2022						
	GP clinics services	Specialist care services	Managed healthcare solutions	Pharmaceutical services	Mobile and digital health services	Others	
S\$	S\$	S\$	S\$	S\$	S\$	S\$	
Types of goods or services							
Rendering of services							
– Medical services	9,684,785	5,994,865	-	-	-	-	15,679,650
– Managed healthcare solutions services	-	-	2,850,834	-	-	-	2,850,834
– Mobile and digital health services	-	-	-	-	2,411,819	-	2,411,819
Sales of goods	-	-	-	5,237,784	-	-	5,237,784
Others	-	-	-	-	-	9,134	9,134
Total revenue	9,684,785	5,994,865	2,850,834	5,237,784	2,411,819	9,134	26,189,221
Timing of revenue recognition:							
At a point in time	9,684,785	5,994,865	2,850,834	5,237,784	2,411,819	9,134	26,189,221
Total revenue	9,684,785	5,994,865	2,850,834	5,237,784	2,411,819	9,134	26,189,221
Geographical information:							
Singapore	9,684,785	5,994,865	2,847,426	3,766,263	2,411,819	9,134	24,714,292
Others ⁽¹⁾	-	-	3,408	1,471,521	-	-	1,474,929
Total revenue	9,684,785	5,994,865	2,850,834	5,237,784	2,411,819	9,134	26,189,221

(1) "Others" include countries from Europe and Asia Pacific Region.



4. Segment and revenue information (cont'd)

4.2 Disaggregation of revenue

	Group					
	6 months ended 30 June 2021					
	GP clinics services	Specialist care services	Managed healthcare solutions	Pharmaceutical services	Mobile and digital health services	Group
	S\$	S\$	S\$	S\$	S\$	S\$
Types of goods or services						
Rendering of services						
– Medical services	7,469,419	4,989,915	-	-	-	12,459,334
– Managed healthcare solutions services	-	-	2,631,834	-	-	2,631,834
– Mobile and digital health services	-	-	-	-	2,596,038	2,596,038
Sales of goods	-	-	-	5,652,716	-	5,652,716
Total revenue	7,469,419	4,989,915	2,631,834	5,652,716	2,596,038	23,339,922
Timing of revenue recognition:						
At a point in time	7,469,419	4,989,915	2,631,834	5,652,716	2,596,038	23,339,922
Total revenue	7,469,419	4,989,915	2,631,834	5,652,716	2,596,038	23,339,922
Geographical information:						
Singapore	7,469,419	4,989,915	2,628,445	4,242,181	2,596,038	21,925,998
Others ⁽¹⁾	-	-	3,389	1,410,535	-	1,413,924
Total revenue	7,469,419	4,989,915	2,631,834	5,652,716	2,596,038	23,339,922

(1) "Others" include countries from Europe and Asia Pacific Region.



4. Segment and revenue information (cont'd)

4.2 Disaggregation of revenue (cont'd)

	Group						Group
	12 months ended 30 June 2022						
	GP clinics services	Specialist care services	Managed healthcare solutions	Pharmaceutical services	Mobile and digital health services	Others	
S\$	S\$	S\$	S\$	S\$	S\$	S\$	
Types of goods or services							
Rendering of services							
– Medical services	18,113,172	10,762,069	-	-	-	-	28,875,241
– Managed healthcare solutions services	-	-	5,493,224	-	-	-	5,493,224
– Mobile and digital health services	-	-	-	-	8,790,231	-	8,790,231
Sales of goods	-	-	-	11,585,377	-	-	11,585,377
Others	-	-	-	-	-	12,678	12,678
Total revenue	18,113,172	10,762,069	5,493,224	11,585,377	8,790,231	12,678	54,756,751
Timing of revenue recognition:							
At a point in time	18,113,172	10,762,069	5,493,224	11,585,377	8,790,231	12,678	54,756,751
Total revenue	18,113,172	10,762,069	5,493,224	11,585,377	8,790,231	12,678	54,756,751
Geographical information:							
Singapore	18,113,172	10,762,069	5,486,246	8,890,364	8,790,231	12,678	52,054,760
Others ⁽¹⁾	-	-	6,978	2,695,013	-	-	2,701,991
Total revenue	18,113,172	10,762,069	5,493,224	11,585,377	8,790,231	12,678	54,756,751

(1) "Others" include countries from Europe and Asia Pacific Region.



4. Segment and revenue information (cont'd)

4.2 Disaggregation of revenue (cont'd)

	Group					
	12 months ended 30 June 2021					
	GP clinics services	Specialist care services	Managed healthcare solutions	Pharmaceutical services	Mobile and digital health services	Group
	S\$	S\$	S\$	S\$	S\$	S\$
Types of goods or services						
Rendering of services						
– Medical services	14,090,442	9,782,323	-	-	-	23,872,765
– Managed healthcare solutions services	-	-	4,918,093	-	-	4,918,093
– Mobile and digital health services	-	-	-	-	4,441,239	4,441,239
Sales of goods	-	-	-	13,183,622	-	13,183,622
Total revenue	14,090,442	9,782,323	4,918,093	13,183,622	4,441,239	46,415,719
Timing of revenue recognition:						
At a point in time	14,090,442	9,782,323	4,918,093	13,183,622	4,441,239	46,415,719
Total revenue	14,090,442	9,782,323	4,918,093	13,183,622	4,441,239	46,415,719
Geographical information:						
Singapore	14,090,442	9,782,323	4,911,326	10,476,476	4,441,239	43,701,806
Others ⁽¹⁾	-	-	6,767	2,707,146	-	2,713,913
Total revenue	14,090,442	9,782,323	4,918,093	13,183,622	4,441,239	46,415,719

(1) "Others" include countries from Europe and Asia Pacific Region.



