



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 ended 31 December 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: 6 months ended 31 December 2022 (“**HY2023**”)

Corresponding period of the immediately preceding financial year: 6 months ended 31 December 2021 (“**HY2022**”)



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

	Note	Group			
		6 months ended			
		31 December			
		2022	2021	Variance	
		S\$	S\$	S\$	%
Revenue	4	28,920,022	28,567,530	352,492	1.2
Other income and gains		548,335	793,264	(244,929)	(30.9)
Consumables and medical supplies used		(9,064,935)	(8,266,964)	(797,971)	9.7
Employee benefits expense		(14,851,376)	(14,968,571)	117,195	(0.8)
Depreciation and amortisation expense		(1,375,829)	(1,418,898)	43,069	(3.0)
Other losses		(2,923)	(5,824)	2,901	(49.8)
Finance costs		(146,197)	(119,393)	(26,804)	22.5
Other expenses		(2,247,519)	(1,770,201)	(477,318)	27.0
Share of results of an associate		(6,548)	(22,824)	16,276	(71.3)
Profit before tax	6	1,773,030	2,788,119	(1,015,089)	(36.4)
Income tax income (expense)	7	187,541	(192,589)	380,130	(197.4)
Profit for the financial period, net of tax		1,960,571	2,595,530	(634,959)	(24.5)
Other comprehensive loss:					
<u>Items that may be reclassified subsequently to profit or loss:</u>					
Exchange differences on translating foreign operations, net of tax		(4,808)	(111)	(4,697)	n.m.
Total other comprehensive loss for the period, net of tax		(4,808)	(111)	(4,697)	n.m.
Total comprehensive income for the period		1,955,763	2,595,419	(639,656)	(24.6)
Profit attributable to:					
– Owners of the parent		1,920,336	1,683,080	237,256	14.1
– Non-controlling interests		40,235	912,450	(872,215)	(95.6)
Profit for the financial period, net of tax		1,960,571	2,595,530	(634,959)	(24.5)
Total comprehensive income attributable to:					
– Owners of the parent		1,915,528	1,682,969	232,559	13.8
– Non-controlling interests		40,235	912,450	(872,215)	(95.6)
Total comprehensive income		1,955,763	2,595,419	(639,656)	(24.6)

*n.m denotes not meaningful



B. Condensed interim statements of financial position

	Note	Group		Company	
		31-Dec-22 S\$	30-Jun-22 S\$	31-Dec-22 S\$	30-Jun-22 S\$
ASSETS					
<u>Non-current assets</u>					
Property, plant and equipment	12	6,463,569	6,594,276	113,207	130,406
Right-of-use assets		2,748,155	2,532,043	5,513	18,332
Investment properties	13	-	-	3,765,216	3,820,183
Investment in subsidiaries		-	-	5,877,632	5,877,632
Investment in an associate		556,957	563,505	-	-
Intangible assets	11	5,654,880	5,725,840	-	-
Trade and other receivables		562,473	562,473	-	-
Deferred tax assets		47,392	47,392	-	-
Total non-current assets		16,033,426	16,025,529	9,761,568	9,846,553
<u>Current assets</u>					
Inventories		2,447,433	2,424,060	-	4,100
Financial assets - derivatives		89,962	89,962	-	-
Trade and other receivables		18,831,141	11,655,001	15,641,331	11,437,247
Income tax receivables		3,036	4,350	-	-
Other non-financial assets		835,522	716,328	223,973	106,551
Cash and cash equivalents		18,503,689	20,714,704	1,194,167	892,500
Total current assets		40,710,783	35,604,405	17,059,471	12,440,398
Total assets		56,744,209	51,629,934	26,821,039	22,286,951
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	(373,360)	(199,400)	(373,360)	(199,400)
Retained earnings		13,446,201	12,451,733	3,165,972	1,687,983
Other reserves		(4,722,669)	(4,717,861)	-	-
Equity, attributable to owners of the parent		23,034,422	22,218,722	17,476,862	16,172,833
Non-controlling interests		1,500,196	1,787,961	-	-
Other reserve		(94,578)	(94,578)	-	-
Total equity		24,440,040	23,912,105	17,476,862	16,172,833
<u>Non-current liabilities</u>					
Financial liabilities - lease liabilities		1,395,744	1,143,055	5,666	-
Loans and borrowings	14	4,884,893	4,433,303	2,789,953	2,367,545
Deferred tax liabilities		78,472	90,535	-	-
Total non-current liabilities		6,359,109	5,666,893	2,795,619	2,367,545
<u>Current liabilities</u>					
Income tax payable		616,137	798,355	-	-
Trade and other payables		21,479,617	17,977,815	5,480,337	3,461,223
Provision		175,000	175,000	-	-
Other non-financial liabilities		4,000	104,239	-	-
Financial liabilities - lease liabilities		1,425,182	1,463,832	-	18,703
Loans and borrowings	14	2,245,124	1,531,695	1,068,221	266,647
Total current liabilities		25,945,060	22,050,936	6,548,558	3,746,573
Total liabilities		32,304,169	27,717,829	9,344,177	6,114,118
Total equity and liabilities		56,744,209	51,629,934	26,821,039	22,286,951



