

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

**Unaudited Condensed Interim Consolidated Financial Statements
For the Six-Month Financial Period ("2HY") and
Full Financial Year ("FY") ended 31 December 2022**

Table of Contents

	Page
Condensed interim consolidated statement of comprehensive income	1
Condensed interim statements of financial position	3
Condensed interim statements of changes in equity	4
Condensed interim consolidated statement of cash flows	5
Notes to the condensed interim consolidated financial statements	6
Other Information Required by Appendix 7C of the Catalist Rules	16

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

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HealthBank Holdings Limited and its subsidiary corporations
Condensed interim consolidated statement of comprehensive income
For the second half year and full year ended 31 December 2022

	The Group		Change %	The Group		Change %
	RMB'000			RMB'000		
	2HY22	2HY21		FY22	FY21	
Revenue	146	-	100	379	99	>100
Other income						
- Interest (waived)/income	-	(327)	(100)	-	34	(100)
- Others	13	172	(92)	105	167	(48)
	13	(155)	NM	105	201	(48)
Other (losses)/gains						
- Gain on disposal of property, plant and equipment	-	-	NM	-	4	(100)
- Gain on disposal of subsidiary	598	-	100	598	-	100
- Fair value loss on FVTPL	(1,167)	-	100	(1,167)	-	100
- Currency exchange (loss)/gain, net	(645)	280	NM	(851)	715	NM
	(1,214)	280	NM	(1,420)	719	NM
Depreciation of property, plant and equipment	(1)	(1)	0	(4)	(4)	0
Employee compensation	(954)	(1,143)	(17)	(1,666)	(1,840)	(9)
Finance costs	(1,013)	(1,008)	<1	(1,288)	(1,005)	28
Other expenses	(1,353)	(1,112)	22	(2,329)	(2,027)	15
Total expenses	(3,321)	(3,264)	2	(5,287)	(4,876)	8
Loss before income tax	(4,376)	(3,139)	39	(6,223)	(3,857)	61
Income tax expense	-	-	NM	-	-	NM
Total loss	(4,376)	(3,139)	39	(6,223)	(3,857)	61
Other comprehensive income/(loss)						
Items that may be reclassified subsequently to profit or loss:						
Currency translation differences arising from consolidation	152	(276)	NM	612	(663)	NM
Other comprehensive income/(loss), net of tax	152	(276)	NM	612	(663)	NM
Total comprehensive loss for the financial period/year	(4,224)	(3,415)	24	(5,611)	(4,520)	24

NM = Not Meaningful

HealthBank Holdings Limited and its subsidiary corporations
Condensed interim consolidated statement of comprehensive income
For the second half year and full year ended 31 December 2022

	The Group		Change %	The Group		Change %
	RMB'000			RMB'000		
	2HY22	2HY21		FY22	FY21	
Loss attributable to:						
Equity holders of the Company	(4,321)	(2,987)	45	(6,171)	(3,643)	69
Non-controlling interests	(55)	(152)	(64)	(52)	(214)	(76)
	(4,376)	(3,139)	39	(6,223)	(3,857)	61
Total comprehensive loss attributable to:						
Equity holders of the Company	(4,169)	(3,263)	28	(5,559)	(4,306)	29
Non-controlling interests	(55)	(152)	(64)	(52)	(214)	(76)
	(4,224)	(3,415)	24	(5,611)	(4,520)	24

NM – Not Meaningful

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

Loss for the financial period/year attributable to equity holders of the Company (RMB'000)	(4,321)	(2,987)	(6,171)	(3,643)
Weighted average number of shares ('000)	81,536	78,000	81,536	78,000
Basic loss per share (RMB cents per share)	(5.30)	(3.83)	(7.57)	(4.67)

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

Loss for the financial period/year attributable to equity holders of the Company (RMB'000)	(4,321)	(2,987)	(6,171)	(3,643)
Weighted average number of shares ('000)	100,010	100,089	100,010	100,089
Diluted loss per share (RMB cents per share)	(4.32)	(2.98)	(6.17)	(3.64)

The diluted loss per share for 2HFY22 and FY22 includes the effects of dilution from the number of conversion shares as at 31 December 2022.