4. Segment and revenue information (cont'd)

4.2 Disaggregation of revenue (cont'd)

A breakdown of sales:

	Group		
	Financial year ended 30 June		Increase / (decrease) %
	2022 S\$	2021 S\$	
Sales reported for first half year	28,567,530	23,075,797	23.8
Operating profit after tax before deducting minority interests reported for first half year	2,595,530	1,157,058	124.3
Sales reported for second half year	26,189,221	23,339,922	12.2
Operating profit after tax before deducting minority interests reported for second half year	1,711,982	854,320	100.4

5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group and the Company as at 30 June 2022 and 30 June 2021:

	Group		Company	
	30 June 2022 S\$	30 June 2021 S\$	30 June 2022 S\$	30 June 2021 S\$
Financial Assets:				
Financial assets at amortised cost	32,932,178	30,302,341	12,329,747	12,028,207
Financial assets at fair value through profit or loss (FVTPL)	89,962	8,276	-	-
Total	33,022,140	30,310,617	12,329,747	12,028,207
Financial Liabilities:				
Financial liabilities at amortised cost	26,391,768	26,723,671	6,114,118	5,992,725
Financial liabilities at fair value through profit or loss (FVTPL)	157,932	878,562	-	-
Total	26,549,700	27,602,233	6,114,118	5,992,725



6. Profit before taxation

6.1 Significant items

	Group			
	6 months ended		12 months ended	
	30 June		30 June	
	2022	2021	2022	2021
	S\$	S\$	S\$	S\$
Income				
Other income ⁽¹⁾	(406,244)	(54,713)	(788,774)	(283,049)
Government grants ⁽²⁾	(464,493)	(817,870)	(829,645)	(1,783,833)
Interest income	-	(352)	-	(7,743)
Gain on disposal of plant and equipment	-	(206)	-	(206)
Foreign exchange gains	(56,446)	(21,783)	(102,028)	(69,993)
Fair value gain on derivative financial instruments	(40,947)	-	(40,947)	-
Lease modification	-	(489)	-	(489)
Expenses				
Interest expense	62,566	68,525	125,981	148,655
Lease interest expense	45,762	52,405	101,740	114,809
Amortisation of intangible assets	70,960	70,960	141,920	141,920
Depreciation of property, plant and equipment	410,896	442,050	810,949	877,056
Depreciation of right-of-use assets	895,462	915,743	1,843,347	1,841,396
Bad debts written off trade receivables	22,547	-	22,864	-
Allowance for impairment on trade receivables	(9)	3,079	5,498	1,153
Plant and equipment written off	459	2,095	459	2,095
Fair value loss on derivative financial instruments	6,788	-	6,788	-
Other losses	-	40,000	-	40,000

Notes:

- (1) Other income mainly relates to rental rebates received from the various landlords during the period.
- (2) Government grants mainly relate to Jobs Growth Incentive, Rental Support Scheme and Senior Employment Credit and in respect of FY2021, Jobs Support Scheme and Special Employment Credit.



6.2 Related party transactions

There are transactions and arrangements between the Group and related parties and the effects of these on the basis determined between the parties are reflected in these financial statements.

	Group			
	6 months ended 30 June		12 months ended 30 June	
	2022 S\$	2021 S\$	2022 S\$	2021 S\$
<u>An associate:</u>				
Administrative fees income	(10,500)	-	(14,177)	-
Interest income	(5,738)	-	(6,825)	-
Marketing fee income	(2,000)	-	(2,000)	-
Software subscription and system maintenance fee	41,896	-	54,900	-
Web based software development cost	51,380	-	75,780	-
<u>Related parties:</u>				
Professional fees expenses	1,795,730	1,356,707	3,356,765	2,966,873
Payments in respect of a lease for premises	25,350	25,350	50,700	47,025

7. Taxation

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	Group			
	6 months ended 30 June		12 months ended 30 June	
	2022 S\$	2021 S\$	2022 S\$	2021 S\$
<u>Current tax expenses:</u>				
Current tax expenses	648,446	162,508	1,048,848	466,873
Over adjustments to current tax in respect of prior period	(185,598)	-	(381,348)	(133,609)
Subtotal	462,848	162,508	667,500	333,264
<u>Deferred tax expense:</u>				
Deferred tax expense	(12,063)	(18,633)	(24,126)	4,158
Subtotal	(12,063)	(18,633)	(24,126)	4,158
Total income tax expense	450,785	143,875	643,374	337,422



8. Dividends

	Company	
	2022 S\$	2021 S\$
Ordinary dividends paid:		
First & final one-tier tax-exempt dividend paid	478,143	706,820
Dividend per share (net of tax)	0.0023	0.0034

9. Earnings per share

	Group 6 months ended 30 June		Group 12 months ended 30 June	
	2022	2021	2022	2021
	Earnings attributable to equity holders of the Company	1,429,174	636,642	3,112,254
Weighted average number of Shares used in computation of basic earnings per share ("EPS")	207,373,601	207,888,352	207,633,092	207,888,352
Basic EPS attributable to equity holders of the Company (cents) ⁽¹⁾	0.69	0.31	1.50	0.74
Fully diluted EPS attributable to equity holders of the Company (cents) ⁽²⁾	0.69	0.31	1.50	0.74

Notes:

- (1) Basic EPS is computed by dividing the Group's earnings attributable to the equity holders of the Company in each financial period by the weighted average number of Shares outstanding during the respective financial period.
- (2) Fully diluted EPS are the same as the basic EPS for the financial periods presented in the table above as the Company did not have any outstanding instruments convertible into rights to subscribe for, and options in respect of its Shares during these financial periods.