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 2022		23,912,105	22,218,722	14,684,250	(199,400)	12,451,733	(4,717,861)	1,787,961	(94,578)
Changes in equity:									
Total comprehensive income/(loss) for the period		1,955,763	1,915,528	-	-	1,920,336	(4,808)	40,235	-
Share buyback	15	(173,960)	(173,960)	-	(173,960)	-	-	-	-
Dividends paid	8	(925,868)	(925,868)	-	-	(925,868)	-	-	-
Dividends paid to non-controlling interests in subsidiaries		(328,000)	-	-	-	-	-	(328,000)	-
Closing balance at 31 December 2022		24,440,040	23,034,422	14,684,250	(373,360)	13,446,201	(4,722,669)	1,500,196	(94,578)
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 period		2,595,419	1,682,969	-	-	1,683,080	(111)	912,450	-
Dividends paid	8	(478,143)	(478,143)	-	-	(478,143)	-	-	-
Dividends paid to non-controlling interests in subsidiaries		(102,500)	-	-	-	-	-	(102,500)	-
Closing balance at 31 December 2021		22,554,435	20,991,860	14,684,250	-	11,022,559	(4,714,949)	2,088,711	(526,136)



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

Company		Total equity	Share capital	Treasury shares	Retained earnings
	Note	S\$	S\$	S\$	S\$
Opening balance at 1 July 2022		16,172,833	14,684,250	(199,400)	1,687,983
Changes in equity:					
Total comprehensive income for the period		2,403,857	-	-	2,403,857
Share buyback	15	(173,960)	-	(173,960)	-
Dividends paid	8	(925,868)	-	-	(925,868)
Closing balance at 31 December 2022		17,476,862	14,684,250	(373,360)	3,165,972
Opening balance at 1 July 2021		16,088,821	14,684,250	-	1,404,571
Changes in equity:					
Total comprehensive loss for the period		(291,623)	-	-	(291,623)
Dividends paid	8	(478,143)	-	-	(478,143)
Closing balance at 31 December 2021		15,319,055	14,684,250	-	634,805



D. Condensed interim consolidated statement of cash flows

	Note	Group	
		6 months ended 31 December	
		2022	2021
		S\$	S\$
<u>Cash flows from operating activities</u>			
Profit before tax		1,773,030	2,788,119
Adjustments for:			
Depreciation of property, plant and equipment		401,332	400,053
Depreciation of right-of-use assets		903,537	947,885
Amortisation of intangible assets		70,960	70,960
Plant and equipment written off		250	-
Interest expense		96,851	63,415
Lease interest expense		49,346	55,978
Rental rebates		-	(377,933)
Share of results of an associate		6,548	22,824
Operating cash flows before changes in working capital		3,301,854	3,971,301
<u>Changes in working capital:</u>			
Inventories		(23,373)	(111,191)
Trade and other receivables		(7,176,140)	2,084,647
Other non-financial assets		28,193	54,291
Trade and other payables		3,585,555	(810,098)
Other non-financial liabilities		(100,239)	(72,428)
Provision		-	10,000
Net effect of exchange rate changes in consolidating foreign operations		(4,271)	(209)
Net cash flows (used in) from operations		(388,421)	5,126,313
Income tax paid		(5,426)	(391,581)
Net cash flows (used in) from operating activities		(393,847)	4,734,732
<u>Cash flows from investing activities</u>			
Acquisition of an associate		-	(630,000)
Loan to an associate		-	(300,000)
Purchase of property, plant and equipment	12	(418,853)	(160,994)
Net cash flows used in investing activities		(418,853)	(1,090,994)
<u>Cash flows from financing activities</u>			
Lease liabilities – principal and interest paid		(954,902)	(618,655)
Movements in amount due to related parties		(145,731)	(246,129)
Increase in borrowings		1,700,000	-
Decrease in other financial liabilities		(438,899)	(401,893)
Finance lease repayments		(34,104)	(34,104)
Dividends paid to equity holders of the Company		(925,868)	(478,143)
Dividends paid to non-controlling interests		(328,000)	(102,500)
Share buyback		(173,960)	-
Interest paid		(96,851)	(63,415)
Net cash flows used in financing activities		(1,398,315)	(1,944,839)



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

	Group	
	6 months ended 31 December	
	2022	2021
Note	S\$	S\$
Net (decrease) increase in cash and cash equivalents	(2,211,015)	1,698,899
Cash and cash equivalents, statement of cash flows, beginning balance	20,689,704	16,708,771
Cash and cash equivalents, statement of cash flows, ending balance ⁽¹⁾	18,478,689	18,407,670

Note (1):

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

	Group	
	31 December	
	2022	2021
	S\$	S\$
Cash and bank balances	18,503,689	18,432,670
Less: Bank deposits pledged (a)	(25,000)	(25,000)
Cash and cash equivalents per consolidated statement of cash flows	18,478,689	18,407,670

(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 ended 31 December 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 ended 31 December 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 2022.