The diluted loss per share for 2HFY21 and FY21 includes the effects of dilution from maximum number of conversion shares which can be issued pursuant to the convertible loans as at 31 December 2021 of 25,000,000 shares.

HealthBank Holdings Limited and its subsidiary corporations
Condensed interim statements of financial position
As at 31 December 2022

	Note	Group		Company	
		31-Dec-22 RMB'000	31-Dec-21 RMB'000	31-Dec-22 RMB'000	31-Dec-21 RMB'000
ASSETS					
Current assets					
Cash and bank balances		2,737	7,909	2,370	7,097
Other receivables		9,542	360	10,506	2,108
		12,279	8,269	12,876	9,205
Non-current assets					
Financial assets, at FVTPL	10	54,060	55,227	-	-
Investments in subsidiary corporations	12	-	-	44,800	44,800
Other receivables		-	9,500	-	9,500
Property, plant and equipment		7	15	7	10
		54,067	64,742	44,807	54,310
Total assets		66,346	73,011	57,683	63,515
LIABILITIES					
Current liability					
Other payables		1,310	831	942	590
		1,310	831	942	590
Non-current liability					
Convertible loans		-	9,125	-	9,125
		-	9,125	-	9,125
Total liabilities		1,310	9,956	942	9,715
NET ASSETS		65,036	63,055	56,741	53,800
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital	11	37,507	29,194	37,507	29,194
Equity component of convertible loans		-	1,442	-	1,442
Currency translation reserve		4,632	4,020	4,692	3,971
Retained profits		22,918	28,368	14,542	19,193
		65,057	63,024	56,741	53,800
Non-controlling interests		(21)	31	-	-
Total equity		65,036	63,055	56,741	53,800

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

HealthBank Holdings Limited and its subsidiary corporations
Condensed interim statements of changes in equity
For the full year ended 31 December 2022

The Group	← Attributable to equity holders of the Company →					Non-Controlling Interests	Total
	Share Capital	Equity Component of Convertible Loan	Currency Translation Reserve	Retained Profits	Total		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2022	29,194	1,442	4,020	28,368	63,024	31	63,055
Total comprehensive loss for the financial year	-	-	612	(6,171)	(5,559)	(52)	(5,611)
Issuance of shares	8,313	(721)	-	-	7,592	-	7,592
Redemption of convertible loans	-	(721)	-	721	-	-	-
At 31 December 2022	37,507	-	4,632	22,918	65,057	(21)	65,036
At 1 January 2021	29,194	-	4,683	30,985	64,862	5,522	70,384
Total comprehensive loss for the financial year	-	-	(663)	(3,643)	(4,306)	(214)	(4,520)
Share capital contributed by non-controlling interest	-	-	-	-	-	245	245
Acquisition of additional stake in subsidiary	-	-	-	322	322	(5,522)	(5,200)
Issuance of convertible loans	-	2,146	-	-	2,146	-	2,146
Redemption of convertible loans	-	(704)	-	704	-	-	-
At 31 December 2021	29,194	1,442	4,020	28,368	63,024	31	63,055

The Company	Share Capital	Equity Component of Convertible Loan	Currency Translation Reserve	Retained Profits	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2022	29,194	1,442	3,971	19,193	53,800
Issuance of shares	8,313	(721)	-	-	7,592
Redemption of convertible loans	-	(721)	-	721	-
Total comprehensive loss for the financial year	-	-	721	(5,372)	(4,651)
At 31 December 2022	37,507	-	4,692	14,542	56,741
At 1 January 2021	29,194	-	4,693	21,517	55,404
Issuance of convertible loans	-	2,146	-	-	2,146
Redemption of convertible loans	-	(704)	-	704	-
Total comprehensive loss for the financial year	-	-	(722)	(3,028)	(3,750)
As 31 December 2021	29,194	1,442	3,971	19,193	53,800

HealthBank Holdings Limited and its subsidiary corporations
Condensed interim consolidated statement of cash flows
For the full year ended 31 December 2022