10. Net asset value per share

	Group		Company	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
Net asset value ("NAV") per ordinary share (cents)	10.75	9.52	7.82	7.74
Number of Shares used in computation of NAV	206,748,352	207,888,352	206,748,352	207,888,352

Net asset value (for the Company and the Group) per ordinary share are computed based on the total number of issued shares (excluding treasury shares, if any) as at the end of the relevant financial period.



11. Intangible assets

	Group			Total S\$
	Goodwill S\$	Customer relationship S\$	Unpatented technology S\$	
At 31 December 2021				
Cost	5,190,858	131,027	810,000	6,131,885
Accumulated amortisation and impairment	-	(103,655)	(231,430)	(335,085)
Net book amount	5,190,858	27,372	578,570	5,796,800
6 months ended 30 June 2022				
Opening net book amount	5,190,858	27,372	578,570	5,796,800
Amortisation charge	-	(13,102)	(57,858)	(70,960)
Closing net book amount	5,190,858	14,270	520,712	5,725,840
At 30 June 2022				
Cost	5,190,858	131,027	810,000	6,131,885
Accumulated amortisation and impairment	-	(116,757)	(289,288)	(406,045)
Net book amount	5,190,858	14,270	520,712	5,725,840

11.1 Goodwill impairment

Goodwill is allocated to cash-generating units for the purpose of impairment testing. Each of those cash-generating units (“CGU”) represents the Group’s investment in the following subsidiaries:

Name of subsidiary:	Group	
	30 June 2022 S\$	30 June 2021 S\$
“My Family Clinic”		
Alliance Medical Group Pte. Ltd. ^(a)	1,101,541	1,101,541
My Family Clinic (PN) Pte. Ltd.	128,951	128,951
My Family Clinic (Hougang Central) Pte. Ltd.	780,000	780,000
My Family Clinic (Clementi 325) Pte. Ltd.	596,071	596,071
Sub-total	2,606,563	2,606,563
Jaga-Me Pte. Ltd.	2,584,295	2,584,295
Sub-total	2,584,295	2,584,295
Total	5,190,858	5,190,858

(a) Alliance Medical Group Pte. Ltd. is an investment holding company that holds entities that operate under “My Family Clinic”.



11.1 Goodwill impairment (cont'd)

The goodwill for each of the cash generating unit was tested for impairment at the end of the reporting year. No impairment allowance was recognised because the carrying amount of each of the cash-generating units were lower than their estimated recoverable amounts.

The value in use for each cash generating unit was measured by management. The value in use is a recurring fair value measurement (Level 3). The quantitative information about the value in use measurement using significant unobservable inputs for the cash-generating units are consistent with those used for the measurement last performed, where relevant, and are set out as follows:

<u>CGU – Entities operating under “My Family Clinic”</u>		
<u>Valuation technique and Unobservable inputs</u>		
<u>Discounted cash flow method:</u>	<u>2022</u>	<u>2021</u>
1. Estimated discount rates using pre-tax rates that reflect current market assessments at the risks specific to the CGUs.	12.5%	12.5%
2. Cash flow forecasts derived from the most recent financial budgets and growth rates approved by management.	5 years 4 – 8% ¹	5 years 4 – 12% ¹
3. Terminal growth rates not exceeding the average long-term growth rate for the relevant markets.	2.2%	2%

<u>CGU – Jaga-Me Pte. Ltd.</u>		
<u>Valuation technique and Unobservable inputs</u>		
<u>Discounted cash flow method:</u>		
1. Estimated discount rates using pre-tax rates that reflect current market assessments at the risks specific to the CGUs.	15%	15%
2. Cash flow forecasts derived from the most recent financial budgets and growth rates approved by management.	5 years (46%)–116% ²	5 years 11%–56%
3. Terminal growth rates not exceeding the average long-term growth rate for the relevant markets.	2.2%	2%

¹ 2023 forecast at 8% growth to normalise business post COVID to pre-COVID level

² 2023 forecast at negative 46% growth to anticipate less COVID related services following Singapore's move towards endemic. 2024 forecast at 116% growth in view of a dip in 2023. Excluding these two years the growth rates ranges from 39% to 60%.

Actual outcomes could vary from these estimates. If the revised estimated gross margin at the end of the reporting year had been 5% less favourable than management's estimates at the end of the reporting year, the estimated recoverable amount would still be higher than the carrying amount of goodwill. If the revised estimated pre-tax discount rate applied to the discounted cash flows had been 1 percent point less favourable than management's estimates, the estimated recoverable amount would still be higher than the carrying amount of goodwill.

12. Property, plant and equipment

During the twelve months ended 30 June 2022, the Group acquired assets amounting to S\$443,110 (30 June 2021: S\$954,143) and disposed of assets amounting to S\$459 (30 June 2021: S\$1,097).

13. Investment properties

The Group does not have any investment properties.

In the Company's balance sheet, the leasehold properties located at 25 Bukit Batok Crescent, Singapore 658066, are classified as investment properties as they are mostly leased out to subsidiaries. However, in the Group's consolidated balance sheet, these leasehold properties are classified as property, plant and equipment.