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 2022.

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.



2.2 Use of judgements and estimates (cont'd)

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 31 December 2022							Group S\$
	GP clinic services S\$	Specialist care services S\$	Managed healthcare solutions S\$	Pharmaceutical services S\$	Mobile and digital health services S\$	Others S\$	Eliminations S\$	
Revenue by segment								
External sales	9,064,710	6,779,166	3,642,403	7,822,136	1,602,280	9,327	-	28,920,022
Inter-segment sales	11,964	-	158,889	1,324,178	9,871	4,847,681	(6,352,583)	-
Total revenue	<u>9,076,674</u>	<u>6,779,166</u>	<u>3,801,292</u>	<u>9,146,314</u>	<u>1,612,151</u>	<u>4,857,008</u>	<u>(6,352,583)</u>	<u>28,920,022</u>
EBITDA	2,311,027	996,805	377,143	1,160,957	(872,644)	(671,684)	-	3,301,604
Finance costs	(50,500)	(15,799)	(615)	(1,850)	(75,870)	(1,563)	-	(146,197)
Depreciation and amortisation	(667,932)	(253,499)	(56,650)	(76,595)	(232,868)	(88,285)	-	(1,375,829)
Share of results of an associate	-	-	-	-	(6,548)	-	-	(6,548)
Profit (loss) before tax	<u>1,592,595</u>	<u>727,507</u>	<u>319,878</u>	<u>1,082,512</u>	<u>(1,187,930)</u>	<u>(761,532)</u>	<u>-</u>	<u>1,773,030</u>
Income tax income								<u>187,541</u>
Profit, net of tax								<u><u>1,960,571</u></u>
Segment assets	<u>12,162,005</u>	<u>5,117,713</u>	<u>24,223,716</u>	<u>6,444,915</u>	<u>10,065,702</u>	<u>23,521,322</u>	<u>(24,791,164)</u>	<u>56,744,209</u>
Segment liabilities	<u>(5,122,552)</u>	<u>(3,984,967)</u>	<u>(19,954,139)</u>	<u>(2,147,564)</u>	<u>(11,312,048)</u>	<u>(9,447,604)</u>	<u>19,664,705</u>	<u>(32,304,169)</u>
Other material items and reconciliations								
Expenditures for property, plant and equipment	<u>20,121</u>	<u>18,222</u>	<u>87,289</u>	<u>1,285</u>	<u>107,625</u>	<u>184,311</u>	<u>-</u>	<u>418,853</u>



4. Segment and revenue information (cont'd)

4.1 Reportable segments (cont'd)

	6 months ended 31 December 2021							Group S\$
	GP clinic services S\$	Specialist care services S\$	Managed healthcare solutions S\$	Pharmaceutical services S\$	Mobile and digital health services S\$	Others S\$	Eliminations S\$	
Revenue by segment								
External sales	8,428,387	4,767,204	2,642,390	6,347,593	6,378,412	3,544	-	28,567,530
Inter-segment sales	16,021	-	148,288	561,565	20,670	1,710,829	(2,457,373)	-
Total revenue	8,444,408	4,767,204	2,790,678	6,909,158	6,399,082	1,714,373	(2,457,373)	28,567,530
EBITDA								
EBITDA	2,051,507	887,504	(108,442)	515,090	1,510,614	(507,039)	-	4,349,234
Finance costs	(47,632)	(10,065)	(424)	(4,182)	(40,255)	(16,835)	-	(119,393)
Depreciation and amortisation	(687,068)	(246,110)	(58,435)	(98,567)	(185,931)	(142,787)	-	(1,418,898)
Share of results of an associate	-	-	-	-	(22,824)	-	-	(22,824)
Profit (loss) before tax	1,316,807	631,329	(167,301)	412,341	1,261,604	(666,661)	-	2,788,119
Income tax expense								(192,589)
Profit, net of tax								2,595,530
Segment assets								
Segment assets	12,848,916	4,263,278	15,887,647	5,058,774	10,399,930	19,218,481	(18,121,397)	49,555,629
Segment liabilities	(6,802,429)	(2,319,231)	(13,467,353)	(1,436,644)	(9,211,339)	(5,966,596)	12,202,398	(27,001,194)
Other material items and reconciliations								
Expenditures for property, plant and equipment	10,215	20,767	24,113	9,157	80,997	15,745	-	160,994