	FY22	FY21
	RMB'000	RMB'000
Cash flows from operating activities:		
Net loss for the financial year	(6,223)	(3,857)
Adjustments for:		
- Depreciation of property, plant and equipment	4	4
- Gain on disposal of a subsidiary	(598)	-
- Gain on disposal of property, plant and equipment	-	(4)
- Fair value loss on FVTPL	1,167	-
- Interest expense from the unwinding effects of the convertible loan	1,288	1,005
- Unrealised currency translation differences	612	(969)
Operating cash flows before movements in working capital	(3,750)	(3,821)
Change in working capital:		
- Other receivables	13	(314)
- Other payables	479	16
Net cash used in operating activities	(3,258)	(4,119)
Cash flows from investing activities:		
Share capital contributed by non-controlling interests	-	245
Purchase of property, plant and equipment	-	(31)
Sales proceeds from disposal of a subsidiary	907	-
Disposal of property, plant and equipment	-	16
Net cash provided by investing activities	907	230
Cash flows from financing activities:		
Proceeds from issuance of convertible loans, net of transaction costs	-	15,753
Proceeds from issuance of shares	1,933	-
Redemption of convertible loans, net of transaction costs	(4,754)	(5,181)
Net cash (used in)/provided by financing activities	(2,821)	10,572
Net (decrease)/increase in cash and bank balances	(5,172)	6,683
Cash and bank balances		
Beginning of financial year	7,909	1,226
End of financial year	2,737	7,909

1. General information

HealthBank Holdings Limited (the “**Company**”) is listed on the Catalist of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) and incorporated and domiciled in Singapore. The address of its registered office is 15 Scotts Road, #04-08, Singapore 228218 effective from 21 March 2022.

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

2. Basis of preparation

The condensed interim consolidated financial statements for the six months and financial year ended 31 December 2022 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim consolidated financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last audited annual financial statements for the year ended 31 December 2021.

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

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

2.1 Interpretations and amendments to published standards effective in 2022

On 1 January 2022, the Group has adopted the new or amended SFRS(I)s and Interpretations of SFRSs (“**INT SFRS(I)s**”) that are mandatory for application for the financial period.

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

2.2. Critical accounting estimates, assumptions and judgements

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

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

2. Basis of preparation (cont'd)

2.2 Critical accounting estimates, assumptions and judgements (cont'd)

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

(a) Financial assets, at fair value through profit or loss ("FVTPL")

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

(b) Expected credit loss allowance for other receivables

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

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

(c) Convertible notes

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

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

3. Going Concern

In preparing the condensed interim consolidated financial statements, management has assessed the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

4. Segment and revenue information

The Group is organised into the following main business segments:

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

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

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

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

HealthBank Holdings Limited and its subsidiary corporations
Notes to the condensed interim consolidated financial statements
For the second half year and full year ended 31 December 2022

4. Segment and revenue information (cont'd)

	<i>HQ and Other Investing Activities</i>		<i>Property Management*</i>		<i>Total</i>	
	2HY22 RMB'000	2HY21 RMB'000	2HY22 RMB'000	2HY21 RMB'000	2HY22 RMB'000	2HY21 RMB'000
Segment revenue	-	-	146	-	146	-
Adjusted LBITDA	(3,466)	(1,499)	104	(310)	(3,362)	(1,809)
Depreciation of property, plant and equipment	(1)	(1)	-	-	(1)	(1)
Interest waived	-	(327)	-	-	-	(327)
Government grant	2	40	-	-	2	40
Finance costs	(1,013)	(1,008)	-	-	(1,013)	(1,008)
Segment assets	66,197	72,908	149	103	66,346	73,011
Segment liabilities	(1,118)	(9,917)	(192)	(39)	(1,310)	(9,956)
Revenue						
People's Republic of China	-	-	146	-	146	-
Singapore	-	-	-	-	-	-
	-	-	146	-	146	-
Non-current assets						
People's Republic of China	54,060	64,732	-	-	54,060	64,732
Singapore	7	10	-	-	7	10
	54,067	64,742	-	-	54,067	64,742