	Company	
	2022	2021
	S\$	S\$
<u>Cost:</u>		
At 1 July	4,693,069	4,233,069
Additions	-	460,000
At 30 June	<u>4,693,069</u>	<u>4,693,069</u>
<u>Accumulated depreciation:</u>		
At 1 July	762,953	663,693
Depreciation for the year	109,933	99,260
At 30 June	<u>872,886</u>	<u>762,953</u>
<u>Carrying value:</u>		
At 30 June	<u>3,820,183</u>	<u>3,930,116</u>

14. Loans and borrowings

	Group			
	As at 30 June 2022		As at 30 June 2021	
	Secured	Unsecured	Secured	Unsecured
	S\$	S\$	S\$	S\$
Amount repayable in one year or less, or on demand	872,895	658,800	861,960	935,700
Amount repayable after one year	4,433,303	-	5,008,343	-
Total	5,306,198	658,800	5,870,303	935,700



14. Loans and borrowings (cont'd)

Details of any collaterals:

Term loans from DBS Bank Ltd. (“DBS Loans”)

The DBS Loans amounting to S\$2.0 million as at 30 June 2022 (S\$2.1 million as at 30 June 2021) are secured by a first legal mortgage over certain of the Group’s leasehold properties.

Term loan 1 from Oversea–Chinese Banking Corporation Limited (“OCBC Loan 1”)

The OCBC Loan 1 amounting to S\$1.2 million as at 30 June 2022 (S\$1.3 million as at 30 June 2021) is secured by a first legal mortgage over the Group’s leasehold property at Blk 325 Clementi Avenue 5, #01–139, Singapore 120325.

Term loan 2 from Oversea–Chinese Banking Corporation Limited (“OCBC Loan 2”)

The OCBC Loan 2 amounting to S\$0.03 million as at 30 June 2021 was secured by a memorandum of charge (third party) over the shares of My Family Clinic (Clementi 325) Pte. Ltd. and My Family Clinic (St George) Pte. Ltd. OCBC Loan 2 is fully repaid as at 30 June 2022.

Term loan from United Overseas Bank Limited (“UOB Loan 1”)

The UOB Loan 1 amounting to S\$1.4 million as at 30 June 2022 (S\$1.9 million as at 30 June 2021) is secured by a first fixed charge over 55% shares in the share capital of Jaga-Me Pte. Ltd. (“Jaga-Me”) and a deed of subordination of all current and future non-trade loans/advances which are owing from Alliance Healthcare Pte. Ltd. to its shareholders/related parties.

Term loan from United Overseas Bank Limited (“UOB Loan 2”)

The UOB Loan 2 amounting to S\$0.4 million as at 30 June 2022 (S\$0.4 million as at 30 June 2021) is a 20–year commercial property loan. It is secured by a first legal mortgage over certain of the Group’s leasehold property at 25 Bukit Batok Crescent, The Elitist, Singapore 658066.

Temporary bridging loan

Temporary bridging loan amounting to S\$0.3 million as at 30 June 2022 (nil as at 30 June 2021) is facility under the Enterprise Financing Scheme Temporary Bridging Loan Programme administered by the Enterprise Singapore which the Government provides 90% risk-share on these loans.

Finance lease

Finance lease amounting to S\$0.1 million as at 30 June 2022 (S\$0.1 million as at 30 June 2021) relates to contracts undertaken by the Group for motor vehicles and equipment.



15. Share capital and treasury shares

	Group and Company			
	2022		2021	
(a) Share capital	Number of shares	S\$	Number of shares	S\$
Issued and fully paid ordinary shares				
Beginning & end of year	207,888,352	14,684,250	207,888,352	14,684,250

There was no change in the Company's share capital between 31 December 2021 (being the end of the previous period reported on) and 30 June 2022. The Company did not have any outstanding options or convertible instruments as at 30 June 2022 and 30 June 2021.

The Company did not have any subsidiary holdings as at 30 June 2022 and 30 June 2021.

The Company's subsidiaries do not hold any shares in the Company as at 30 June 2022 and 30 June 2021.

	Group and Company			
	2022		2021	
(b) Treasury shares	Number of shares	S\$	Number of shares	S\$
At 1 July	-	-	-	-
Shares buy-back during the year	1,140,000	199,400	-	-
At 30 June	1,140,000	199,400	-	-

During the financial year, the Company acquired 1,140,000 (2021: Nil) of its ordinary shares by way of on-market purchase for a total consideration of S\$199,400 (2021: S\$ Nil). These shares buyback are presented under treasury shares as a component within equity.

	Group and Company	
	As at 30 June	
	2022	2021
Total number of issued shares excluding treasury shares	206,748,352	207,888,352

16. Acquisition or incorporation of subsidiaries without a change in control

All capitalised terms used herein shall have the same meaning as ascribed thereto in the announcement by the Company dated 19 December 2019 in relation to the proposed acquisition of 55% shareholding interest in Jaga-Me by the Company's wholly-owned subsidiary, Alliance Healthcare Pte. Ltd. ("AHPL").

Pursuant to the terms of the Amended and Restated SHA, AHPL shall have a Call Option to purchase all (and not only some) of the Jaga-Me Shares held by the Relevant Shareholders. Each Relevant Shareholder shall have a Put Option to sell all (and not only some) of such Relevant Shareholder's respective Jaga-Me Shares to AHPL. The Call Option and Put Option, if exercised by AHPL or all of the Relevant Shareholders, comprise 292,854 of Jaga-Me Shares.



16. Acquisition or incorporation of subsidiaries without a change in control (cont'd)

The Put Option is exercisable within 3 months from the date of Jaga-Me's audited accounts for the previous, most recently completed financial year which indicates:

- (i). Jaga-Me's net operating profit after tax ("**NOPAT**") is S\$1.5 million or higher, in which case the Put Option shall be exercisable at S\$4.80 per Jaga-Me Share; or
- (ii). Jaga-Me's NOPAT is below S\$1.5 million, but its operating revenue is S\$4 million or higher, in which case the Put Option shall be exercisable at S\$3.00 per Jaga-Me Share.