4. Segment and revenue information (cont'd)

4.2 Disaggregation of revenue

	Group						Group
	6 months ended 31 December 2022						
	GP clinic 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	9,064,710	6,779,166	-	-	-	-	15,843,876
– Managed healthcare solutions services	-	-	3,642,403	-	-	-	3,642,403
– Mobile and digital health services	-	-	-	-	1,602,280	-	1,602,280
Sales of goods	-	-	-	7,822,136	-	-	7,822,136
Others	-	-	-	-	-	9,327	9,327
Total revenue	9,064,710	6,779,166	3,642,403	7,822,136	1,602,280	9,327	28,920,022
Timing of revenue recognition:							
At a point in time	9,064,710	6,779,166	3,642,403	7,822,136	1,602,280	9,327	28,920,022
Total revenue	9,064,710	6,779,166	3,642,403	7,822,136	1,602,280	9,327	28,920,022
Geographical information:							
Singapore	9,064,710	6,779,166	3,639,301	5,903,178	1,602,280	9,327	26,997,962
Others ⁽¹⁾	-	-	3,102	1,918,958	-	-	1,922,060
Total revenue	9,064,710	6,779,166	3,642,403	7,822,136	1,602,280	9,327	28,920,022

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



4. Segment and revenue information (cont'd)

4.2 Disaggregation of revenue

	Group						Group
	6 months ended 31 December 2021						
	GP clinic 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	8,428,387	4,767,204	-	-	-	-	13,195,591
– Managed healthcare solutions services	-	-	2,642,390	-	-	-	2,642,390
– Mobile and digital health services	-	-	-	-	6,378,412	-	6,378,412
Sales of goods	-	-	-	6,347,593	-	-	6,347,593
Others	-	-	-	-	-	3,544	3,544
Total revenue	8,428,387	4,767,204	2,642,390	6,347,593	6,378,412	3,544	28,567,530
Timing of revenue recognition:							
At a point in time	8,428,387	4,767,204	2,642,390	6,347,593	6,378,412	3,544	28,567,530
Total revenue	8,428,387	4,767,204	2,642,390	6,347,593	6,378,412	3,544	28,567,530
Geographical information:							
Singapore	8,428,387	4,767,204	2,638,820	5,124,101	6,378,412	3,544	27,340,468
Others ⁽¹⁾	-	-	3,570	1,223,492	-	-	1,227,062
Total revenue	8,428,387	4,767,204	2,642,390	6,347,593	6,378,412	3,544	28,567,530

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



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 31 December 2022 and 30 June 2022:

	Group		Company	
	31-Dec-22 S\$	30-Jun-22 S\$	31-Dec-22 S\$	30-Jun-22 S\$
Financial Assets:				
Financial assets at amortised cost	37,897,303	32,932,178	16,835,498	12,329,747
Financial assets at fair value through profit or loss (FVTPL)	89,962	89,962	-	-
Total	37,987,265	33,022,140	16,835,498	12,329,747
Financial Liabilities:				
Financial liabilities at amortised cost	31,272,628	26,391,768	9,344,177	6,114,118
Financial liabilities at fair value through profit or loss (FVTPL)	157,932	157,932	-	-
Total	31,430,560	26,549,700	9,344,177	6,114,118

6. Profit before taxation

6.1 Significant items

	Group	
	6 months ended 31 December 2022 S\$	2021 S\$
Income		
Other income ⁽¹⁾	(13,399)	(382,530)
Government grants ⁽²⁾	(472,954)	(365,152)
Foreign exchange gains	(61,982)	(45,582)
Expenses		
Interest expense	96,851	63,415
Lease interest expense	49,346	55,978
Amortisation of intangible assets	70,960	70,960
Depreciation of property, plant and equipment	401,332	400,053
Depreciation of right-of-use assets	903,537	947,885
Bad debts written off trade receivables	200	317
Allowance for impairment on trade receivables	2,473	5,507
Plant and equipment written off	250	-

Notes:

- (1) Other income in HY2022 mainly related to rental rebates received from the various landlords during the period. Most of such rental rebates were not available in HY2023.
- (2) Government grants in HY2023 mainly related to Digital Leaders Program, Jobs Growth Incentive and various Employment Credits and in respect of HY2022, Jobs Growth Incentive, Rental Support Scheme and various Employment Credits.



6. Profit before taxation (cont'd)

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 31 December	
	2022	2021
	S\$	S\$
<u>An associate:</u>		
Administrative fees income	(9,000)	(3,677)
Interest income	(12,030)	(1,087)
Marketing fee income	(6,000)	-
Software subscription and system maintenance fee	25,437	13,004
Web based software development cost	31,025	24,400
<u>Related parties:</u>		
Professional fees expenses	2,292,352	1,561,035
Payments in respect of a lease for premises	26,034	25,350

The professional fee expenses were paid/payable to entities controlled by certain directors or shareholders of the company's subsidiaries.