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

HealthBank Holdings Limited and its subsidiary corporations
Notes to the condensed interim consolidated financial statements
For the second half year and full year ended 31 December 2022

4. Segment and revenue information (cont'd)

	<i>HQ and Other Investing Activities</i>		<i>Property Management*</i>		<i>Total</i>	
	FY22 RMB'000	FY21 RMB'000	FY22 RMB'000	FY21 RMB'000	FY22 RMB'000	FY21 RMB'000
Segment revenue	-	-	379	99	379	99
Adjusted LBITDA	(4,825)	(2,091)	(107)	(436)	(4,932)	(2,527)
Depreciation of property, plant and equipment	(4)	(4)	-	-	(4)	(4)
Interest income	-	34	-	-	-	34
Government grant	59	71	-	-	59	71
Finance costs	(1,288)	(1,005)	-	-	(1,288)	(1,005)
Segment assets	66,197	72,908	149	103	66,346	73,011
Segment liabilities	(1,118)	(9,917)	(192)	(39)	(1,310)	(9,956)
Revenue						
People's Republic of China	-	-	379	99	379	99
Singapore	-	-	-	-	-	-
	-	-	379	99	379	99
Non-current assets						
People's Republic of China	54,060	64,732	-	-	54,060	64,732
Singapore	7	10	-	-	7	10
	54,067	64,742	-	-	54,067	64,742

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

5. Financial assets and financial liabilities

	Group		Company	
	31-Dec-22 RMB'000	31-Dec-21 RMB'000	31-Dec-22 RMB'000	31-Dec-21 RMB'000
Financial assets				
Cash and bank balances	2,737	7,909	2,370	7,097
Financial assets, at FVTPL	54,060	55,227	-	-
Other receivables*	9,514	9,556	10,478	11,520
	66,311	72,692	12,848	18,617
Financial liabilities				
Other payables	(1,310)	(831)	(942)	(590)
Convertible loans	-	(9,125)	-	(9,125)
	(1,310)	(9,956)	(942)	(9,715)

* Excluded prepayments

6. Related party transactions

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

- (i) Lease expense with director related company

The Company entered a lease agreement with director related company during the financial year. The lease expense amounted to RMB47,151 was recorded under "admin expenses".

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

	Group			
	6-month ended		12-month ended	
	31-Dec-22 RMB'000	31-Dec-21 RMB'000	31-Dec-22 RMB'000	31-Dec-21 RMB'000
Directors				
Wages and salaries	602	606	830	858
Employer's contribution to defined contribution plans	21	23	41	43
Fees	157	147	304	297
	780	776	1,175	1,198
Other key management personnel				
Wages and salaries	122	195	394	391
Employer's contribution to defined contribution plans	13	29	58	59
	135	224	452	450
	915	1,000	1,627	1,648

7. Taxation

The Group calculate the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The Group recorded a loss before tax of RMB6.22 million in FY22 and hence, income tax is not provided for the reporting period.

8. Dividends

No dividend is declared or recommended for FY22 (FY21: Nil) in view of the losses incurred in FY22.

9. Net asset value

Net asset value ("NAV") per ordinary share	Group		Company	
	31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
NAV attributable to equity holders of the Company (RMB'000)	65,057	63,024	56,741	53,800
Number of ordinary shares ('000)	94,300	78,000	94,300	78,000
NAV per ordinary share based on issued share capital (RMB)	0.69	0.81	0.60	0.69

10. Financial assets, at FVTPL

Fair value measurements

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

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

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
	RMB'000	RMB'000	RMB'000	RMB'000
Group				
31 December 2022				
Assets				
Financial assets, at FVTPL	-	-	54,060	54,060
31 December 2021				
Assets				
Financial assets, at FVTPL	-	-	55,227	55,227

As at 31 December 2022 and 31 December 2021, the financial assets, at FVTPL represents investment in unquoted equity. The fair value of the investment in unquoted equity is assessed by using a variety of methods and assumptions based on market conditions, macro and microeconomic information that existed at the end of reporting period. Financial assets, at FVTPL is classified within Level 3 of the fair value hierarchy as significant unobservable inputs is used. The fair value of other current financial assets carried at amortised cost approximate their carrying amounts.