In any event, if the Put Option is not exercised on or before 30 June 2023, the Put Option shall irrevocably expire and shall lapse and shall cease to be exercisable.

The Put Option Consideration shall be satisfied, at the sole discretion of AHPL, by way of (i) a cash consideration; and/or (ii) shares in AHG; or (iii) a combination of a cash consideration and shares in AHG.

Based on Jaga-Me's audited accounts for the financial year ended 30 June 2021, its NOPAT was below S\$1.5 million but its operating revenue was above S\$4 million. Hence, the Put Option was exercisable at S\$3.00 per Jaga-Me Share.

During the period from 22 December 2021 to 3 January 2022, certain of the Relevant Shareholders ("**Exercising Shareholders**") exercised the Put Option by delivery of the duly signed Put Option Exercise Notice to AHPL. On 5 January 2022 the Exercising Shareholders and AHPL executed the instruments of transfer, pursuant to which the Exercising Shareholders have sold an aggregate of 240,210 Jaga-Me Shares ("**Put Option Shares**") at S\$3.00 per Jaga-Me Share for an aggregate cash consideration of S\$720,630 ("**Put Option Consideration**") to AHPL (the "**Transaction**"). The net asset value represented by such Put Option Shares as at 30 June 2021 is approximately S\$241,176.

The Put Option Shares represent approximately 9.6% of the issued share capital of Jaga-Me. Accordingly, following completion of the Transaction, the Group's shareholding interest in Jaga-Me increased from 55.0% to 64.6%.

17. Acquisition of an associate

Acquisition

On 22 September 2021, the Group through its wholly-owned subsidiary AHPL, acquired 20% of the share capital in SG IMED Pte. Ltd. ("**SGiMed**") for an aggregate cash consideration of S\$630,000 (the "**Acquisition**"). The net asset value represented by such shares is approximately S\$13,000. From that date the Group gained significant influence and the investee became an associate. The transaction was accounted for by the equity method of accounting.

Loan

In conjunction with the Acquisition, AHPL also granted a 2-year term loan of S\$610,000 (the "**Loan**") to fund the operations and growth of SGiMed (the "**Loan Facility**"). The Loan has been fully draw down during the year.



17. Acquisition of an associate (cont'd)

Upon the earlier of

- (i) two (2) years from the execution of the sales and purchase agreement; or
- (ii) SGiMed achieving a clinic subscription base of 500 clinics in respect of the Hummingbird Software.

AHPL has the right (but not the obligation) (the “**Loan Facility’s Option Component**”) to assign its rights under the Loan Facility to the controlling shareholders of SGiMed in exchange for such number of ordinary shares in SGiMed representing 10% of the share capital in SGiMed as at the date on which the completion of such transfer of shares in SGiMed is to take place (the “**Loan Assignment**”).

The group recognised the fair value of the Loan Facility’s Option Component of S\$47,527, which was net off from the principal of the Loan as at the end of the reporting year, based on the probability assessed by management on achieving the above conditions.

Call Option

In addition, AHPL was granted an option to purchase from the controlling shareholders of SGiMed such number of shares in SGiMed representing 30% of the share capital in SGiMed as at the date of which the completion of such transfer of shares in SGiMed is to take place (the “**Call Option**”).

The Call Option can only be exercised upon the earlier of

- (i) three (3) years from the execution of the sales and purchase agreement; or
- (ii) SGiMed achieving a clinic subscription base of 800 clinics in respect of the Hummingbird Software.

The consideration payable upon the exercise of the Call Option shall be an amount equal to the sum of S\$3,070,000. The exercise of the Call Option is not conditional upon the Loan Assignment.

The group recognised the Call Option asset of S\$88,474 as at the end of the reporting year, based on the probability assessed by management on achieving the above conditions.

More information on the Acquisition, Loan and Call Option can be found in the Company’s announcements dated 8 September 2021 and 1 October 2021 in relation to the proposed acquisition of shares in the capital of SGiMed and drawdown of the Loan pursuant to the Loan Facility agreement respectively.

The expenses incurred of S\$51,260 in relation to the Acquisition have been classified as other expenses in the condensed consolidated statement of profit or loss.

18. Subsequent events

There are no subsequent events to be disclosed or which would have led to adjustments to this set of unaudited interim financial statements.



F. Other information required by Appendix 7C of the Catalyst Rules

1A. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The condensed consolidated statement of financial position of Alliance Healthcare Group Limited and its subsidiaries as at 30 June 2022 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the twelve-month period then ended and certain explanatory notes have not been audited or reviewed.

1B. Where the figures have been audited or reviewed, the auditors' report (including any modifications or emphasis of a matter).

Not applicable.

1C. 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.

2. Review of performance of the Group

Review of financial performance of the Group for FY2022 compared to FY2021

Revenue

Revenue increased by approximately S\$8.4 million or 18.0% from S\$46.4 million in FY2021 to S\$54.8 million in FY2022.

The overall increase in revenue was mainly attributable to an increase in sales generated by the mobile and digital health services business segment, GP clinic services business segment, specialist care services business segment and managed healthcare solutions business. These were partially offset by a decrease in revenue from the pharmaceutical services business segment.

The overall increase in the Group's revenue was a result of the following:

- (a) Mobile and Digital Health Services

Revenue from mobile and digital health services increased by approximately S\$4.4 million or 100% from S\$4.4 million in FY2021 to S\$8.8 million in FY2022. This was mainly due to increased revenue from Jaga-Me generated from the provision of COVID-19 related medical services, including home swabs, onsite vaccination and telemedicine consultations for home recovery programme.