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 31 December	
	2022	2021
	S\$	S\$
<u>Current income tax expense</u>		
Deferred income tax expense relating to origination and reversal of temporary differences	(12,063)	(12,063)
Income tax (income) expense	(175,478)	204,652
	(187,541)	192,589



8. Dividends

	Group	
	6 months ended 31 December 2022	6 months ended 31 December 2021
	S\$	S\$
Ordinary dividends paid:		
First & final one-tier tax-exempt dividend paid	925,868	478,143
Dividend per share (net of tax)	0.0045	0.0023

9. Earnings per share

	Group	
	6 months ended 31 December 2022	6 months ended 31 December 2021
Earnings attributable to equity holders of the Company	1,920,336	1,683,080
Weighted average number of Shares used in computation of basic earnings per share ("EPS")	205,872,265	207,888,352
Basic EPS attributable to equity holders of the Company (cents) ⁽¹⁾	0.93	0.81
Fully diluted EPS attributable to equity holders of the Company (cents) ⁽²⁾	0.93	0.81

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	
	31-Dec-22	30-Jun-22	31-Dec-22	30-Jun-22
Net asset value ("NAV") per ordinary share (cents)	11.20	10.75	8.49	7.82
Number of Shares used in computation of NAV	205,748,352	206,748,352	205,748,352	206,748,352

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
	Goodwill	Customer relationship	Unpatented technology	
	S\$	S\$	S\$	S\$
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
6 months ended 31 December 2022				
Opening net book amount	5,190,858	14,270	520,712	5,725,840
Amortisation charge	-	(13,103)	(57,857)	(70,960)
Closing net book amount	5,190,858	1,167	462,855	5,654,880
At 31 December 2022				
Cost	5,190,858	131,027	810,000	6,131,885
Accumulated amortisation and impairment	-	(129,860)	(347,145)	(477,005)
Net book amount	5,190,858	1,167	462,855	5,654,880

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:

	Group	
	31 Dec 2022 S\$	30 Jun 2022 S\$
<u>Name of subsidiary:</u>		
“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	<u>2,606,563</u>	<u>2,606,563</u>
Jaga-Me Pte. Ltd.	2,584,295	2,584,295
Sub-total	<u>2,584,295</u>	<u>2,584,295</u>
Total	<u>5,190,858</u>	<u>5,190,858</u>

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

The Group performed its annual impairment test in June 2022. The key assumptions used to determine the recoverable amount for the CGU were disclosed in note 18 of the audited annual consolidated financial statements for the year ended 30 June 2022.



12. Property, plant and equipment

During the six months ended 31 December 2022, the Group acquired assets amounting to S\$418,853 (31 December 2021: S\$160,994), of which a deposit payment of S\$147,000 (31 December 2021: S\$ Nil) was included under other non-financial assets, and disposed of assets amounting to S\$250 (31 December 2021: S\$3,100).

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\$
At 1 July and 31 December	4,693,069	4,693,069
<u>Accumulated depreciation:</u>		
At 1 July	872,886	762,953
Depreciation for the period	54,967	54,967
At 31 December	927,853	817,920
<u>Carrying value:</u>		
At 31 December	3,765,216	3,875,149

14. Loans and borrowings

	Group			
	As at 31 Dec 2022		As at 30 Jun 2022	
	Secured	Unsecured	Secured	Unsecured
	S\$	S\$	S\$	S\$
Amount repayable in one year or less, or on demand	1,648,301	596,823	872,895	658,800
Amount repayable after one year	4,884,893	-	4,433,303	-
Total	6,533,194	596,823	5,306,198	658,800



14. Loans and borrowings (cont'd)

Details of any collaterals:

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

The DBS Loans amounting to S\$1.9 million as at 31 December 2022 (S\$2.0 million as at 30 June 2022) are secured by a first legal mortgage over certain of the Group’s leasehold properties.

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

The OCBC Loan amounting to S\$1.1 million as at 31 December 2022 (S\$1.2 million as at 30 June 2022) 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 from United Overseas Bank Limited (“UOB Loan 1”)

The UOB Loan 1 amounting to S\$1.2 million as at 31 December 2022 (S\$1.4 million as at 30 June 2022) 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\$0.3 million as at 31 December 2022 (S\$0.4 million as at 30 June 2022) 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\$1.9 million as at 31 December 2022 (S\$0.3 million as at 30 June 2022) is a 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 31 December 2022 (S\$0.1 million as at 30 June 2022) relates to contracts undertaken by the Group for motor vehicles and equipment.



15. Share capital and treasury shares

	Group and Company			
	31 December 2022		30 June 2022	
(a) Share capital	Number of shares	S\$	Number of shares	S\$
Issued and fully paid ordinary shares				
Beginning & end of the period	207,888,352	14,684,250	207,888,352	14,684,250

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

The Company did not have any subsidiary holdings as at 31 December 2022 and 30 June 2022.

The Company's subsidiaries do not hold any shares in the Company as at 31 December 2022 and 30 June 2022.

	Group and Company			
	31 Dec 2022		31 Dec 2021	
(b) Treasury shares	Number of shares	S\$	Number of shares	S\$
At beginning of the period	1,140,000	199,400	-	-
Shares buy-back during the period	1,000,000	173,960	-	-
At end of the period	2,140,000	373,360	-	-

During HY2023, the Company acquired 1,000,000 (HY2022: Nil) of its ordinary shares by way of on-market purchase for a total consideration of S\$173,960 (HY2022: S\$ Nil). These share buybacks are presented under treasury shares as a component within equity.