11. Share capital

	Group and Company			
	2022		2021	
	Number of shares '000	Issued and paid-up share capital RMB'000	Number of shares '000	Issued and paid-up share capital RMB'000
Group and Company				
<i>Paid-up ordinary shares</i>				
Beginning of financial year	78,000	29,194	78,000	29,194
Issuance of shares for cash consideration	3,800	1,933	-	-
Issuance of shares upon conversion of convertible notes	12,500	6,380	-	-
End of financial year	94,300	37,507	78,000	29,194

All issued ordinary shares are fully paid. There is no par value for these ordinary shares. Fully paid ordinary shares carry one vote per share and carry a right to dividends as and when declared by the Company.

Pursuant to a shares subscription exercise based on the subscription agreement entered between the Company and the subscriber on 11 June 2022, the Company issued 3,800,000 ordinary shares at S\$0.105 per share on 30 June 2022 (equivalent to RMB1,933,000 in total), to provide funds for the Group's general working capital purposes but not limited to due diligence expenses in connection with potential investment projects to be undertaken by the Group.

On 15 November 2022, the convertible notes holder, Ms. Feng Li, exercised her conversion rights to convert her convertible notes into 12,500,000 ordinary shares at the conversion price of S\$0.088 (equivalent to RMB5,659,000). Additionally, as part of the conversion, there was a transfer of equity component of convertible notes of RMB721,000.

Save as disclosed, the Company did not have any outstanding options, convertibles, treasury shares and subsidiary holdings as at 31 December 2022 and 31 December 2021.

12. Investments in subsidiary corporations

	2022 RMB'000	2021 RMB'000
Company		
<i>At cost</i>		
Beginning of financial year	44,800	39,600
Addition	-	5,200
End of financial year	44,800	44,800

*Less than RMB1,000

During 2HY22

On 20 July 2022, the Group had entered into a Sales and Purchase agreement to dispose its entire equity interest in its 100% owned subsidiary, HealthBank Technology Development (Liaoning) Limited (held via a subsidiary, Elite Management (Singapore) Pte Ltd) to the non-related party for a cash consideration of S\$250,000 (approximately RM1.29 million). On 22 July 2022, the Company announced the completion of the transaction. Please refer to the Company's announcements dated 20 July 2022 and 22 July 2022 for further details.

13. Subsequent events

The Company has received a Notice of Compliance (“**NOC**”) issued by the Singapore Exchange Regulation Pte Ltd (the “**SGX Regco**” or the “**Exchange**”) on 24 February 2023 in relation to the Company’s announcements dated 4 November 2022, 16 December 2022 and 30 December 2022 in relation to, inter alia, the proposed acquisition of 100% New Energy International Investment Holdings Limited (the “**Proposed Acquisition**”), and the Trade with Caution alert issued by the SGX Regco on 24 February 2023. The Company has made another announcement on 27 February 2023 in response to the SGX Regco and investors that the Company is seeking advice from its continuing sponsor on the NOC requirements. The Company will notify the shareholders as and when there are any material developments on the NOC matter and the Proposed acquisition.

Save for the above, there are no known subsequent events which have led to adjustment to this set of condensed interim consolidated financial statements.

Other Information Required by Appendix 7C of the Catalist Rules

1. Review

The condensed interim statements of financial position of HealthBank Holdings Limited (the “**Company**”) and its subsidiaries (collectively, the “**Group**”) as at 31 December 2022 and the related condensed interim consolidated statement of comprehensive income, condensed interim statements of changes in equity and condensed interim consolidated statement of cash flows for the six-month and the year ended 31 December 2022 and certain explanatory notes have not been audited or reviewed by the Company’s auditors.