2. Review of performance of the Group (cont'd)

Review of financial performance of the Group for FY2022 compared to FY2021 (cont'd)

(b) GP Clinic Services

Revenue from GP clinic services increased by approximately S\$4.0 million or 28.4% from S\$14.1 million in FY2021 to S\$18.1 million in FY2022, mainly due to more patient visits.

(c) Specialist Care Services

Revenue from specialist care services increased by approximately S\$1.0 million or 10.2% from S\$9.8 million in FY2021 to S\$10.8 million in FY2022, mainly due to more patient visits.

(d) Managed Healthcare Solutions

Revenue from managed healthcare solutions business segment increased by approximately S\$0.6 million or 12.2% from S\$4.9 million in FY2021 to S\$5.5 million in FY2022, mainly due to higher patient volume.

(e) Pharmaceutical Services

Revenue from pharmaceutical services decreased by approximately S\$1.6 million or 12.1% from S\$13.2 million in FY2021 to S\$11.6 million in FY2022. Local sales within Singapore decreased by S\$1.6 million mainly due to a decrease in demand for medical supplies from certain hospitals. Overseas sales amounted to approximately S\$2.7 million in FY2022 which was comparable to the amount reported in FY2021.

Interest income

There was no interest income in FY2022 and the interest income in FY2021 was related to interest received from fixed deposit.

Other income and gains

Other income and gains, mainly consisting of government grants and incentives, decreased by approximately S\$0.3 million or 17.6% from S\$2.1 million in FY2021 to S\$1.8 million in FY2022, mainly due to the cessation of the Jobs Support Scheme for non-Tier 1 sectors for wages paid from July 2021 onwards. In FY2022, after the Court granted a discharge amounting to acquittal for all charges faced by the Relevant Clinics (as defined in the Company's announcement dated 29 June 2021), the Group reversed the provision of estimated legal fees and possible penalties of S\$0.3 million in FY2021 relating to the charges concerning a locum doctor.

Consumables and medical supplies used

Consumables and medical supplies used mainly relate to the Group's GP clinic services, specialist care services, pharmaceutical services business segments and mobile and digital health services business segment. Consumables and medical supplies used decreased by approximately S\$0.4 million or 2.1% from S\$16.0 million in FY2021 to S\$15.6 million in FY2022, mainly due to a decrease in medical supplies used of approximately S\$1.4 million for the pharmaceutical services business segment partially offset by an increase in medical supplies used of approximately S\$0.2 million for the GP clinic services business segment, S\$0.3 million for the specialist care service business segment and S\$0.4 million for the mobile and digital health services business segment in line with the increase in their revenue.



2. Review of performance of the Group (cont'd)

Review of financial performance of the Group for FY2022 compared to FY2021 (cont'd)

Employee benefits expense

Employee benefits expense relates to salaries, bonuses, benefits, fees and other payment made to (i) the Group's employees, (ii) doctors (including locum and full-time GP doctors who may not be employees), (iii) nurses (including locum and full-time nurses who may not be employees) and (iv) specialists with whom the Group has entered into contracts for provision of medical services. In respect of such doctors (except for locum doctors and nurses who are paid on an hourly basis) and specialists with whom the Group entered into contracts, the amount of fees is generally determined based on a base salary and/or the profitability of the relevant clinic.

Employee benefits expense increased by approximately S\$5.7 million or 24.2% from S\$23.7 million in FY2021 to S\$29.4 million in FY2022, as a result of the following:

- (a) an increase of approximately S\$2.0 million relating to locum doctors and locum nurses in line with the increase in business activities in the GP clinic services and mobile and digital health services business segments; and
- (b) an increase of approximately S\$3.7 million mainly due to the increase in salaries and defined contribution plan of employees as a result of an increase in headcount of employees and doctors and higher bonus in recognition of their contribution to the Group.

Depreciation and amortisation expense

Depreciation and amortisation expense amounted to approximately S\$2.8 million in FY2022 which was comparable to the amount reported in FY2021.

Other losses

Other losses were not significant in FY2022 and FY2021.

Finance costs

Finance costs decreased by approximately S\$0.1 million or 13.6% from S\$0.3 million in FY2021 to S\$0.2 million in FY2022, due to certain loan of the Group was fully repaid at the beginning of FY2022.

Other expenses

Other expenses amounted to approximately S\$3.4 million in FY2022 which was comparable to the amount reported in FY2021.

Share of results of an associate

This related to the share of the post-acquisition result of an associate which was acquired in September 2021.



2. Review of performance of the Group (cont'd)

Review of financial performance of the Group for FY2022 compared to FY2021 (cont'd)

Profit before tax

As a result of the above, profit before tax increased by approximately S\$2.7 million or 110.8% from S\$2.3 million in FY2021 to S\$5.0 million in FY2022.

Income tax

The Group incurred an income tax expense of approximately S\$0.6 million in FY2022 compared to an income tax expenses of approximately S\$0.3 million in FY2021, in line with higher profit before tax in FY2022.

Profit attributable to owners of parent, net of tax

As a result of the above, net profit attributable to equity holders of the Company increased by approximately S\$1.6 million from S\$1.5 million in FY2021 to S\$3.1 million in FY2022.

Financial performance by operating segments

In FY2022, the managed healthcare solutions, GP clinic services, specialist care services, pharmaceutical services and mobile and digital health services business segments contributed 10.0%, 33.0%, 19.7%, 21.2% and 16.1% of the Group's revenue, respectively.