	Group and Company	
	31 Dec 2022	30 Jun 2022
Total number of issued shares excluding treasury shares	205,748,352	206,748,352

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

Call and Put Options

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) cash; and/or (ii) shares in the Company; or (iii) a combination of cash and shares in the Company.

Based on Jaga-Me's audited accounts for the financial year ended 30 June 2022, 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.

On 30 December 2022 ("**Date of the Put Option Exercise Notice**"), a non-controlling shareholder of Jaga-Me ("**Exercising Shareholder**") exercised the Put Option. On 9 January 2022 the Exercising Shareholder sold 6,731 Jaga-Me Shares ("**Put Option Shares**") at S\$3.00 per Jaga-Me Share for a cash consideration of S\$20,193 ("**Put Option Consideration**") to AHPL. The net asset value represented by such Put Option Shares as of 30 June 2022 is approximately S\$9,615.

The Put Option Shares represent approximately 0.27% of the issued share capital of Jaga-Me. Accordingly, following this acquisition, the Group's shareholding interest in Jaga-Me increased from 64.6% to 64.9%.

In accordance with the Amended and Restated SHA, AHPL shall pay the Exercising Shareholder the Put Option Consideration within three (3) months from the Date of the Put Option Exercise Notice. The Company intends to use its working capital to fund the Put Option Consideration.

Acquisition of Jaga-Me Shares from a Jaga-Me Co-Founder

On 9 January 2023 ("**Date of Instrument of Transfer**"), one of the Jaga-Me's co-founders (the "**Jaga-Me Co-Founder**") and AHPL executed an instrument of transfer, pursuant to which the Jaga-Me Co-Founder sold 260,139 Jaga-Me Shares ("**Co-Founder's Disposal Shares**") at S\$3.00 per Jaga-Me Share for a cash consideration of S\$780,417 ("**Consideration**") to AHPL. The Consideration was arrived at on a willing-buyer, willing-seller basis, after taking into account, amongst others, Jaga-Me's operating profit for the most recently completed financial year based on Jaga-Me's audited accounts and the exercise price of the Put Option. The net asset value represented by such Co-Founder's Disposal Shares as of 30 June 2022 is approximately S\$371,593.

The Co-Founder's Disposal Shares represent approximately 10.4% of the issued share capital of Jaga-Me. Accordingly, following this acquisition, the Group's shareholding interest in Jaga-Me increased from 64.9% to 75.3%.



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

The Jaga-Me Co-Founder and AHPL agreed that AHPL shall pay the Jaga-Me Co-Founder the Consideration within one month from the Date of Instrument of Transfer. The Company intends to use the remaining proceeds raised from its initial public offering of S\$299,000 to partially fund the Consideration and working capital to fund the remaining S\$481,417.

The above transactions are not expected to have any material financial impact on the consolidated earnings per share and consolidated net tangible assets per share of Group for the current financial year ending 30 June 2023. None of the directors or controlling shareholders of the Company has any interest, direct or indirect, in the transactions (other than through their shareholdings in the Company).

17. Acquisition of an associate

There was no change in the Company's investment in an associate between 30 June 2022 (being the end of the previous period reported on) and 31 December 2022.

18. Subsequent events

Save for the exercise of Put Option by an Exercising Shareholder and the acquisition of additional Jaga-Me Shares as disclosed in Note 16, 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 31 December 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 six-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 HY2023 compared to HY2022

Revenue

Revenue increased by approximately S\$0.3 million or 1.2% from S\$28.6 million in HY2022 to S\$28.9 million in HY2023.

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

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

(a) GP Clinic Services

Revenue from GP clinic services increased by approximately S\$0.6 million or 7.1% from S\$8.5 million in HY2022 to S\$9.1 million in HY2023, mainly due to more patient visits as compared to HY2022.

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

Review of financial performance of the Group for HY2023 compared to HY2022 (cont'd)

(b) Specialist Care Services

Revenue from specialist care services increased by approximately S\$2.0 million or 41.7% from S\$4.8 million in HY2022 to S\$6.8 million in HY2023, mainly due to more patient visits as compared to HY2022.

(c) Managed Healthcare Solutions

Revenue from managed healthcare solutions business segment increased by approximately S\$1.0 million or 38.5% from S\$2.6 million in HY2022 to S\$3.6 million in HY2023, mainly due to higher patient volume and more corporate clients engaged.

(d) Pharmaceutical Services

Revenue from pharmaceutical services increased by approximately S\$1.5 million or 23.8% from S\$6.3 million in HY2022 to S\$7.8 million in HY2023. Local sales within Singapore and overseas sales increased by S\$0.8 million and S\$0.7 million respectively. The increase was mainly due to an increase in demand for medical supplies from certain hospitals and institutions and overseas clients.