The Group’s latest audited financial statements for the financial year ended 31 December 2021 were not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

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

REVIEW OF FINANCIAL PERFORMANCE

Revenue

For FY22 and 2HY22, the Group recorded revenue of RMB0.38 million and RMB0.15 million (FY21: RMB0.10 million, 2HY2021: Nil) respectively in relation to a facility and landscaping management service contract (the “**Contract**”) for the Atlantis Garden Project (“**AG Project**”) where the Group has an 8% indirect effective equity interest in the AG Project. The Contract has been further extended from 30 November 2022 to 31 August 2023. The increase is due to the increasing activities from the AG Project.

Other income

Other income of RMB0.11 million in FY22 included RMB0.03 million from employee for serving short notice, RMB0.06 million received from government in relation to Job Growth Incentive (“**JGI**”), a financial support scheme by the Singapore Government to support employers to expand local hiring from September 2020 to March 2023.

The decrease in 2HY22 and FY22 is mainly due to the absence of Job Support Scheme (“**JSS**”) which introduced in the Singapore Budget 2020 to help enterprises retain local employees. The scheme had been extended up to 2021 by the Singapore Government. Under the JSS, employers will receive cash grants in relation to the gross monthly wages of eligible employees.

Other (losses)/gains

Other (losses)/gains in 2HY22 and FY22 was mainly contributed by foreign exchange loss of RMB0.65 million and fair value loss on FVTPL of RMB1.17 million, partially offset by the gain on disposal of subsidiary corporations RMB0.60 million, whereas in 2HY21 and FY21, there was foreign exchange gain of RMB0.28 million and RMB0.72 million respectively.

Employee compensation

Employee compensation decreased by RMB0.19 million or 17%, from RMB1.14 million in 2HY21 to RMB0.95 million in 2HY22, mainly due to lower staff costs in Singapore and the absence of staff cost incurred by HealthBank Technology Development (Liaoning) Limited, a subsidiary corporation which has been disposed in 2HY22.

Due to the same reasons as cited above, employee compensation decreased by RMB0.17 million or 9%, from RMB1.84 million in FY21 to RMB1.67 million in FY22.

2. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business (cont'd)**

REVIEW OF FINANCIAL PERFORMANCE (CONT'D)

Finance costs

Finance costs in 2HY22 and FY22 was arising due to the unwinding effects from the convertible loans. No significant variance noted as compared to 2HY21, but there is an increase of 28% as compared to FY21.

Other expenses

The increase in other expenses of RMB0.24 million or 22% in 2HY22 and RMB0.30 million or 15% in FY22 was mainly due to the professional fees and administrative expenses incurred for initial stage of new project relating to windfarm.

Income tax expense

The Group recorded a loss before tax of RMB4.37 million in 2HY22 and RMB6.22 million in FY2022 and hence, no income tax is provided for 2HY22 and FY2022 (2HY21: Nil, FY21: Nil).

REVIEW OF FINANCIAL POSITION

Current assets

Cash and bank balances decreased by RMB5.17 million, from RMB7.91 million as at 31 December 2021 to RMB2.74 million as at 31 December 2022. Please refer to the "Review of Cash Position" section below for further details on the material cash movements.

As at 31 December 2022, the Group has other receivables of RMB9.54 million, an increase of RMB9.18 from RMB0.36 million as at 31 December 2021 mainly due to the reclassification of the loan to a third party from non-current assets to current assets due to the loan will be due in mid of FY2023 and utilisation of prepayments.

An increase in other receivables to RMB10.51 million in Company from RMB2.1 million mainly due to the reclassification of the receivable from non-current assets to current assets of RMB9.51 million, and partially offset by the collection on behalf of subsidiary amounting to RMB1.29 million for the sales proceed from disposal of a subsidiary, HealthBank Technology Development.

Non-current assets

The decrease in non-current assets in 31 December 2022 for the Group is mainly due to the recognition of fair value loss on FVTPL of RMB1.17 million during the financial year and reclassification of other receivables of RMB9.54 million from non-current assets to current assets due to the loan will be due in mid of FY2023.

The decrease in non-current assets in 31 December 2022 for the Company is mainly due to the reclassification of other receivables of RMB9.54 million from non-current assets to current assets due to the loan will be due in mid of FY2023.