In FY2021, the managed healthcare solutions, GP clinics services, specialist care services, pharmaceutical services and mobile and digital health services business segments contributed 10.6%, 30.3%, 21.1%, 28.4% and 9.6% of the Group's revenue, respectively.

Compared to FY2021, the net profit before tax margins of the GP clinic services and managed healthcare solutions business segments had improved while the net profit before tax margins of the mobile and digital health services, the specialist care services business segment and the pharmaceutical services had decreased. Managed healthcare solutions business segment continued to be loss-making in FY2022, however the loss is lower as compared to that in FY2021.

The Group's revenue is primarily generated from its operations in Singapore. The revenue generated from overseas mainly relate to its pharmaceutical services business segment. In FY2022, Singapore and overseas markets contributed approximately 95.1% and 4.9% of the Group's revenue respectively. In FY2021, Singapore and overseas markets contributed approximately 94.2% and 5.8% of the Group's revenue respectively.



2. Review of performance of the Group (cont'd)

Review of financial position of the Group as at 30 June 2022

Non-current assets

Non-current assets increased by approximately S\$0.1 million, from S\$15.9 million as at 30 June 2021 to S\$16.0 million as at 30 June 2022 mainly as a result of the following:

- (a) acquisition of 20% of the share capital in SGiMed for an aggregate cash consideration of S\$630,000 on 22 September 2021. From that date the Group gained significant influence and the investee became an associate. The Group shared a post-acquisition loss of approximately S\$66,000 of the associate for the year ended 30 June 2022;
- (b) a 2-year term loan of S\$610,000 to fund the operations and growth of SGiMed. The group recognised the fair value of the Loan Facility's Option Component of S\$47,527, which was net off from the principal of the loan as at the end of the reporting year; and
- (c) a decrease in the carrying value of property, plant and equipment, right-of-use assets and intangible assets of approximately S\$1.0 million as a result of the depreciation and amortisation of S\$2.8 million, partially offset by renewal of leases of an aggregate value of S\$1.3 million and addition of new plant and equipment of S\$0.4 million.

Current assets

Current assets increased by approximately S\$2.4 million, from S\$33.2 million as at 30 June 2021 to S\$35.6 million as at 30 June 2022. This was the net effect of an increase in cash and cash equivalents of S\$4.0 million, an increase in inventories of S\$0.2 million and a decrease in trade and other receivables of approximately S\$1.9 million as a result of better collection from corporations and insurers.

Total equity

Shareholders' equity increased by S\$2.4 million from S\$19.8 million as at 30 June 2021 to S\$22.2 million as at 30 June 2022 mainly as a result of an increase in retained earnings of S\$2.6 million (net profit attributable to equity holders of the Company of S\$3.1 million, offset by the payment of dividends of S\$0.5 million). Non-controlling interests increased by S\$0.5 million to S\$1.8 million. During the financial year ended 30 June 2022, the Company acquired 1,140,000 of its ordinary shares by way of on-market purchase for a total consideration of S\$199,400.

Non-current liabilities

Non-current liabilities decreased by S\$1.0 million from S\$6.7 million as at 30 June 2021 to S\$5.7 million as at 30 June 2022 mainly due to repayment of non-current loans and borrowings of S\$0.5 million and non-current lease liabilities of S\$0.5 million.

Current liabilities

Current liabilities increased by S\$0.2 million, from S\$21.9 million as at 30 June 2021 to S\$22.1 million as at 30 June 2022, mainly due to an increase in trade and other payables of S\$0.3 million largely attributable to the business segment of managed healthcare solutions in line with increase of service provision for managed healthcare solutions towards end of the year and higher provision of employee benefit expenses, and increase in income tax payable of S\$0.2 million in line with higher profit before tax in FY2022, partially offset by repayment of non-controlling shareholders' loan of S\$0.3 million.



2. Review of performance of the Group (cont'd)

Review of statement of cash flow for FY2022

The Group generated net cash of S\$9.8 million from operating activities in FY2022, mainly due to operating cash flows before changes in the working capital of S\$7.6 million, net working capital inflows of S\$2.6 million and income taxes paid of S\$0.4 million.

The net working capital inflows was a result of mainly a decrease in trade and other receivables by S\$1.9 million and an increase in trade and other payables by S\$1.1 million, partially offset by an increase in inventories by S\$0.2 million.

Net cash flows used in investing activities during FY2022 amounted to S\$2.4 million due to the net cash outflow arising from the acquisition of Put Option Shares in Jaga-Me for an aggregate cash consideration of S\$0.7 million, acquisition of 20% of the share capital in SGiMed for an aggregate cash consideration of S\$0.6 million, the disbursement of a loan amounted S\$0.6 million to fund the operations and growth of SGiMed and the purchase of property, plant and equipment.

Net cash flows used in financing activities amounted to S\$3.5 million during FY2022, mainly due to the payment of lease liabilities of S\$1.5 million, the repayment of bank borrowings of S\$0.8 million, repayment of non-controlling shareholders' loan of S\$0.3 million, the payment of dividends of S\$0.5 million and S\$0.3 million to equity holders of the Company and non-controlling shareholders respectively and share buyback of S\$0.2 million, partially offset by the new loan of S\$0.3 million.

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

There has not been any forecast or prospect statement in relation to the Group's results for the twelve months ended 30 Jun 2022 previously disclosed to shareholders.

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 operating period and the next 12 months

With further easing of COVID-19 measures, we expect the volume of patient visits to our GP Clinic Services, Specialist Care Services and Managed Healthcare business segments to improve as compared to the pandemic period. However, amidst the trend of global inflation, the Group is experiencing an increase in wages, energy and drug costs, which will raise the Group's operation costs.