(e) Mobile and Digital Health Services

Revenue from mobile and digital health services decreased by approximately S\$4.8 million or 75% from S\$6.4 million in HY2022 to S\$1.6 million in HY2023. This was mainly due to decreased revenue from COVID-19 related healthcare services in view of further easing of COVID-19 measures in Singapore as well as globally.

Other income and gains

Other income and gains, mainly consisting of government grants, incentives and rental rebates, decreased by approximately S\$0.3 million or 30.9% from S\$0.8 million in HY2022 to S\$0.5 million in HY2023, mainly due to the cessation of the rental rebates for most of the clinics from July 2022 onwards.

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 segment and mobile and digital health services business segment.

Consumables and medical supplies used increased by approximately S\$0.8 million or 9.7% from S\$8.3 million in HY2022 to S\$9.1 million in HY2023, mainly due to an increase of consumables and medical supplies used for the pharmaceutical services business segment and the specialist care service 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 HY2023 compared to HY2022 (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 decreased by approximately S\$0.1 million or 0.8% from S\$15.0 million in HY2022 to S\$14.9 million in HY2023, as a result of the following:

- (a) a decrease of approximately S\$2.0 million relating to locum doctors and locum nurses in line with the decrease in business activities in the mobile and digital health services business segments; and
- (b) an increase of approximately S\$1.9 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 increase in business activities in the GP and Specialist Care Services.

Depreciation and amortisation expense

Depreciation and amortisation expense amounted to approximately S\$1.4 million in HY2023 which was comparable to the amount reported in HY2022.

Other losses

Other losses were not significant in HY2023 and HY2022.

Finance costs

Finance costs increased by approximately S\$27,000 or 22.5% from S\$119,000 in HY2022 to S\$146,000 in HY2023, due to additional loan drawn down and increased interest rate during the period.

Other expenses

Other expenses increased by approximately S\$0.4 million or 27% from S\$1.8 million in HY2022 to S\$2.2 million in HY2023, mainly due to higher marketing expense, distribution costs and general global inflation in HY2023.

Share of results of an associate

The Group's share of losses from an associate in HY2023 was S\$7,000, a slight improvement from the share of losses of S\$23,000 in HY2022.



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

Review of financial performance of the Group for HY2023 compared to HY2022 (cont'd)

Profit before tax

As a result of the above, profit before tax decreased by approximately S\$1.0 million or 36.4% from S\$2.8 million in HY2022 to S\$1.8 million in HY2023.

Income tax

The Group recorded a tax credit of approximately S\$0.2 million in HY2023 compared to an income tax expense of S\$0.2 million in HY2022. This was the net effect of current tax expense and tax refund received in respect of Group relief and utilisation of trade losses of prior years in HY2023.

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\$0.2 million from S\$1.7 million in HY2022 to S\$1.9 million in HY2023.

Financial performance by operating segments

In HY2023, the managed healthcare solutions, GP clinic services, specialist care services, pharmaceutical services and mobile and digital health services business segments contributed 12.6%, 31.4%, 23.4%, 27.1% and 5.5% of the Group's revenue, respectively.

In HY2022, the managed healthcare solutions, GP clinics services, specialist care services, pharmaceutical services and mobile and digital health services business segments contributed 9.3%, 29.5%, 16.7%, 22.2% and 22.3% of the Group's revenue, respectively.

Compared to HY2022, the net profit before tax margins of the GP clinic services, managed healthcare solutions business segments and pharmaceutical services had improved while the net profit before tax margin of the specialist care services business segment had decreased. Mobile and digital health services business segment recorded a loss in HY2023 due to lesser COVID-19 related healthcare services following Singapore's move towards endemic.

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 HY2023, Singapore and overseas markets contributed approximately 93.4% and 6.6% of the Group's revenue respectively. In HY2022, Singapore and overseas markets contributed approximately 95.7% and 4.3% of the Group's revenue respectively.



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

Review of financial position of the Group as at 31 December 2022

Non-current assets

As at 31 December 2022, the Group's non-current assets amounted to S\$16.0 million which was comparable to the amount recorded as at 30 June 2022. This was mainly due to the net effect of depreciation and amortisation of S\$1.4 million, partially offset by renewal of leases of an aggregate value of S\$1.1 million and addition of new plant and equipment of S\$0.3 million.

Current assets

Current assets increased by approximately S\$5.1 million, from S\$35.6 million as at 30 June 2022 to S\$40.7 million as at 31 December 2022. This was mainly due to the net effect of an increase in trade and other receivables of approximately S\$7.1 million and a decrease in cash and cash equivalents of S\$2.2 million.

The increase in trade and other receivables was mainly due to the increased service provision, increased sales of medical supplies and increased medical claims towards end of HY2023 which were pending for verification and reimbursement by corporate clients and insurers as at 31 December 2022.