Current liabilities

Other payables increased by RMB0.48 million to RMB1.31 million as at 31 December 2022 as compared to RMB0.83 million as at 31 December 2021 for the Group and increased by RMB0.35 million as at 31 December 2022 as compared to RMB0.59 million as at 31 December 2021 for the Company mainly due the unpaid staff costs for December 2022 and unpaid directors' fees for the year.

2. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business (cont'd)

REVIEW OF FINANCIAL POSITION (CONT'D)

Non-current liabilities

The decrease in non-current liabilities as of 31 December 2022 is mainly due to the redemption of the convertible loans and the conversion of the convertible loans into new shares during the financial year.

Shareholders' equity

Equity attributable to equity holders of the Company increased by RMB2.04 million to RMB65.06 million as at 31 December 2022, from RMB63.02 million as at 31 December 2021. The increase is mainly due to the issuance of ordinary share capital pursuant to the placement and conversion of convertible loans amounting to RMB7.59 million and the currency translation gain arising from consolidation of RMB0.61 million, partially offset by loss for the financial year of RMB6.17 million.

REVIEW OF CASH POSITION

Net cash used in operating activities of the Group amounted to RMB3.26 million for FY22 was mainly due to operating cash outflows before movements in working capital of RMB3.75 million and offset by a decrease in other receivables of RMB0.01 million and an increase in other payables of RMB0.48 million.

Net cash provided by investing activities of the Group amounted to RMB0.91 million for FY22 was due to the receipt of sales proceeds from the disposal of a subsidiary, namely HealthBank Technology Development (Liaoning) Limited.

Net cash used in financing activities of the Group amounted to RMB2.82 million for FY22 was due to the redemption of convertible loans of RMB4.75 million, partially offset by the proceeds from issuance of ordinary share capital pursuant to the placement of RMB1.93 million.

Overall, the Group recorded a net cash decrease of RMB5.17 million in FY22. The Group has cash and cash equivalents of RMB2.74 million as at 31 December 2022.

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

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

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

As we move into FY2023, we expect the overall business environment to remain challenging in China and the world. China has ended its zero-Covid policies and relaxed its strict border control measures, positively signaling that the country is trying to boost its economy. It is encouraging for businesses in hospitality, property management and landscaping management service where the Group is operating.

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

In November 2022, the Group entered into an Equity Transfer Agreement with New Energy Industry Sweden AB, a Sweden incorporated company, in relation to, inter alia, the proposed sale of 100% of the shares in the capital of New Energy International Investment Holding Limited (the “**Target**”) to the Group (the “**Proposed Acquisition**”). The Proposed Acquisition will facilitate and further the Group’s diversification into the renewable energy industry. The Group believes the renewable energy industry is expected to grow, supported by a global trend towards sustainability, regulatory incentives in major economic territories such as China, the United States and the European Union, and the current relatively lower cost of renewable energy as compared to the traditional sources energy such as crude oil, natural gas and coal. In particular, as noted in the Independent Valuation Report as disclosed in the Company’s circular dated 15 December 2022, China has abundant renewable resources for hydropower, wind and solar energy generation. Coupled with China’s carbon neutrality goal and strong government support for renewable energy, the Group is of the view that the renewable industry in China represents good business opportunities for the Group.

Despite all these challenges, the Group will continue to strive in our current business and will continue to do our best to explore new business opportunities. The Group has been continuously looking for suitable business partners to work together with as well. Our aim is to broaden our revenue stream and improve the Group’s performance.

OUTLOOK

With the support of all our stakeholders, the Group has taken the decision to diversify into the renewable energy sector. We have begun to restructure ourselves and we are in the progress of completing the restructuring. The Group is also actively seeking new technologies in the renewable energy business, including but not limited to new materials, improved materials and new designs for building solar and wind power farms and improving efficiency (the “**Energy Technologies Business**”).

Despite the economic uncertainties the world is presently facing, our Group’s decision to diversify into a stable and cash flow recurring business will bring about more stability and facilitate our Group for future growth. The management will continue to be vigilant in cost controls while always being on the lookout for strategic partnerships that will enhance shareholders’ value.