Recently, the Ministry of Health ("MOH") rolled out the Healthier SG initiative, a significant healthcare system reform that encourages every Singaporean to have a trusted and lifelong relationship with their family doctors. The Group believes this programme will positively impact our GP services in the mid and long term.

The **SmartCMS Programme** by Integrated Health Information Systems (IHIS) aims to integrate private clinic management system ("CMS") vendors with the public healthcare system to facilitate seamless information flow between private clinics and the public healthcare system. The Group expects the demand for SmartCMS, such as our associate company, SGiMed's Hummingbird CMS, to increase as it is a requirement for GP clinics participating in the Healthier SG initiative.



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 operating period and the next 12 months (cont'd)

The Group's mobile and digital health services segment has seen growth due to services related to COVID-19. With the waning of the COVID-19 pandemic, we expect this source of revenue to reduce in the coming 12 months. Nevertheless, the Group remains optimistic about this segment's long-term growth prospects as we expect the demand for telemedicine services to remain strong in the post-pandemic era. Our optimism about the long-term growth in the mobile healthcare service is underpinned by MOH's drive for home-based care concept with the launch of pilot projects by the MOH Office for Healthcare Transformation ("MOHT")'s home hospitalisation programme (Mobile Inpatient Care at Home, **MIC@Home**). The Group will continue to support the growth and development of this segment. The Group is committed to significant investment to strengthen our digital technology capabilities.

5. Dividend Information

5(a) Current Financial Period Reported On

Any dividend recommended for the current financial period reported on?

Yes. The first and final dividend in respect of FY2022 ("**Final Dividend**"), as proposed below, is subject to the approval of shareholders at the Company's annual general meeting to be held on 27 October 2022.

Name of dividend	First and Final
Dividend type	Cash
Dividend amount per share (in cents)	0.45 cents per ordinary share
Tax rate	Tax exempt (one-tier)

5(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

Yes.

Name of dividend	First and Final
Dividend type	Cash
Dividend amount per share (in cents)	0.23 cents per ordinary share
Tax rate	Tax exempt (one-tier)

5(c) Date Payable

The Final Dividend, if approved by the shareholders of the Company at the forthcoming annual general meeting of the Company, will be paid on 11 November 2022.

5(d) Books Closure Date

Subject to the approval of the shareholders being obtained for the Final Dividend at the forthcoming annual general meeting of the Company to be held on 27 October 2022 (Thursday), the Register of Members and the Transfer of Books of the Company will be closed from **2 November 2022 (Wednesday)** at 5.00 p.m. for the preparation of dividend warrants.



5. Dividend Information (cont'd)

5(d) Books Closure Date

Duly completed registrable transfers received by the Company's Share Registrar, Tricor Barbinder Share Registration Services, at 80 Robinson Road, #02-00, Singapore 068898 before 5.00 p.m. on **2 November 2022 (Wednesday)**, will be registered to determine shareholders' entitlement to the Final Dividend.

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

Not applicable.

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

	FY2022 S\$	FY2021 S\$
Total annual ordinary dividend		
Interim (Tax exempt one-tier)	-	-
Final (Tax exempt one-tier)	930,368	478,143
Total	930,368	478,143

The proposed Final Dividend represents 30% (FY2021: 31%) of the Group's profits attributable to owners of the parent.

8. 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 Company did not obtain any general mandate from its shareholders in respect of any interested person transaction. The Company did not have any interested person transaction equal to or exceeding S\$100,000 during FY2022.

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

The Company confirms that it has already procured signed undertakings from all of its Directors and relevant executive officers in the format as set out in Appendix 7H of the Catalist Rules in accordance with Rule 720(1) of the Catalist Rules.

10. 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.

Pursuant to Rule 704(10) of the Catalist Rules, the Company confirms that, none of the persons occupying managerial positions in the Company or any of its principal subsidiaries is a relative of a director or the chief executive officer or substantial shareholder of the Company.



11. Utilisation of proceeds from the Company's initial public offering ("IPO")

As at the date of this announcement, the status on the use of the IPO proceeds is as follows:

	Allocated S\$'000	Utilised S\$'000	Balance S\$'000
(i) To expand business through (a) the expansion of network of self-owned GP clinics, specialist care services and medical facilities in Singapore as well as (b) acquisitions, joint ventures and/or strategic alliances	3,000	2,701	299
(ii) To invest in technology systems as part of the digital transformation of the delivery of healthcare services	500	500	–
(iii) To expand pharmaceutical services business	200	200	–
(iv) For general working capital requirements ⁽¹⁾⁽²⁾	1,028	1,028	–
(v) For payment of underwriting and placement commissions as well as listing expenses ⁽¹⁾	1,672	1,672	–
(vi) Gross proceeds from IPO	6,400	6,101	299

Notes:

- (1) The Company incurred actual IPO expenses of S\$1.672 million. The amount of S\$189,000 in excess of the estimated IPO expenses of S\$1.861 million has been re-allocated for general working capital purposes.
- (2) The Company has fully utilised the amount allocated for general working capital requirements for purchase of inventories.

The above utilisation is in accordance with the intended use of proceeds from the IPO as stated in the offer document dated 24 May 2019.

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

Save as disclosed in notes 16 and 17 to the condensed interim financial statements, there is no other acquisition and/or sale of shares in any subsidiaries or associated companies of the Group since 30 June 2021 (being the end of the previous period reported on) and up to the date hereof which is required to be reported under Rule 706(A) of the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalist ("Catalist Rules").

BY ORDER OF THE BOARD

BARRY THNG LIP MONG
Executive Chairman and CEO

26 August 2022