Total equity

Shareholders' equity increased by S\$0.8 million from S\$22.2 million as at 30 June 2022 to S\$23.0 million as at 31 December 2022 mainly as a result of an increase in retained earnings of S\$1.0 million (net profit attributable to equity holders of the Company of S\$1.9 million, offset by the payment of dividends of S\$0.9 million). Non-controlling interests decreased by S\$0.3 million to S\$1.5 million. During the financial period ended 31 December 2022, the Company acquired 1,000,000 of its ordinary shares by way of on-market purchase for a total consideration of S\$173,960.

Non-current liabilities

Non-current liabilities increased by S\$0.7 million from S\$5.7 million as at 30 June 2022 to S\$6.4 million as at 31 December 2022 mainly due to additional loans and borrowings of S\$0.5 million after netting loan repayments and renewal of leases of S\$0.2 million.

Current liabilities

Current liabilities increased by S\$3.8 million, from S\$22.1 million as at 30 June 2022 to S\$25.9 million as at 31 December 2022, mainly due to an increase in trade and other payables of S\$3.5 million largely attributable to the business segments of managed healthcare solutions and pharmaceutical services in line with increase of medical claims and higher medical supplies purchased towards end of the HY2023, additional loans and borrowings of \$0.7 million after netting loan repayments, partially offset by a decrease in income tax payable of S\$0.2 million in line with lower profit before tax in HY2023 and tax refund received in respect of Group relief and utilisation of trade losses for prior years in HY2023.

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

Review of statement of cash flow for HY2023

Cash flows generated from operating activities for HY2023 amounted S\$3.3 million had been utilised to meet the Group's working capital requirements. The net operating cash outflows were mainly due to increase in trade and other receivables arising from increased sales and medical claims towards the end of the financial period.

Net cash flows used in investing activities during HY2023 amounted to S\$0.4 million were mainly due to the purchase of property, plant and equipment.

Net cash flows used in financing activities amounted to S\$1.4 million during HY2023, mainly due to the payment of lease liabilities of S\$1.0 million, the repayment of bank borrowings of S\$0.4 million, repayment of non-controlling shareholders' loan of S\$0.1 million, the payment of dividends of S\$0.9 million and S\$0.3 million to equity holders of the Company and non-controlling shareholders respectively, share buyback of S\$0.2 million and interest payment of S\$0.1 million, partially offset by the new loan of S\$1.7 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 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 Singapore entering the post-pandemic phase, we expect the volume of patient visits to our GP Clinic Services, Specialist Care Services and Managed Healthcare business segments to continue improving compared to the pandemic period. However, an economic downturn or unabated inflation would hurt business growth and profitability.

The Healthier SG initiative, a significant healthcare system reform that encourages every Singaporean to have a trusted and lifelong relationship with their family doctors, is scheduled to start its phased rollout in July 2023. The Group believes this programme will positively impact our GP services in the mid and long term.

GP clinics participating in the Healthier SG must subscribe to a clinic management system (CMS) that is Healthier SG-enabled. The Group's associate company, SGiMed Pte Ltd, is amongst an early group of clinic management solution vendors working towards gaining accreditation with the Integrated Health Information Systems (IHIS) as a Healthier SG-enabled CMS provider. The Group expects the demand for SGiMed's Hummingbird CMS to increase if it obtains the accreditation.

Telemedicine has gained significant traction since the COVID-19 pandemic, and the Group believes it will become an accepted modality of care delivery. However, with the waning of the COVID-19 pandemic, the demand for COVID-19-related services is expected to further reduce in the coming 12 months. This development will negatively impact the business performance of the Group's mobile and digital health services segment. Nevertheless, the Group noted MOH's drive for a 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) and has started to engage various public hospitals to participate in their pilot projects.



5. Dividend Information

5(a) Current Financial Period Reported On

Any dividend recommended for the current financial period reported on?

No.

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

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

Yes.

5(c) Date Payable

Not applicable.

5(d) Books Closure Date

Not applicable.

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

The Board is not recommending any interim dividend in respect of HY2022 as the Board wished to take into consideration the Group's full-year results of operations in view of the current uncertain economic outlook.



7. **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 aggregate value of interested person transactions entered into during HY2023 pursuant to Rule 907 of the Catalist Rules is as follows:

Name of interested person and details of Transactions	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) S\$'000	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000) S\$'000
ENTDoctors Pte. Ltd ("EDPL") - Lease of premises from EDPL	Note	160	NA

Note:

EDPL is wholly-owned by Dr. Mok Kan Hwei, Paul, the Company's Executive Director.

8. **Negative confirmation pursuant to Rule 705(5).**

We, Barry Thng Lip Mong and Eugene Wong Hin Sun, being directors of the Company ("Directors"), hereby confirm on behalf of the board of Directors that, to the best of the Directors' knowledge, nothing has come to the attention of the board of Directors which may render the unaudited consolidated financial statements of the Group for the six months ended 31 December 2022 to be false or misleading in any material aspect.

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. 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, after taking into account the partial funding of the Consideration of S\$299,000 (as detailed in note 16 to the condensed interim financial statements) 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	3,000	-
(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	6,400	-

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.

11. 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 2022 (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

13 February 2023