5. If a decision regarding dividend has been made:

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

No dividend is declared for the current financial period reported on. As the Company incurred net losses during the financial year and prior years and cash balance of the Company is not large, the Company needs financial resources to maintain its current operations and venture into new business opportunities and to broaden the Company’s revenue stream and improve the Group’s performance.

(b) (i) Amount per share in cents

Not applicable.

(ii) Previous corresponding period in cents

No dividend is declared for the corresponding period.

5. If a decision regarding dividend has been made (cont'd):

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

Not applicable.

- (d) The date the dividend is payable

Not applicable.

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

Not applicable.

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

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

7. Use of proceeds

Convertible Loan

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

The Company received Net Proceeds of S\$3.28 million raised from the Convertible Loan and the utilisation of the Net Proceeds after the last announcement on the utilisation as at 12 August 2022 up to the date of this announcement is as follows:

Use of Proceeds	Allocation	Redemption of convertible loan up to the date of this announcement	Amount utilised as at 12.8.2022	Amount utilised after 12.8.2022 up to the date of this announcement	Balance amount
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Business expansion and investment opportunities	2,480	(2,200) ⁽²⁾	⁽¹⁾	-	280
Working capital	800	-	(716) ⁽³⁾	(228) ⁽³⁾	(144)
Net Proceeds	3,280	(2,200)	(716)	(228)	136

Notes:

- (1) This pertains to payment made for share capital of HealthBank Technology Development (Liaoning) Limited incorporated on 6 April 2021. The Group has subsequently disposed of its entire shareholding interest in HealthBank Technology Development (Liaoning) Limited for a consideration of S\$250,000 and such consideration was received in July 2022.

7. Use of proceeds (cont'd)

Convertible Loan (cont'd)

- (2) This pertains to payments made for (i) the redemption of the Convertible Loan amounting to S\$1.1 million as announced on 23 December 2021, (ii) partial redemption of the Convertible Loan amounting to S\$0.5 million as announced on 24 June 2022, and (iii) partial redemption of the Convertible Loan amounting to S\$0.6 million as announced on 19 September 2022.
- (3) This pertains to administrative expenses (approximately S\$559,000), salaries related expenses (approximately S\$378,000) and additional expenses for convertible loans (approximately S\$7,000).

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

Placement

The Company refers to its previous announcements dated 13 June 2022, 29 June 2022 and 30 June 2022 (“**Placement Announcements**”). Unless otherwise defined, all capitalised terms used in this section shall bear the same meaning as the capitalised terms used in the Placement Announcements.

The Company received net proceeds of S\$373,000 raised from the Placement and the utilisation of the net proceeds after the last announcement on the utilisation as at 12 August 2022 up to the date of this announcement is as follows:

Use of Proceeds	Allocation	Amount utilised as at 12.8.2022	Amount utilised after 12.8.2022 up to the date of this announcement	Balance amount
	S\$'000	S\$'000	S\$'000	S\$'000
Working capital	373	(21) ⁽¹⁾	(138) ⁽¹⁾	214

Note:

- (1) This pertains to payment for the professional fees with regards to the valuation fees and other due diligence incurred for a potential project in China.

The above utilisations were consistent with the intended use of proceeds from the Placement as disclosed in the Placement Announcements. The Company will continue to make periodic announcements on the utilisation of the balance of the net proceeds from the Placement.

8. Breakdown of sales

	FY22 (RMB'000)	FY21 (RMB'000)	Increase/(Decrease) %
Sales reported for first half year	233	99	>100
Operating loss after tax before deducting non-controlling interests reported for first half year	(1,847)	(718)	>100
Sales reported for second half year	146	-	100
Operating loss after tax before deducting non-controlling interests reported for second half year	(4,376)	(3,139)	39

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

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

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

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

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

Save as disclosed in Note 12 above, there was no acquisition or sale of shares in any of the Group's subsidiary or associated company nor incorporation or winding up or striking off of any subsidiary or associated company by the Company or any of the Group's entities during 2HY22.

On behalf of the Board

Peng Fei
 Executive Director and CEO

28 February 2023